



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

DATE/TIME: Wednesday, August 10, 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.**

## AUGUST 10, 2016 CONTRA COSTA LAFCO AGENDA

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

### SPHERE OF INFLUENCE (SOI)/BOUNDARY CHANGES

6. **LAFCO 16-02** –*Detachment from the Byron Bethany Irrigation District (BBID)* - consider the following: proposed detachment from BBID of 480± acres (numerous parcels) excluding Assessor Parcel Numbers (APNs) 011-190-044/-045; proposed detachment of APNs 011-190-044/-045 from the Town of Discovery Bay Community Services District; and related actions under the California Environmental Quality Act (CEQA). The subject territory is located in two separate areas in unincorporated Discovery Bay (west). ***Public Hearing – Continued from July 13, 2016***

### MUNICIPAL SERVICE REVIEWS (MSRs)/SOI UPDATES

7. ***Fire and Emergency Medical Services MSR/SOI Updates (2<sup>nd</sup> Round)*** – consider accepting the Final MSR report, making the required determinations, and taking related actions under CEQA  
***Public Hearing***

### BUSINESS ITEMS

8. ***Rollingwood-Wilart Park Recreation and Park District (RWPRPD) Special Study*** –consider amending the current contract with Berkson Associates to include preparing a special study relating to governance options, including dissolution, for the RWPRPD; and to authorize the LAFCO Executive Officer to execute the contract amendment, with a contract term from August 11, 2016 through February 28, 2017 in an amount not to exceed \$18,000.

### CORRESPONDENCE

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

### INFORMATIONAL ITEMS

10. Commissioner Comments and Announcements
11. Staff Announcements
  - CALAFCO Updates
  - Pending Projects
  - Newspaper Articles

### ADJOURNMENT

*Next regular LAFCO meeting – September 14, 2016 at 1:30 p.m.*

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

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MINUTES OF MEETING

July 13, 2016

Board of Supervisors Chambers  
Martinez, CA

August 10, 2016  
Agenda Item 5

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

County Members Federal Glover and Mary Piepho and Alternate Candace Andersen.  
Special District Members Mike McGill and Alternate Stanley Caldwell.  
City Members Rob Schroder and Don Tatzin.  
Public Members Don Blubaugh and Alternate Sharon Burke.

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

4. Approval of the Agenda

Upon motion of Tatzin, second by Schroder, Commissioners, by a vote of 7-0, adopted the agenda.

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

5. Public Comments

There were no public comments.

6. Approval of June 8, 2016 Meeting Minutes

Upon motion of Blubaugh, second by Tatzin, the minutes were unanimously approved by a vote of 7-0.

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

7. LAFCO 09-07 - Laurel Place/Pleasant View Annexation to the City of Concord

The Executive Officer provided background, noting that this annexation was approved in August 2015, conditioned upon LAFCO deferring recording the annexation for up to one year to allow the developer time to obtain the necessary County permits and complete construction. Lenox Homes recently informed LAFCO that the site improvement is underway but that the estimated completion date will extend beyond the August 2016 deadline as previously approved by LAFCO. Lenox Homes requests that LAFCO defer recordation of the annexation to February 2017 to allow for completion of the project as explained in their letter. An extension of time is allowed under the Government Code.

Upon motion of Blubaugh, second by Andersen, Commissioners unanimously, by a 7-0 vote, approved an extension of time to file the Certificate of Completion for LAFCO 09-07 to February

**DRAFT**

2, 2017, as requested by Lenox Homes, to allow the developer additional time to complete construction activities.

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

At this time, Chair Piepho, noting that she had been asked to delay Agenda Item #7 for latecomers, moved to Agenda Item #8.

Also, Commissioner Glover arrived at approximately 1:40 p.m., during discussion of Agenda Item #8.

8. LAFCO 16-09 - City of Martinez Out of Agency Service (Sierra Avenue) (Agenda Item #8)

The Executive Officer provided background on this request by the City of Martinez to provide municipal water service to a property on Sierra Avenue in the unincorporated Mt. View area. The landowner is proposing to build a single family home on the property, and is in the process of obtaining a building permit through the County. This property is contiguous to the City boundary; however, the City's application indicates that annexation is not feasible at this time.

LAFCO staff reviewed the proposal for consistency with the Commission's policy and believes that a corresponding application for annexation is needed, given the subject property is contiguous to the City boundary, that annexation of the Mt. View area is questionable given the results of the fiscal study, and that the City has not adopted a plan for annexation or a resolution of intent to annex this area in the foreseeable future. LAFCO staff previously communicated with City staff and the property owners the options for water service to this property and advised that annexation would be preferred.

Staff recommends that the Commission approve the request for out of agency service conditioned on an annexation application being submitted within a specified time. The property owners are aware of this option and have requested that if the Commission approves the out of agency service request conditioned on an annexation application being submitted, that the Commission consider waiving the annexation fee as explained in their letter. Regarding the fee waiver, the Commission's adopted fee schedule provides that the Commission may waive or alter fees in special circumstances per Gov. Code §56383(d) if it finds that payment would be detrimental to the public interest. The waiver or reduction of the LAFCO fee is a policy matter to be decided by the Commission.

Commissioners discussed this LAFCO's history of such a conditioned approval of out of agency service, the pros and cons of this, and the prospect of a full territory annexation of the Mt. View area in the immediately foreseeable future. They also discussed the ramifications of waiving or modifying the LAFCO annexation fee.

Tambri Heyden, owner of the property in question, noted that she has been caught between the City of Martinez and LAFCO for the past two years, and that she must have proof of water service in order to move forward with the County's permitting process.

Upon motion of Blubaugh, second by McGill, Commissioners, by a 7-0 vote, found the project exempt pursuant to §15303 of the CEQA Guidelines; and authorized the City of Martinez to extend municipal water service outside its jurisdictional boundary to the 0.12±-acre parcel, APN 375-054-014 located on Sierra Avenue, subject to specified terms and conditions, that water service be further conditioned on LAFCO receiving an application to annex the subject parcel by January 13, 2017, and upon the LAFCO Executive Officer deeming the annexation application complete. The LAFCO resolution was amended to reflect the Commission's condition of approval.

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

9. LAFCO 16-02 -Detachment from the Byron Bethany Irrigation District (BBID) (Agenda Item #7)

The Executive Officer provided background on this proposal submitted by Contra Costa County to detach 480+ acres from BBID located in two separate areas in Discovery Bay west. The subject areas comprise territory where BBID and the Town of Discovery Bay Community Services District (TODBCSD) boundaries overlap.

The areas proposed for detachment are within the SOIs of both BBID and the TODBCSD. Removal of these areas from BBID's SOI is not required, and presently there is no proposal to remove the subject areas from BBID's SOI in conjunction with the proposed detachment. If desired, a proposal to amend BBID's SOI can be submitted at a later time.

The County Board of Supervisors (BOS) adopted a tax transfer agreement providing that BBID's share of the annual property tax associated with the proposed detachment, which currently totals approximately \$685,000, will be allocated to the County. Further, the BOS directed its staff to prepare a second tax exchange agreement to allow the County to transfer, annually, the reallocated BBID tax revenue from the County to East Contra Costa Fire Protection District (ECCFPD), unless an application to initiate dissolution of ECCFPD is filed with LAFCO, at which point the property tax transfer from the County to ECCFPD would automatically terminate.

LAFCO received a request from Rick Gilmore, BBID's General Manager, to exclude from the proposed detachment two parcels containing a BBID-owned pipeline corridor, located at the western edge of the TODBCSD; it appears that exclusion of the two parcels from the proposed detachment will not create an island or gap. Excluding the two parcels from the proposed detachment will mean that BBID will not have to pay property tax on these parcels (estimated at \$217 per year), and that the two parcels will remain in both the BBID and TODBCSD boundaries. Should the Commission take action today, the Commission has the option of excluding these two parcels from the proposed detachment.

Mr. Gilmore additionally requested that LAFCO detach these two parcels from the TODBCSD, as the parcels do not require the CSD's services. Further, that should LAFCO vote to approve excluding the two parcels from the proposed detachment, detachment from the TODBCSD would be necessary to avoid another boundary overlap. Should the Commission wish to take action today, the Commission does *not* have the option of detaching these two parcels from the CSD, given that the detachment from the TODBCSD was not part of the County's application, nor was this action included on the LAFCO agenda or in LAFCO's published notices. Therefore, should the Commission wish to also detach the two parcels from TODBCSD, then the proposal, in its entirety, must be continued to a future LAFCO meeting.

Commissioners discussed the options before them, confirming with County staff that the detachment of these two parcels was not in the County's application. Also discussed was the County Board of Supervisors' decision regarding the tax revenue allocation process; Chair Piepho explained that this will ensure that the funds will be used for fire protection even if ECCFPD were to dissolve due to other financial pressures.

Commissioner Blubaugh asked if delaying a decision on this proposal will affect the ability to make the tax share transfer effective on next year's tax roll. As the deadline for that is December 1, there should be no concern.

Upon motion of Glover, second by Blubaugh, Commissioners unanimously, by a 7-0 vote, continued the public hearing to the August 10, 2016 regular LAFCO meeting in order to re-notice the hearing to reflect the additional action, as requested by BBID, regarding two parcels.

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

10. Agricultural & Open Space Preservation Policy (AOSPP)

Commissioners Burke and Tatzin, members of the ad hoc Policies and Procedures Committee, thanked the Executive Officer for her work on the proposed AOSPP. Commissioner Burke provided an introduction, chronology and an update on meetings and communications with numerous stakeholders in the preparation of this latest draft policy, which the committee members feel reflect many of the comments received.

Commissioner Tatzin thanked the Commissioners for asking for more input, as their further conversations provided a basis for most of the changes presented today. He added, in noting the addition of a preface to the draft policy, that Contra Costa County began as an agricultural county, but much has changed; the 2010 census population was 33 times the 1910 population count, and by 2040 another 200,000+ people are expected to settle in this county. He reviewed the changes made since the Commission's discussion in March, which reflect both the Commission's guidance and comments received from the stakeholders and the public. Commissioner Tatzin noted that many correspondents requested that stronger mitigation measures be required in the policy; and while the committee did not change direction in this regard, committee members feel it should be discussed by Commissioners today. LAFCO has also received comments that this draft policy goes too far and that LAFCO has exceeded its bounds.

Commissioner Tatzin highlighted three observations included in the policy, and posed several policy questions: Do we want to continue with assessment; do we want to revisit the topic of mandated mitigations; do we want to remove passages that have been recommended for removal; and do we to revise any wording?

Chair Piepho thanked Commissioners Burke and Tatzin for their work and stated that this is a more robust policy because of that. She still has some concerns, particularly regarding a letter from Barbara Cecchini from Cecchini & Cecchini Farms, which provides the farmers' perspective in warning that farmers need flexibility in responding to changes in the agriculture business. Commissioner Tatzin believes they have addressed this in both Guideline 8, designed specifically to allow mitigation to include both farming and agriculture-related business, and Observation 3.

Commissioner McGill asked if the Cortese Knox Hertzberg (CKH) refers to all three terms (i.e., "open space," "agriculture" and "prime agriculture")? Commissioner Burke responded "yes" and that there are many instances where CKH simply refers to "agricultural land." The committee chose to include more specific terms, as even when land is not "prime" it is still viable agricultural land. Open space, on the other hand, is defined as that which has already been defined as open space as an element in a local jurisdiction. Commissioner Tatzin noted that in the definitions section of the policy, they have copied definitions exactly from state code, word for word.

The Executive Officer added that LAFCO law uses “prime ag” and “ag,” with different definitions for each. “Agriculture” appears more frequently, and more generally; the policy mirrors the statute in terms of the use of those words. Discussion ensued regarding the use of lands under the Williamson Act, lands zoned agricultural but lying fallow at the time, lands enrolled in a set-aside program, lands being used as a golf course, and how these lands fits into the policy. Commissioner Tatzin stated that the policy clearly indicates and encourages a hierarchy, if choices must be made in land acquisition—and again encouraged Commissioners to refer to the definitions section, which is taken from state law.

Following further discussion about open space definitions and policy, Chair Piepho opened the floor to public comment.

Paul Campos, Building Industry Association, East Bay, stated that his association believes the policy has improved, but that they still have significant concerns, noting that the language in Policy 5 in particular warrants closer scrutiny. He stated that CKH asks LAFCOs to consider housing as well and that Policy 5 can be read as establishing a presumption discouraging development in ag areas and discouraging rural development, overriding local general plan language.

Linus Eukel, John Muir Land Trust, stated his organization’s gratitude for the work done on this policy, and expressed their support of the policy with a few changes that would revise the Goals, Policies, and Guidelines sections to provide clear direction and guidance for open space protections comparable to agricultural lands. He referenced the letter they submitted on July 12, 2016 for further details. He also recommended a review of the adopted policy in three years to determine its efficacy and any refinements needed.

Bob Oxenburgh, Greenbelt Alliance and Alamo resident, spoke in favor of any policy that will restrict further sprawl development, and encouraged a strong mitigation ratio for agricultural land lost to development.

Jon Harvey, Brentwood Agricultural Land Trust, referred to the letter that organization submitted in May, and spoke in favor of a mitigation program that would be administered by a qualified land trust that could leverage local money with regional, state, and federal monies. He further stated that many of his colleagues feel that the building industry already has the votes on this policy “locked up,” but he himself is hopeful that LAFCO will adopt a policy and urged strong mitigation measures.

Karen Whitestone, East Bay Chapter, California Native Plant Society (CNPS), spoke in support of a 1:1 mitigation, and drew Commission’s attention to a mapping tool, called the Botanical Priority Preservation Areas, published in 2010 by CNPS and covering about 140,000 acres in Contra Costa County that they concentrate on when focusing their efforts for open space preservation. This tool is online and may be helpful to the Commissioners.

Lesley Hunt, Friends of the Creek, spoke of a seeming long-held bias toward shelter; she is encouraged that LAFCO is finally speaking for the other things humans must have by standing up for agricultural preservation. She encouraged Commissioners to fairly apply mitigation, on a level that makes it more advantageous to develop within urban limit lines than beyond them. If asking an applicant to evaluate impact and suggest mitigation, be aware that the applicant may “have a thumb on the scale” and mitigation may not be adequate and reasonable.

Robia Crisp, Manatt, Phelps & Phillips, referred to the letters that firm sent with suggested revisions that they believe would bring the policy into compliance with current law (both CKH and CEQA); LAFCO’s focus should be on “prime agricultural” land. They also believe that the

procedures must be reviewed under CEQA. They urge deferring action until their recommendations can be incorporated.

Joel Devalcourt, Greenbelt Alliance (GA), reported that 64 members of Greenbelt Alliance have voiced support of this policy and have, further, requested strong mitigation measures. He referred to the GA letter, and noted that the Agriculture Department just released new figures on the value of ag land to the county (\$225 million). Every acre counts, and when an acre is lost it impacts the entire agricultural economy. He noted that LAFCO should consider Sustainable Communities Strategies as referenced in the CKH. GA urges that development be kept within the ULL, and that mitigation standards of 3:1 for prime ag land, and 2:1 for lesser lands, be established.

Brian Schmidt, GA, was involved as an attorney in the establishment of Santa Clara LAFCo's agricultural mitigation program, which has been quite effective. "Preservation of a maximum amount of the state's limited agricultural land is necessary to the maintenance of the agricultural economy in the state" is a direct quote from CKH. Many of the references to agricultural land in the CKH are to just that, not to *prime* agricultural land. The State Supreme Court said that the restriction on land use merely ensures that final zoning decisions are made by local agencies concerned, not by LAFCO; it does nothing to detract from the power of a LAFCO to disapprove an annexation and find it violates detailed criteria which a LAFCO might consider, which includes mitigation measures. A focus on prime ag lands does not exclude other ag lands.

Louis Parsons, Discovery Builders, stated that this policy, as proposed, still raises questions about how to complete a LAFCO application. For example, what if only a portion of the land is prime ag? He believes there is a way to get there, but it's still confusing, and a lot of work needs to be done to make it clearer for applicants.

Ben Wallace, Contra Costa Resource Conservation District (CCRCD), referred to their letter of June 20, which lays out arguments for the importance of agriculture to the county. He provided some background on the CCRCD, noting that now, 75 years later, CCRCD is concerned about retaining a critical mass of ag land so that agricultural production in the county can remain viable, and that CCRCD is here to "help people help the land." He also commented on growth, risk of losing agricultural heritage, conversion, fragmentation and loss of ag land, loss of ag services, such as the USDA and businesses that support agriculture, and the loss of critical mass. He also emphasized the county's natural assets: senior water rights, highly productive soils, excellent growing conditions, and access to Bay Area urban markets—all of which help local farmers and ranchers thrive. LAFCO can help with CCRCD's efforts by enacting a strong agricultural and open space policy.

Juan Pablo Galván, Save Mt. Diablo, noted that this policy is a positive step forward, and that the majority of commenters support a strong policy that preserves agricultural and open space lands, but it can be strengthened further by including at least 1:1 (or stronger) mitigation. This is completely legal under CKH and CEQA.

Donna Gerber, Greenbelt Alliance [former LAFCO Commissioner, former CCC Board Supervisor (BOS)], spoke in support of GA's previously submitted comments, and reminded Commissioners that in 2000 she and Joe Canciamilla led the BOS in tightening the ULL, and placed about 14,000 acres of ag land outside the ULL at that time. She stated that Contra Costa County has long been the poster child for sprawl development and the loss of ag and open space lands. In 2000, the revised CKH provided LAFCO with additional strength to do two things: prevent sprawl and protect and enhance agriculture, ag lands, and open space lands. She made two suggestions for Contra Costa LAFCO's role: 1) applications should be required to abide by the voter approved ULL and other urban growth boundaries; and 2) provide better information so that jurisdictions can make better decisions. Ms. Gerber referenced studies that show the benefits of mixed-use



main-street development as compared to single-family residential and big box retail. LAFCO should consider the economies of smart growth and infill development.

In response to Ms. Gerber's comments, Commissioner Schroder pointed out that infill development is the most difficult to pass without it becoming a voter referendum issue, and asked for additional support from environmental groups in this area of development. He added that he is not yet ready to go forward with mitigation; he needs more research. Commissioner Caldwell agreed that the mitigation issues need further work.

Commissioner Blubaugh commended Commissioners Burke and Tatzin on their work. He added that his views have evolved over time and he now wants to see specific mitigation measures as part of the process but would like to see what the language would look like. Clearly there is a need for policy, as everyone is in agreement about the importance of preserving agricultural and open space lands. But the policy needs to be clear, with limited flexibility so that applicants and Commissioners—and the community—understand what is expected. Commissioner Blubaugh asked the committee to develop some clear language regarding mitigation.

Commissioner Glover expressed his appreciation for the outstanding work done by the committee, and for the draft policy's consistency and respect for the voter-approved ULL; we have a responsibility to that. He endorsed taking more time to make sure the language is right and that it considers the input provided by commenters.

Commissioner McGill agrees that there is no reason to rush. He stated that, as part of his work on increasing economic vitality in East Contra Costa County, he recognizes that agriculture and related businesses are important. He wants to be sure that LAFCO does not inadvertently hurt farmers and ranchers with this policy. Commissioner McGill is not sure he wants to go to mitigation, and he's not sure where to suggest going from here.

Chair Piepho stated her concern about comments that LAFCO is going beyond its bounds with CKH and CEQA and would like clarification in the next report. She also agreed with comments that definitions and language clarity may need further refining, and that regular review (i.e., 1-2 years) should be done.

Commissioner Tatzin listed what he heard needs further work: advanced mitigation; agriculture as a business; Policy 5 (although interpretations may be far more significant than intended and that edits can be made to ease these concerns); the hierarchy between prime ag land and ag land can be strengthened; there is no mention of CEQA in the policy so he is uncertain on how it can be violating that law. As for mandatory mitigation, there are at least six places in the policy where wording could be changed, and it would be helpful to receive further direction on which mitigations might be mandated (i.e., replacement ratio, right to farm requirements, buffer zones, etc.).

Commissioner Tatzin agrees that periodic review should happen. He agrees that Ms. Gerber's suggestion regarding a financial assessment might be an additional observation to be included. Finally, if applicants find the LAFCO application difficult to complete, they need to specifically state the challenges.

The Chair indicated that she was not going to ask the committee to rewrite the entire document, but to look at it in terms of the comments made since this draft was released. Commissioners Burke and Tatzin indicated that they would address those issues listed by Commissioner Tatzin, if Commissioners are in agreement. Further, that the Committee will return to the Commission with two version of the policy: one with voluntary mitigation, as currently written, and a second version with required mitigation.

Commissioner McGill added that he would like to see the committee focus on the letter from Barbara Cecchini; it won't do any good to preserve ag land if there are no farmers to farm it.

Upon motion by Tatzin, second by Blubaugh, Commissioners, by a 7-0 vote, continued the item to September 14, 2016.

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

11. Response to Contra Costa County Grand Jury Report No. 1607

The Executive Officer reported on the Contra Costa County Grand Jury report #1607, titled *Delta Levees in Contra Costa County: How Well Do We Protect This Vital Safety System?* The report raises concerns about the condition of the County's levee system, what's at risk, financial challenges, and future opportunities. In preparing this report, the Grand Jury relied on various publications, including the 2015 Contra Costa LAFCO MSR covering reclamation services. LAFCO is required to respond to two findings and one recommendation contained in the report. Staff noted that a draft response letter is included with the agenda packet.

Commissioner Caldwell suggested that the letter add reference that the Grand Jury report reflects Contra Costa LAFCO's 2015 Reclamation Services MSR, with special note of the Grand Jury's recommendations numbers 2-5.

Upon motion by McGill, second by Blubaugh, Commissioners, by a 7-0 vote, approved the letter as drafted with Commissioner Caldwell's additions.

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

12. Financial Audit Report, Fiscal Year 2014-2015

The Executive Officer presented the FY 2014-15 financial audit, reviewed by R.J. Ricciardi, Inc., whose auditor found LAFCO's financial statements fairly represent LAFCO's financial position in all material respects; are in conformance with generally accepted accounting principles; and are free of misstatements. The FY 2014-15 audit includes new information in accordance with GASB requirements relating to pension liabilities.

Upon motion of Caldwell, second by Glover, Commissioners, by a 7-0 vote, received and filed the audit report for the fiscal year ending June 30, 2015.

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

13. CALAFCO 2016 Conference Material and Call for Board of Directors Candidates and Achievement Award Nominations

The Executive Officer drew Commissioners' attention to the CALAFCO 2016 Annual Conference (October 26-28, 2016 in Santa Barbara) materials. Nominations for Board of Director seats are due September 26, 2016; nominations for Achievement Awards are due August 31, 2016; and designation of LAFCOs' voting delegates and alternates must be made by September 26, 2016.

Commissioner McGill indicated his interest in running for his current seat on the CALAFCO Board of Directors.

Upon motion of Glover, second by Caldwell, Commissioners, by a 7-0 vote, nominated Commissioner McGill for the Special Districts seat (Coastal region) on the CALAFCO Board of Directors.

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

Upon motion of McGill, second by Glover, Commissioners, by a 7-0 vote, designated Chair Piepho as Contra Costa LAFCO's voting delegate, with Executive Officer Teixeira as the alternate voting delegate.

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

14. Plan Bay Area 2040

The Executive Officer reported that ABAG and MTC are gearing up for Plan Bay Area 2040, which is an update to the 2013 Plan Bay Area. In May, MTC issued a Notice of Preparation (NOP) relating to the forthcoming DEIR for this project. Staff submitted a comment letter in response to the NOP, which is included in the agenda packet. LAFCO staff will continue to follow the development of Plan Bay Area 2040 and update the Commission.

15. Correspondence from CCCERA

There were no comments on this item.

16. Commissioner Comments and Announcements

Commissioner McGill participated in the CALAFCO Legislative Committee meetings/calls on May 20 and June 24, and will attend the CALAFCO Board of Directors meeting in San Diego on July 29.

17. Staff Announcements

The Executive Officer provided updates on LAFCO-related legislation. The CALAFCO omnibus bill (AB 2910), as proposed, allows for dissolution of healthcare districts without voter approval, which could be helpful in LAFCO's assessment of West Contra Costa Healthcare District's situation. Senator Wolk pulled SB 1318 regarding water and wastewater service to DUCs.

The meeting adjourned at 4:02 p.m.

Final Minutes Approved by the Commission August 10, 2016.

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
EXECUTIVE OFFICER'S REPORT

August 10, 2016  
Agenda Item 6

July 13, 2016 (Agenda)

LAFCO 16-02 Detachment from the Byron Bethany Irrigation District (BBID) and Proposed Detachment from the Town of Discovery Bay Community Services District (TODBCSD)

PROPONENT Contra Costa County, Resolution 2016/3

SYNOPSIS

The County has applied to Contra Costa LAFCO to detach 480± acres from BBID located in two separate areas in the unincorporated Discovery Bay area (west) as shown on the attached map (Attachment 1). The two areas encompass areas where the service boundaries of BBID and TODBCSD overlap. The overlap areas contain numerous parcels located in six tax rate areas. The TODBCSD provides potable water, wastewater and other services to the Discovery Bay area, including the overlap area. BBID is an irrigation district and does not provide water service to the overlap area as further discussed below.

UPDATE

Last month, LAFCO received a request from Rick Gilmore, BBID General Manager, to amend the proposal to include exclusion of Assessor Parcel Numbers (APNs) 011-190-044 and -045 from the proposed detachment from BBID, and to also detach these same two parcels from the TODBCSD (Attachment 2). These two parcels are part of BBID's pipeline corridor, and were deeded to BBID in conjunction with a previous Centex Homes development in the area. Due to the timing of BBID's request, the Commission could not fully consider the proposed amendment on July 13<sup>th</sup>, and the matter was continued to the August 10<sup>th</sup> LAFCO meeting.

BACKGROUND

BBID was formed in 1914 and provides agricultural water service in addition to delivering raw untreated water to the Mountain House community and the City of Tracy. BBID is a multi-county district serving portions of Alameda, Contra Costa and San Joaquin counties. BBID's services area is 30,000± acres, with a population of 13,000 (including the Mountain House community). BBID serves approximately 160 water connections including 150 agricultural surface irrigation uses and 10 municipal/industrial surface users. BBID relies on surface water with primary sources being the Central Valley Project Surface Area and pre-1914 water rights with Alameda, Contra Costa and San Joaquin counties. BBID operates as an enterprise district, with its primary revenue sources being property tax and service charges and fees.

San Joaquin is designated the principal county for LAFCO proceedings. In February 2016, Contra Costa LAFCO requested, and San Joaquin LAFCO approved, a transfer of jurisdiction to allow Contra Costa LAFCO to process the detachment proposal.

TODBCSD was formed in 1998 as the successor agency to County Sanitation District No. 19 (SD 19). TODBCSD provides water, sewer collection and disposal, levee maintenance, parks and recreation maintenance, landscaping and recreational services. TODBCSD's service area is 5,760± acres with a

population of approximately 14,000. TODBCSD serves 5,523 service connections (residential, commercial, irrigation), and relies on groundwater with six groundwater irrigation wells. TODBCSD operates as an enterprise district and receives a significant portion of its overall revenue from charges for services, and a minimal amount of property tax revenue.

Prior to the development of Discovery Bay West, the subject areas were used for agricultural purposes. BBID provided irrigation water for the agricultural uses in the area existing at the time. BBID receives a portion of the 1% property tax (Ad Valorem) in these areas. Once residential development replaced the agricultural uses in the area, BBID irrigation water was no longer used, and SD19/TODBCSD began providing water service to the area. These areas were never detached from BBID, and BBID continues to receive property taxes from these areas, currently estimated at \$685,000 per year.

Historically, there was discussion regarding BBID serving as a back-up water supply to these areas. However, it has since been determined that TODBCSD has an adequate water supply, and that having an additional irrigation water supply source provided by BBID appears to have limited value within the next 15-20 year planning horizon.

The issue of the overlap in service boundaries first came to the attention of Contra Costa LAFCO in 1993 in conjunction with annexation of the Albers property to SD 19 (TODBCSD's predecessor district). At that time, the Commission discussed detachment from BBID in conjunction with Albers annexation. BBID staff requested that LAFCO defer the detachment pending completion of BBID's groundwater management plan. The issue of detachment from BBID remained unresolved and annexations to TODBCSD continued, perpetuating the overlap.

In 2014, Contra Costa LAFCO completed its 2<sup>nd</sup> Round Countywide Water/Wastewater Municipal Services Review (MSR) and sphere of influence (SOI) updates. The MSR covered eight cities and 20 special districts including BBID and TODBCSD.

The MSR included a discussion of the overlap area, noting that districts' water systems have very different infrastructure, given that BBID relies on surface water and TODBCSD relies on ground water; and that it is unlikely that BBID could provide water service to the overlap areas without incurring significant cost to build a new water system for this area. The MSR recommended that consideration be given to detaching the overlap areas from BBID; and that further study should be undertaken to fully analyze the service and fiscal implications of such a detachment to both residents and the BBID.

In late 2015, there were a number of meeting with the affected agencies. In November 2015, the Contra Costa County Board of Supervisors (BOS) voted unanimously to pursue the detachment, and directed County staff to prepare a resolution of application to LAFCO. In early December 2015, the TODBCSD voted unanimously to support the detachment.

## DISCUSSION

In January 2016, the County submitted applications to Contra Costa and San Joaquin LAFCOs to detach the overlap areas from BBID. Included with the County's application was a request that San Joaquin LAFCO transfer jurisdiction to Contra Costa LAFCO. As noted above, San Joaquin is the principal county for LAFCO proceedings, as defined by Gov. Code §56066 (i.e., the county having the greatest portion of the assessed value, as shown on the last equalized assessment roll of the county or counties,

of all taxable property within the district). Contra Costa LAFCO submitted a request to San Joaquin LAFCO for transfer of jurisdiction, which San Joaquin LAFCO approved on February 11, 2016.

Gov. 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 areas proposed for detachment are within the SOIs of both BBID and TODBCSD. The subject areas are also inside the County's Urban Limit Line (ULL), with the exception of the pipeline corridor (APNs 011-190-044/-045), which is outside the ULL. Presently, there is no proposal to modify either District's SOI in conjunction with the proposed detachments. If desired, applications to detach the subject areas from the districts' respective SOIs can be submitted in the future.

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

Land uses in the subject areas primarily include single family residential, along with parks, a manmade lake, school, commercial, and open space. The County General Plan designations for the areas include: Agricultural Core (AC), Agricultural Lands (AL), Commercial (CO), Multiple-Family Residential – Low Density (ML), Office (OF), Open Space (OS), Parks/Recreation (PR), Public/Semi-Public (PS), Single-Family Residential – High Density (SH), and Single-Family Residential – Medium Density (SM). The Zoning designations include: General Agricultural (A-2), Heavy Agricultural (A-3), Exclusive Agricultural (A-40), and Planned Unit (P-1).

The subject areas are surrounded primarily by residential to the east and north, and mostly agricultural lands and agricultural core to the west and south. There are currently no known entitlement applications pending for properties in the subject areas. *No land use changes will occur as a result of the proposed detachments.*

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

As noted above, the subject areas include some land designated for agricultural uses. The subject areas contain no Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. No portion of the subject property is currently under a Williamson Act Land Conservation Act agreement. *The proposed detachment will not result in the loss of agricultural land.*

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

The subject properties are flat with manmade bodies of water within the area; surrounding areas are primarily residential to the east and agricultural to the west.

**5. Population:**

*The proposed detachments will have no effect on population.*

**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 detachments 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 properties currently receive water service from TODBCSD. The subject areas are also served by various local and regional agencies including, but not limited to, Contra Costa County, Byron Brentwood Knightsen Union Cemetery District (BBKUCD), East Contra Costa Fire Protection District (ECCFPD), and TODBCSD. *No change in the provision of service is proposed.*

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

The proposal before the Commission, as amended, is to detach two areas from BBID, excluding APNs 011-190-044/-045, and to detach these same two parcels from the TODBCSD. As noted above, these areas currently receive water from TODBCSD. The proposal, as amended, will have no foreseeable impact on water service to the subject areas, as BBID does not currently, nor is anticipated to, provide water service to the subject areas. TODBCSD indicates that it has adequate capacity to continue to serve the subject areas today and in the future, and supports the proposal. Further, there will be no impact to the two parcels proposed for detachment from TODBCSD, as these parcels do not require potable water service, and will remain within the BBID service area.

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

The areas proposed for detachment are within tax rate areas (TRAs) 66043, 66047, 66048, 66050, 66055, and 66056. The assessed value for the subject areas is \$182,410,892 (2015-16 roll). As noted above, BBID currently receives approximately \$685,000 per year of the property tax within the six TRAs. Pursuant to the Revenue and Taxation Code, whenever there is a proposal to modify the boundary of a special district, the County negotiates the tax exchange on behalf of the districts. The County is required to consult with the affected districts. Consultations occurred with BBID, TODBCSD and BBKUCD. Also, the County had discussions with ECCFPD. The ECCFPD lacks sufficient funding resulting from low property tax allocations which have resulted in reductions in ECCFPD's fire and emergency medical services, despite increasing call volumes. This situation necessitated supplemental funding from the County and the cities of Brentwood and Oakley to temporarily sustain ECCFPD.

On June 14, 2016, the BOS adopted a property tax exchange resolution providing that BBID's share of the base and annual tax increment in the subject TRAs, that would otherwise be allocated to BBID, shall be allocated to Contra Costa County. Further, the BOS directed County staff to prepare a second property tax exchange agreement to annually transfer the reallocated tax revenue from the six subject TRAs from the County to ECCFPD for as long as the taxes continue to be allocated to the County, unless an application to initiate dissolution of ECCFPD is filed with LAFCO, at which point the property tax transfer would automatically terminate. Following LAFCO's approval, County staff will bring the second property tax exchange agreement to the BOS for approval.

BBID submitted a letter to the County indicating that the District takes strong exception to the "pass-through" property tax exchange agreement recently adopted by the BOS, and prefers that the property tax currently going to BBID in the subject areas, be allocated directly to ECCFPD.

The exclusion of APNs 011-190-044/-045 from the proposed detachment from BBID, and the proposed detachment of these same two parcels from the TODBCSD, will exempt BBID from paying annual property tax on the two BBID owned parcels (approximately \$217 per year). There will be no fiscal impact associated with detaching these two parcels from TODBCSD, as TODBCSD receives minimal revenue from property taxes, and does not receive property tax revenue in the subject area.

#### **10. Environmental Impact of the Proposal:**

Contra Costa County, as Lead Agency, has determined that the proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to sections 15061(b)(3). The LAFCO environmental coordinator agrees with this determination.

#### **11. Landowner Consent and Comments by Any Affected Local Agency:**

According to County Elections, there are more than 12 registered voters in the areas proposed for detachment; thus, the subject areas are considered inhabited. In the case of inhabited boundary changes, LAFCO will conduct a protest hearing should the Commission receive an objection from any landowner owning land with the subject areas, or any registered voter residing with the subject areas. LAFCO has received at least one objection to the proposed detachment from an affected landowner/voter; consequently, a protest hearing is required.

Regarding comments from other affected local agencies, LAFCO is aware that TODBCSD supports the proposed detachment, as amended.

In accordance with LAFCO's statutory noticing requirements [Gov. Code §56157(h)], LAFCO noticed this hearing in a display ad in a newspaper of general circulation. The statute provides that *if the total number of notices required to be mailed exceeds 1,000, then notice may instead be provided by publishing a display advertisement of at least one-eighth page in a newspaper, at least 21 days prior to the hearing.* The total number of notices for this proposal exceeds 1,000.

#### **12. Boundaries and Lines of Assessment:**

The areas proposed for detachment follow lines of assessment. A map and legal description to implement the proposed boundary is subject to final approval 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 detachments are 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 boundary changes 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 areas proposed for detachment do 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** Adopt this report and approve the proposed detachment from BBID, excluding APNs 011-190-044/-045, and detaching these same two parcels from TODBCSD, as requested by BBID.

- A. Determine that the proposal is exempt from CEQA pursuant to sections 15061(b)(3).
- B. Adopt this report, approve LAFCO Resolution No. 16-02 (Attachment 3), and approve the proposal, to be known as the *Detachment from the Byron Bethany Irrigation District and Detachment from the Town of Discovery Bay Community Services District* subject to the following terms and conditions:
  1. That Contra Costa County has delivered an executed indemnification agreement providing for the County to indemnify LAFCO against any expenses arising from any legal actions challenging the detachment.
  2. The detachment has no effect on BBID's or TODBCSD's authority to collect taxes for bonded indebtedness.
- C. Find that the subject territory is inhabited, that LAFCO has received written opposition to the proposed detachment from BBID, and that a protest hearing is required.

**Option 2** Adopt this report and approve the detachment as originally proposed by the applicant (County).

- A. Determine that the proposal is exempt from CEQA pursuant to sections 15061(b)(3).

- B. Adopt this report, approve LAFCO Resolution No. 16-02 (Attachment 3 – to be amended), and approve the proposal, to be known as the *Detachment from the Byron Bethany Irrigation District* subject to the following terms and conditions:
1. That Contra Costa County has delivered an executed indemnification agreement providing for the County to indemnify LAFCO against any expenses arising from any legal actions challenging the detachment.
  3. The detachment has no effect on BBID's authority to collect taxes for bonded indebtedness.
- C. Find that the subject territory is inhabited, that LAFCO has received written opposition to the proposed detachment from BBID, and that a protest hearing is required.

**Option 3** Adopt this report and DENY the proposal.

**Option 4** CONTINUE this matter to a future meeting.

**RECOMMENDED ACTION:**

**Option 1 - Approve the detachment from BBID, excluding APNs 011-190-044/-045, and detaching these same two parcels from TODBCSD**

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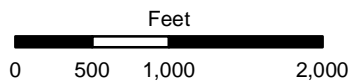
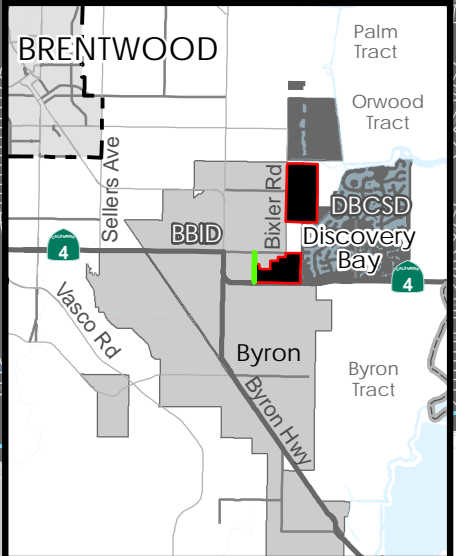
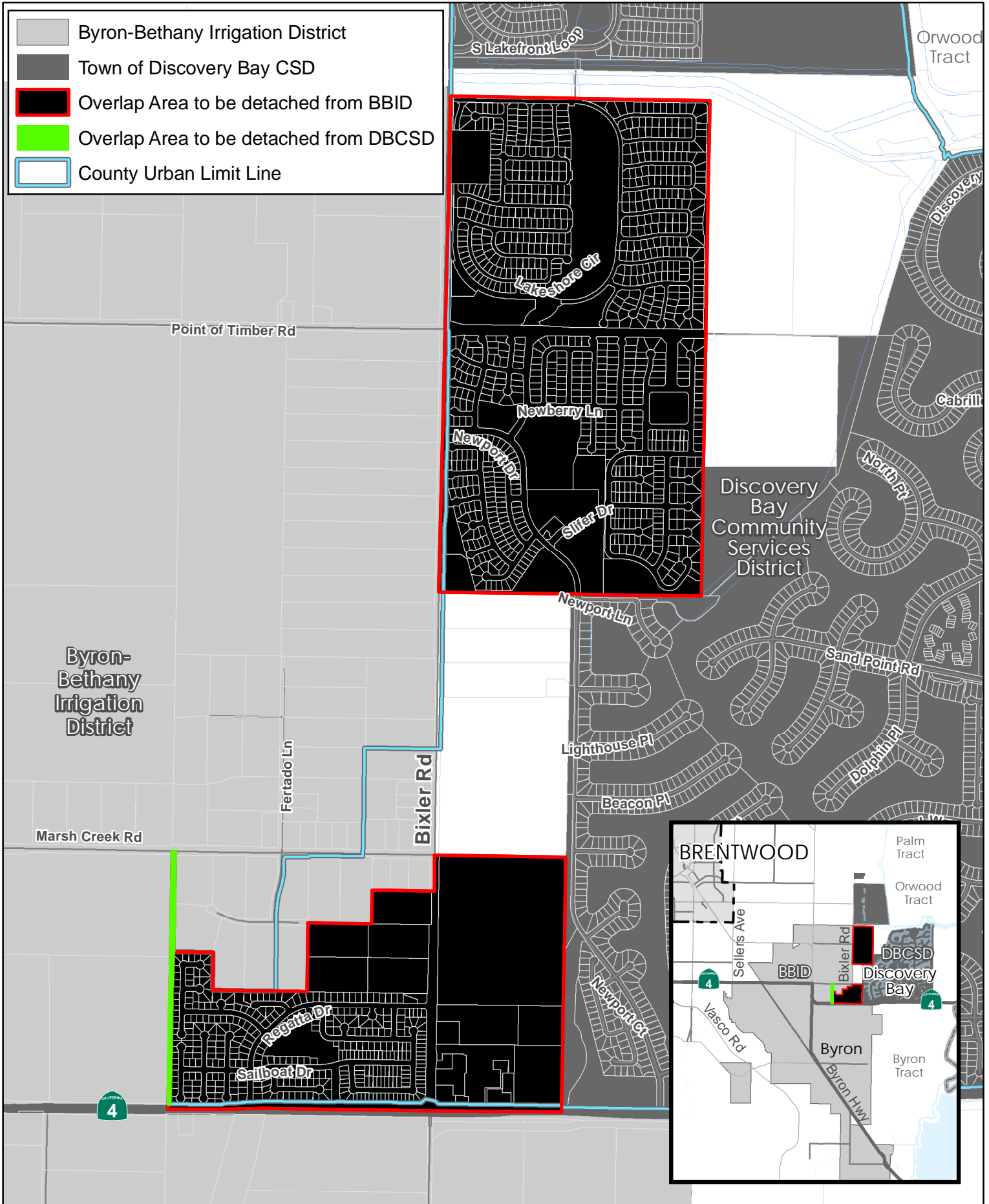
LOU ANN TEXEIRA, EXECUTIVE OFFICER  
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

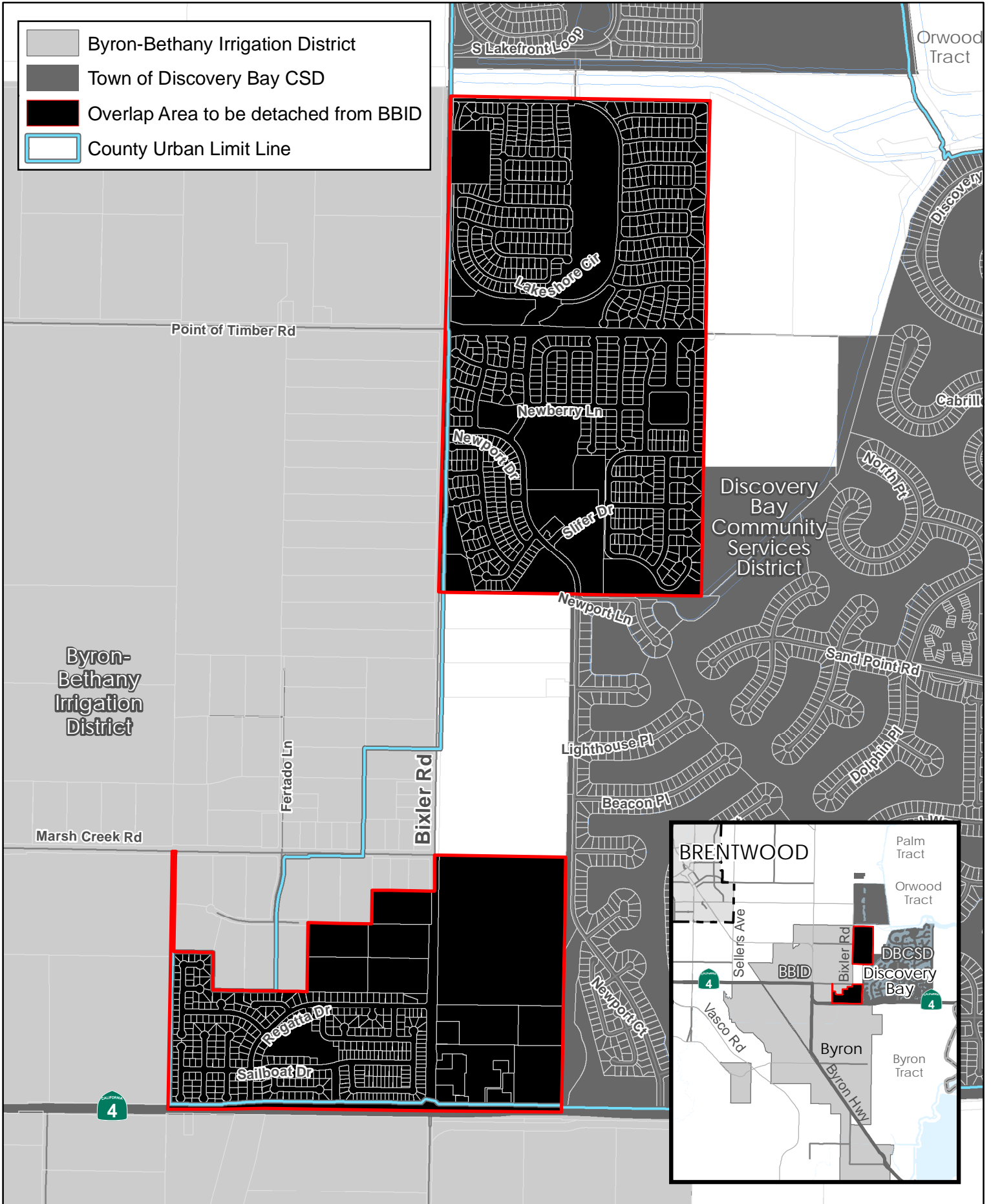
Attachments

- 1 – BBID Detachment - Option 1 Map (as requested by BBID)
- 2 –BBID Detachment – Option 2 Map (as originally proposed)
- 3 - Draft LAFCO Resolution 16-02

c: David Twa, County Administrator, Contra Costa County  
Julie Enea, Contra Costa County Administrator's Office  
Rick Gilmore, General Manager, BBID  
Catherine Kutsuris, Interim General Manager, TODBCSD

LAFCO 16-02: Option 1 - Detachment from Byron Bethany Irrigation District (BBID)  
 Detachment from Town of Discovery Bay Community Services District (DBCSD). Attachment 1





**RESOLUTION NO. 16-02**

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
 MAKING DETERMINATIONS AND APPROVING DETACHMENTS FROM  
 THE BYRON BETHANY IRRIGATION DISTRICT AND THE TOWN OF DISCOVERY BAY  
 COMMUNITY SERVICES DISTRICT

**WHEREAS**, a proposal submitted by Contra Costa County to detach two areas from the Byron Bethany Irrigation District (BBID) was filed with Executive Officer of the Contra Costa Local Agency Formation Commission (LAFCO) 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**, subsequently, BBID requested that LAFCO exclude two BBID owned parcels [Assessor Parcel Numbers (APNs) 011-190-044 and -045] from the proposed detachment, and detach these same two parcels from the TODBCSD; and

**WHEREAS**, the exclusion of APNs 011-190-044 and -045 from the proposed detachment will be beneficial to BBID, and the detachment of these same two parcels from the TODBCSD will avoid another overlap in service boundaries; 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 July 13, 2016, and continued to August 10, 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, provision of services, and related factors and information including those contained in Gov. Code §56668; and

**WHEREAS**, the proposed detachment from BBID will correct a boundary overlap between BBID and the Town of Discovery Bay Community Services District (TODBCSD) as discussed in LAFCO's 2014 Countywide *Water/Wastewater Municipal Services Review*; and

**WHEREAS**, LAFCO finds the proposal, as amended per BBID's request, to be in the best interest of the affected areas 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).
2. Said detachment is hereby approved as amended to include the exclusion of APNs 011-190-044 and -045 from the BBID detachment, and the detachment of these two parcels from the TODBCSD, as requested by BBID.
3. The subject proposal is assigned the distinctive short-form designation:

**Detachment from the Byron Bethany Irrigation District and Detachment from the  
 Town of Discovery Bay Community Services District**

Contra Costa LAFCO  
Resolution No. 16-02

4. Said territory is found to be inhabited and LAFCO has received objections from affected landowners/voters; thus, a protest hearing is required.
5. The boundaries of the affected territory are found to be definite and certain as depicted in Attachment 1, attached hereto and made a part hereof. Final approval of the maps and legal descriptions is subject to approval by the County Surveyor.
6. Contra Costa County has delivered an executed indemnification agreement providing for the County to indemnify LAFCO against any expenses arising from any legal actions challenging the detachments.
7. The detachments have no effect on BBID's or TODBCSD's authority to collect taxes for bonded indebtedness.
8. All subsequent proceedings in connection with these detachments shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

\* \* \* \* \*

PASSED AND ADOPTED THIS 10<sup>TH</sup> day of August, 2016, by the following vote:

AYES:  
NOES:  
ABSTENTIONS:  
ABSENT:

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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: August 10, 2016

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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  
*County Member*

Sharon Burke  
*Public Member*

Tom Butt  
*City Member*

Stanley Caldwell  
*Special District Member*

August 10, 2016 (Agenda)

August 10, 2016  
 Agenda Item 7

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

**Fire & Emergency Medical Services Municipal Services Review and Sphere of Influence Updates**

Dear Members of the Commission:

**BACKGROUND**

In May, the Commission received an overview of LAFCO’s *Public Review Draft Fire & Emergency Medical Services (EMS) Municipal Services Review (MSR)*. This is LAFCO’s 2<sup>nd</sup> round Fire/EMS MSR, which covers services provided by three cities - El Cerrito, Pinole and Richmond, and eight special districts - County Service Area (CSA) EM-1, Contra Costa County Fire Protection District (CCCFPD), Crockett Carquinez Fire Protection District (CCFPD), East Contra Costa Fire Protection District (ECCFPD), Kensington Fire Protection District (KFPD), Moraga Orinda Fire District (MOFD), Rodeo Hercules Fire Protection District (RHFPD) and San Ramon Valley Fire Protection District (SRVFPD).

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 overview in May included staff and consultant presentations. LAFCO staff summarized the statutory requirements for preparing MSRs and SOI updates, and provided a brief account of the MSR process which included release of the Public Review Draft MSR on May 4<sup>th</sup>, and the first LAFCO hearing on May 11<sup>th</sup>. A number of comments were received during the public comment period and at the LAFCO hearing in May.

At the May 11<sup>th</sup> LAFCO hearing, the consultants provided an overview of the project objectives, agency engagement, focus area challenges, fire service response adequacy, a review of auto and mutual aid agreements, and the project team’s observations and recommendations.

The Commission offered questions and comments, and then opened the public hearing. A number of speakers representing most of the agencies covered in the MSR, along with the United Professional Firefighters of Contra Costa County Local 1230, provided comments.

Lance Maples, Fire Chief, City of El Cerrito and KFPD, and President of the Executive Fire Chiefs' Association, presented a letter requesting that LAFCO delay final consideration of the MSR until the consultants could include in the report the impacts of Contra Costa County Employees' Retirement Association's (CCCERA) recent decision to lower the rate of return on investments. The Commission agreed to a 90-day pause and directed that the Final Draft MSR be presented on August 10<sup>th</sup>. The Commission also directed LAFCO staff to communicate to stakeholders the importance of making MSRs more useful to the public in affecting change. In consultation with the LAFCO Chair, staff prepared and distributed an information piece summarizing the major MSR findings, and distributed it to cities, districts, the media and other interested parties, encouraging the recipients to share this information in their communities.

Based on comments received during the public comment period and at the hearing in May, the MSR consultants made revisions and updates to the report, as reflected in the Final Draft MSR (available online at [www.contracostalafco.org](http://www.contracostalafco.org)). The consultants also prepared a comment log summarizing comments received and responses (Attachment 1).

On August 10<sup>th</sup>, the Commission will be asked to accept the Final MSR report, and adopt a resolution containing the required determinations (Attachment 2). The Commission will also be asked to provide direction on SOI updates for the special districts covered in the MSR. The SOI updates will be presented to the Commission in October.

## DISCUSSION

The 2<sup>nd</sup> round Fire/EMS MSR concentrates on the following: 1) data updates for the 11 fire/EMS service providers, 2) review of auto and mutual aid agreements, and 3) focused analysis on ECCFPD and RHFPD and the interface with CCCFPD. The following provides a summary of the major MSR findings:

- **FINANCES** - For the most part, Contra Costa County emergency medical and fire service providers have the financial ability to deliver appropriate service levels, with the exception of ECCFPD and RHFPD. The two districts suffer from a structural fiscal problem, in that they receive the lowest amount of property tax revenue, as compared to other fire service providers in the County. Since 2009, financial conditions have stabilized for most local agencies, with the exception of ECCFPD and RHFPD, due to their structural deficits.

There could potentially be another fiscal impact to local agencies relating to the CCCERA contribution rates. As of this writing, CCCERA continues to work on the contribution rates for FY 2017-18, and anticipates having more information available sometime in August. The MSR has been updated to reflect the current status of this issue, along with some general observations. Changes in the rates could have a material impact on fire service countywide, resulting in delays in re-opening fire stations and on the ability of agencies to provide auto/mutual aid. Until CCCERA releases its FY 2017-18 rates, the impacts on agencies



won't be known. CCCERA is considering a number of changes, in addition to interest rate assumptions; some of these changes could partially offset the negative impacts of the reduced interest earnings forecast.

- **GROWTH AND SERVICE DEMAND** - Continued population growth, job creation, and changes in health care services affect the volume and location of service calls, creating the need for new facilities and staff resources in order to sustain services. While recovery in real estate and development has benefits, it also has costs in terms of increases in service demands. Between 2015 and 2020, the cities of Hercules and Oakley are expected to see the highest annual growth rates in the County, with 1.7% and 1.6% respectively; these cities will also see a corresponding increase in service demand.
- **SERVICE LEVELS** – A majority of calls to which fire agencies respond are medical (over 72%). Many Contra Costa County fire service providers are unable to meet “best practices” for response times and staffing. In 2009 and still today, fire agencies are unable to meet national and state guidelines for fire response times 90% of the time. Response times have worsened for ECCFPD and RHFPD due to fiscal challenges, station closures, and staff reductions.
- **INFRASTRUCTURE NEEDS** - Nearly half of the fire stations in the County are over 40 years old and a significant number are in poor condition, needing repair or replacement.
- **ACCOUNTABILITY** – Most agencies demonstrated accountability based on standard measures such as transparency, contested elections, constituent outreach, and disclosure practices. ECCFPD suffers from several accountability issues due to lack of financial resources and having an appointed board instead of a directly elected board. RHFPD has experienced organization disruptions including staffing changes and board turnover.
- **GOVERNANCE OPTIONS** – In addition to enhanced revenue - boundary clean-ups, reorganization and/or consolidation - could potentially improve long-term sustainability for ECCFPD and RHFPD.

**MSR Determinations** - In accordance with the MSR, LAFCO must prepare written determinations relating to various factors including the following:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the SOI.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any DUCs within or contiguous to the SOI.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

The determinations are presented in the attached resolution (Attachment 2).

***Sphere of Influence Updates*** - In accordance with the MSR, the Commission will be asked to update the SOIs for each of the special districts; the city SOIs will be updated in conjunction with the 2<sup>nd</sup> round city services MSR.

The requirement for LAFCOs to conduct MSRs was established by the CKH Act as an acknowledgment of the importance of SOIs, and recognition that periodic updates of SOIs should be conducted on a five-year basis (Gov. Code §56425(g)), with the benefit of better information and data through MSRs (Gov. Code §56430(a)).

SOIs define the logical, long-term service boundary for an agency. SOIs can be the same, larger, or smaller than the existing local agency boundary. Contra Costa LAFCO has used various SOI designations including “zero,” which signals that services will ultimately be provided by another agency, and “provisional” SOI, which delineates that a future restructuring or change of organization is needed.

LAFCOs are required to make written determinations in accordance with Government Code §56425(e) when establishing, amending, or updating an SOI for any local agency that address the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any DUS with the existing SOI.

Additionally, when updating the SOIs for districts, LAFCOs are also required to establish the nature, location, and extent of any functions or classes of services provided [Section 56425(i)].

The MSR includes SOI options along with a number of governance options, many of which were identified in the 2009 MSR as presented in Attachment 3. LAFCO staff will review these options with the Commission on August 10<sup>th</sup>, and the Commission will be asked to provide direction regarding the SOI updates and governance options. The SOI updates will be presented to the Commission in October.

## **ENVIRONMENTAL ANALYSIS**

The MSR is a study, intended to serve as an informational tool to help LAFCO, local agencies and the public better understand the public service structure in Contra Costa County. The service

review and determinations are a study and are Categorical Exempt under §15306, Class 6 of the California Environmental Quality Act (CEQA) Guidelines. LAFCO actions on SOI updates are exempt under the General Rule exemption §15061(b)(3) of the CEQA Guidelines.

## **RECOMMENDATIONS**

1. Receive the staff and consultants' presentation and open the public hearing to consider accepting the Final MSR and adopting the MSR determinations;
2. After receiving public comments close the hearing;
3. Determine that the MSR project is Categorical Exempt pursuant to §15306, Class 6 of the CEQA Guidelines;
4. Accept the Final MSR report;
5. Adopt the MSR determinations by resolution attached hereto; and
6. Direct staff to notice public hearing for October 12, 2016 at which time the Commission will consider the SOI updates.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

c: Distribution

Attachment 1- Comment Log  
Attachment 2 – Resolution with MSR Determinations  
Attachment 3 - SOI and Governance Options Table

## **COMMENTS RECEIVED AT LAFCO HEARING MAY 11, 2016**

(Note: Comments are listed in order of speaker, but may include multiple comments raised later in the meeting or in subsequent email correspondence by the same person)

### **1. Igor Skaredoff, LAFCO Commissioner**

1a. Can fire service effectively respond to wild land fires with the closing of ten fire stations in the County since 2009? Is wildland fire protection better now or worse?

#### Response:

The ten fire station closures since the 2009 MSR had a significant impact on responses to all call types within the entire fire service emergency response network in Contra Costa County.

All wildland resources are cross-staffed by fire personnel who also staff structural firefighting apparatus including engines and trucks. The closure of fire stations and lack of funding to reopen those stations increases the workload on the remaining companies, creating a very busy response network. Because the resources are cross-staffed, when a fire engine is on an EMS call it is unavailable as a wildland engine resource.

A high call volume caused by station closures affects the entire system. Increased resources are necessary to respond to wildland fires, as well as all other call types, because of the inter-related staffing.

In addition to reduced stations, environmental factors have had a detrimental effect on wildland fire response. The increase in temperatures, longer wildland fire seasons, and the drought have all increased the number and complexity of wildland incidents. These increases, in turn, negatively affect responses to all other call types.

CAL FIRE's response varies based on the time of the year, level of response and the drawdown of CAL FIRE resources. During the regular fire season, CAL FIRE has one engine in the county; during peak season they have two. CAL FIRE dispatches at three different levels: "low" dispatches two engines, "medium" dispatches six engines and "high" dispatches eight engines. CAL FIRE uses many factors to determine these levels. It should be noted that CAL FIRE could take as long as one hour for its resources to arrive in the County for a State Responsibility Area (SRA) fire. During this time, local agencies handle all mitigation operations.

(source: Chief Lance Maples, President of the Contra Costa County Executive Fire Chiefs Association, 7/20/16)

1c. Is there any way out of the pension problem? How do we gain public trust and support for new funding (i.e., special taxes)?

Response: Many of today's pension problem are the result of decisions made many years ago, and will require many more years until accrued liabilities can be fully funded, even as adjustments (reduced pension benefits, etc.) are currently being made to address the problem.

1d. How do we gain public trust and support for new funding (i.e., special taxes)?

Response: As recommended in the MSR, public education and outreach is important, particularly to inform the public about recent State changes to limit pension abuses and to create multiple (lower) tiers for pension benefits.

1e. A Standards of Cover "SOC" Study is a good idea.

Response: Comment acknowledged.

## **2. Don Blubaugh, LAFCO Commissioner**

2a. The report is very well done.

Response: Comment acknowledged.

2b. How can a directly elected board raise more revenue than one that isn't directly elected (e.g., ECCFPD)?

Response: The report will be revised to indicate that independence could increase local accountability and responsibility for local funding, which in turn could improve prospects for local tax measures. A directly elected board does not have any additional access to funding compared to the current appointed board.

## **3. Mike McGill, LAFCO Commissioner**

3a. Don't refineries have their own fire protection services? Can you provide more information about fire brigades?

Response: Yes, it is correct that most refineries have their own brigades, however, refinery brigades and fire protection services often require additional assistance in the event of a major fire or other major incident. Most fire brigades are comprised of refinery employees who often are not available 24/7.

Additional information has been added to Chapter 4 Overview of Fire Services, Fire Service Providers, about private brigades.

3b. I like the response time data. This information should get broad exposure; the public should be asked their priorities.

Response: Comment acknowledged.

3c. Will development fees and special taxes paid by new development mean that new development will receive better services than other, older existing areas?

Response: That may occur, however, an increase in stations, staff and vehicles means that more engines provide more regional capacity and will be available to respond to fires, and to respond when other engines are unavailable.

3d. Retirement systems get a “bad rap”; it is not widely understood that most of the costs are for past employees. CCCERA is helping to reduce long-term liabilities by changing its assumptions. The Taxpayers Association needs “educating.”

Response: Comment acknowledged.

#### **4. Candace Andersen, LAFCO Commissioner**

4a. The report is an accurate assessment of where we are. At a recent meeting the Board of Supervisors approved sharing of a chief, but not consolidation.

Response: Comment acknowledged.

4b. As a member of the CCCERA Board, I believe that CCCERA made the right decision and is well aware of the impact of its decision, and in June, will be looking at possible changes to other assumptions (other factors, such as mortality tables, that could also have an impact). This (fire service pension costs) is something that will require additional revenue from somewhere.

Response: Comments acknowledged.

#### **5. Mary Piepho, LAFCO Commissioner**

5a. On page 3, clarify “East County,” which, in this report, does not include Antioch or Pittsburg.

Response: Comment acknowledged. The report will be revised accordingly.

5b. On page 3 the report notes that there is limited property tax associated with the Phillips Refinery property; what causes that?

Response: Phillips can request a reassessment from the County Assessor to reduce its assessed value and property taxes at any time, and if its revenues from the refinery were lower, they could justify a reduction in value.

In addition, when the refinery was annexed to RHFPD in 1996, property tax generated to the County was split between the County and RHFPD. Under the tax share agreement, RHFPD received a 10% share of incremental future growth in property taxes only, which was less than its share of incremental taxes in that area at the time, and the District did not receive a share of the “base,” or taxes paid prior to the annexation and change in tax allocations. Therefore the District does not receive its typical share of full value of property in the District, just a reduced share of the growth in value since 1996. Any incremental changes in value, including reductions and downwards reappraisals, have a significant impact on the District’s revenues.

5c. The loss of revenue to redevelopment and impacts to fire service (and recapturing back of revenues) should be quantified if possible. This is significant, in addition to the pension issue.

Response: According to the County Auditor, approximately 10 percent of fire district revenues were diverted to redevelopment in Fiscal Year 2015-16. RHFPD lost nearly 30 percent of the revenue it would otherwise have received, and ECCFPD about 5 percent. This information will be added to the MSR.

5d. The discussion of DUCs on page 6 should include reference to the State median income.

Response: The report will be revised to include the State median income of \$61,400.

5e. The discussion of “Governance Options” should describe the basis for the conclusion regarding the infeasibility of a “remnant district” following city detachment. The report should also further explain how the liabilities would be addressed.

Response: A detailed analysis of the impact of detachments has not been prepared; however, because Brentwood accounts for over 50 percent of the property taxes of the ECCFPD, the loss of revenues from detachment of Brentwood would not be offset by cost savings from detaching one fire station, which represents one-third of the total stations. In addition, it is unlikely there would be a reduction in overhead, thus the average cost per remaining ECCFPD station would increase. Because Oakley represents about 20% of assessed value, its detachment would present less of an impact on the remaining ECCFPD; however, the latter scenario is unlikely since Oakley’s gain in tax revenue would be insufficient to fund its station, and likely additional mitigation payments to ECCFPD would worsen Oakley’s funding problem.

It is likely that LAFCO would allocate existing liabilities between the detaching entity and the remaining district; thus the detaching entities would not only assume the burden of annual operations, but would also be responsible for a share of current and long-term ECCFPD liabilities. LAFCO would determine this allocation, as well as any required mitigation payments, at the time of detachment.

Additional text has been added to the report to further explain this conclusion.

5f. How would district liabilities be managed if dissolution was the outcome of failed task force efforts for ECCFPD? Is there an example of how that is managed? What are next steps, how do we prepare for that?

Response: In the event of dissolution, a successor agency would be designated to wind-up the affairs of the dissolved district. As the entity with the greatest amount of assessed value within the District, the City of Brentwood would be designated the successor agency. Debts would be repaid over time from ECCFPD property tax. However, it is unclear what agency would take responsibility for fire protection to the unincorporated areas of ECCFPD.

5g. Creation of an independent board is up to the ECCFPD District; LAFCO cannot require it.

Response: Comment acknowledged, that is correct.

5h. On page 11: Is it correct that ECCFPD cannot impose a development impact fee?

Response: That is correct. Fire districts can prepare an impact fee nexus study, but must rely on the cities and county to adopt and collect the fee on behalf of the fire district.

5i. Any idea of the cost for a Standards of Cover study?

Response: The SOC for ECCFPD was anticipated to cost \$80,000; depending on the complexity of a study, for example with multiple agencies as in West County, the cost could approach \$120,000 or more.

5j. On page 12, is Kensington call data *not* reported and publicly available on a routine basis?

Response: Call data for the Kensington Station, and calls into Kensington, are listed monthly, however, the data is presented without any form of summary, requiring the reader to add several dozen items in order to determine aid provided vs. aid received.

5k. On page 13 regarding the RHFD and the absence of significant annexations or consolidations among west county agencies due to lack of interest: how do we drive



policy change when we don't have authority to do that? An SOI is not necessarily considered a big hammer.

Response: Comment acknowledged.

5l. At yesterday's ConFire meeting, it was reported that there were 222 arson investigations from January 1st through April 30th. Of those, 151 were confirmed arson or suspicious (and of course more calls than just these).

Response: Comment acknowledged.

5m. Response times have improved in all 4 EMS zones, all above 94.7% since the new EMS contract at the start of the year.

Response: Comment acknowledged. According to the EMS Agency, final audited numbers will be forthcoming soon; at the present time, the effects of the new ConFire/AMR contract relative to the County's standards and requirements are not known with certainty.

5n. It would be helpful to have more info on ISO ratings; higher ISO ratings have a significant impact on homeowners' insurance premiums. This means dollars and cents to families and businesses.

Response: Many insurance companies no longer rely on ISO ratings for establishing rates; however, poor ISO ratings generally correlate with other factors that do affect property damages in particular areas, and other factors used by insurance companies to determine rates. No definitive data is available on the relationship between ISO ratings and insurance rates.

5o. The cartoon video explaining fire service in ECCFPD should be shown at the next meeting. It would also be helpful to see pictures or video of a house fire in real time, with firefighters pulling out hoses, etc.

Response: Comment acknowledged.

## **6. Sharon Burke, LAFCO Commissioner**

6a. What are the implications of the State Responsibility Area (SRA) fee (\$145)? There is a need for educating homeowners so they understand what they are paying for. Also, these homes are inside a fire district; if a fire affects one of these homes, does CalFire show up first, or the district?

Response: That SRA fee is a fire *prevention* fee, not fire *fighting* fee. CAL FIRE responds with mutual aid if needed to non-SRA areas. CAL FIRE has primary

responsibility for wildland fire protection and assumes responsibility for wildland fire suppression.

6b. Nearly half of Kensington's calls are for service outside of its boundaries; therefore, comparing total calls to Kensington's population significantly overstates the calls/population measure.

Response: Comment acknowledged. A footnote has been added to Table 6 which indicates that the calls per 1,000 Kensington residents are actually half the ratio shown based on total calls.

6c. Do any fire districts get Prop. 172 funds? A Mendocino fire agency recently was successful in getting these funds. Prop 172 was passed in November 1993, and a lot of ads featured firefighters; voters thought they were voting to help fire districts. According to a May 2016 published report in the Press-Democrat (<http://www.pressdemocrat.com/news/5585183-181/mendocino-county-fire-districts-to?ref=TSM>) the Mendocino County Board of Supervisors recently voted to grant its fire agencies a portion of Prop 172 public safety funding. The report noted that Sonoma County has also granted its fire agencies a portion of Prop 172 funds, along with Colusa County. As lack of revenue is the principal issue for the two fire agencies which are the emphasis of the Fire MSR, there should be a discussion in the MSR of recent county decisions to grant Prop 172 funding to fire agencies and the possibility that Contra Costa fire agencies should receive their fair share of Prop 172 funds from the Contra Costa County Board of Supervisors. (sent via email 2016-05-19).

Response: Comment acknowledged. The topic of providing Prop. 172 funds has been raised at the County BOS Finance Committee on March 16, 2016, as noted in the MSR. The County Board of Supervisors has the ability to allocate Prop. 172 funds among public safety providers. To-date, the Contra Costa County Board of Supervisors has chosen not to allocate funds to fire service agencies. The allocation of Prop. 172 funds is a policy decision to be made by the Board of Supervisors, and would provide important needed funding for fire districts, although a re-allocation would result in less funding for existing beneficiaries of Prop. 172 funds. A detailed analysis of Prop. 172 allocation options is beyond the scope of this MSR.

6d. The northwest portion of the unincorporated community of Alamo, an area of approximately 400 homes, is part of the Contra Costa County Fire Protection District, while the remainder of Alamo is part of the San Ramon Valley Fire Protection District. It is generally recognized as an issue with emergency response when a community is split between two fire service providers. During the 2009 failed incorporation effort for the Town of Alamo, San Ramon Valley Fire Protection District identified this illogical boundary as an issue and requested LAFCO to detach this area from ConFire and annex it to SRV Fire if the incorporation was successful. Since the incorporation was not successful, the annexation was not pursued but the

boundary issue remains. Some emergency response issues in this area include a hilly area with narrow winding roads not built to current standards, and a large portion, about a mile, of the Kinder Morgan jet fuel pipeline runs through this area. I believe the consultants should analyze this boundary issue and make a recommendation as to which fire service provider can best provide emergency medical and fire services to this neighborhood. As a matter of disclosure, I would like to note that my personal residence is in this area. (Sent via email 2016-05-19.)

Response: During LAFCO's MSR data collection process, fire service providers were asked to identify areas of potential boundary change; none were identified in this area. The MSR focused on two districts and did not investigate the boundaries of other districts unless issues were raised during the data collection process or during LAFCO's preparation of the MSR RFP and Scope of Work.

6e. There is no discussion of the formation of County Service Area EM-1 and its zones in the report. According to Contra Costa LAFCO records, CSA EM-1 was formed with two zones, Zone A which is all of San Ramon Valley Fire and Zone B which is the remainder of the county. Zone A pays a different assessment than Zone B. An examination of the ballot materials and LAFCO records reveals that the City of San Ramon objected to the formation of CSA EM-1 since SRV Fire runs its own ambulance service. Therefore, the CSA was formed with two zones with two different assessments, with Zone A paying a markedly lower assessment vs. Zone B. A recent Contra Costa County counsel opinion, issued April 2015, concerning CSA P-6 and its numerous zones, directed that zone funding should be returned to source and utilized only to benefit the zone paying the assessment. Since CSA EM-1 with two zones is the same legal entity in the same county as CSA P-6 with multiple zones, the County Counsel's opinion should presumably also apply to CSA EM-1. Contra Costa County Emergency Services does not currently return Zone A funds to San Ramon Valley Fire; they are pooled with Zone B funds and allocated countywide. I believe there should be a discussion in the MSR of whether Zone A and Zone B funds should be pooled separately and returned to source (sent via email 2016-05-19).

Response: Text has been added to the MSR to describe the zones and different assessments in each zone. A detailed analysis of the policy and legal issues surrounding the current allocation formulas for CSA EM-1 funding are beyond the scope of this MSR.

## **7. Candace Andersen, LAFCO Commissioner**

If the County gave Prop. 172 funds to fire districts, it would be necessary to find funds to backfill the loss to current public safety programs funded by Prop. 172.

Response: Comment acknowledged. Fire services were primary in promoting Prop. 172, but county boards of supervisors were given the money and the authority to

determine how to spend it. There are fire agencies receiving Prop. 172 funds in other counties. See also the related comments raised by Sharon Burke, above.

## **8. Lewis Broschard, Deputy Chief, ConFire, on behalf of Chief Carman**

8a. ConFire supports a 90-day pause; more information is needed on the impact of CCCERA changes; ConFire estimates an annual cost increase of \$4.5 million to \$5 million. This will have a material impact on fire service countywide resulting in delays in re-opening fire stations and on auto/mutual aid.

Response: LAFCO has extended the period until the next public hearing to allow time to receive information on the potential impacts of changes to CCCERA assumptions.

8b. CFD's are important to fund the personnel needed to staff new stations. LAFCOs should condition its approval of annexations on adequate development fees

Response: Comment acknowledged.

## **9. Chief Henderson, ECCFPD**

9a. Response time has 3 components: (1) process time (call received, dispatcher processes it); (2) notification to getting on the engine; (3) actual drive time to scene. Travel time differs greatly between urban and suburban/rural areas.

ECCFPD commissioned a master plan for \$85,000 which shows a 9 station model (249-sq-mi area, 115,000 people) plus keeping CalFire Amador contract. Districts have no control over retirement costs, but must pay 100% (as must their employees). ECCFPD hasn't been able to keep a standard number of employees, which means that their rate goes up and down according to number of employees.

Response: Comment acknowledged.

9b. On June 6, the ECCFPD Board will discuss a 2-part election process: on the ballot there would be two questions regarding ECCFPD board independence: (1) Do voters want a directly elected board? And (2) if so, here are the following candidates running (vote for 5).

Response: Comment acknowledged.

9c. On the subject of auto-mutual aid, it is important for ECCFPD to balance low priority medical calls against public safety. We are trying to put public safety and firefighter safety as the priority compared to low priority medical calls.

Response: Comment acknowledged.

9d. Sprinklering of residential units has been a requirement since 1985 in East Contra Costa County. Both Oakley and Brentwood adopted this quickly after that.

Response: Comment acknowledged.

9e. There is a discount on the CalFire assessments if a property is within a fire district. "LU100" inspections are underway. The services funded by the fee have nothing to do with fire suppression, just fire prevention.

Response: Comment acknowledged.

## **10. Chief Maples, El Cerrito/Kensington FPD**

10a. Speaking as President of Executive Fire Chiefs' Association) please consider the letter presented—CCCERA's decision will impact the districts into the millions. Redevelopment bonds continue to require diversion of tax increment. The MSR should include more information about this diversion.

Response: Comment acknowledged, the report has been revised to include additional information about the diversion of tax increment. Additional information on further CCCERA changes will be added if available prior to final MSR.

10b. There is an issue regarding the SRA fee in the Kensington area. Nine homes have appealed.

Response: Comment acknowledged.

10c. A Standards of Cover study in West County has been discussed since 2009, and is needed. SOC's are expensive; preliminary research showed it would cost over \$100,000 for just El Cerrito, Kensington, Pinole, RHFD.

Response: Comment acknowledged.

10d. The reference on page 12 should be corrected: Kensington call data is reported to the Kensington FPD Board monthly, and is available on the District's website. Would prefer that this section be removed from the report.

Response: Comment acknowledged. Call data for the Kensington Station, and calls into Kensington, are listed monthly and reported to the KFPD Board; however, the

data is presented without summarizing calls in/calls out of Kensington, requiring the reader to add several dozen items in order to determine aid provided vs. aid received. The MSR text has been clarified.

10e. On page 95 there is a typo: "El Cerrito" should be replaced with "Kensington."

Response: The report will be corrected.

10f. The chart on page 26 is significant, as it shows a reduction of 10 stations from 65 to 55 since 2009.

Response: Comment acknowledged.

### **11. Vince Wells, Union President at United Professional Firefighters of Contra Costa County, Local 1230**

11a. Not much has changed since 2009 report. Contra Costa County fire services are in trouble in all jurisdictions.

Response: Comment acknowledged.

11b. I concur with the 2009 MSR that there should be some form of consolidation of Battalion 7.

Response: Comment acknowledged.

11c. Station 74 in the PowerPoint presented to LAFCO today is the *Pinole* station that has closed (not Rodeo); RHFD has Station 75 in Rodeo and 76 in Hercules.

Response: Comment acknowledged.

11d. Initially Battalion 7 had two stations in each jurisdiction (Pinole 73, 74; Rodeo-Hercules 75, 76, ConFire 69, El Sobrante 70, San Pablo). The Pinole station closure hasn't been identified as important to the Battalion 7 configuration. The loss of Rodeo will reduce the capability of Battalion 7 even further.

Response: Comment Acknowledged

11e. The closure of Station 76 will create a serious problem, with only 4 stations remaining in that area while 5 stations are needed to respond to a fire, requiring El Cerrito assistance.

Response: Comment acknowledged.

11f. "RHFPD" should be referred to as "RHFD."

Response: The District uses “RHFD” and “RHFPD” interchangeably, for example, their letterhead states “Rodeo Hercules Fire Protection District” while their website uses “Rodeo Hercules Fire District.” Because official documents are presented on the letterhead, this MSR uses “RHFPD,” recognizing that both references are in common use. Chief Hanley also confirmed that they use the acronyms interchangeably.

11g. Chevron has a full-fledged fire department, but others are a “brigade.” The others all have fire brigades. However, in the case of a large fire at refineries, other agencies must respond.

Response: Comment acknowledged.

11h. Retirement and health benefit costs continue to increase. All of the fire agencies were affected by the de-pooling of unfunded liability. Four districts in CCCERA: MOFD, RHFPD, ConFire, ECCFPD, all pay their full share. RHFPD is the only one with 2% at 50—the others are at 3% at 50. The County and city leadership needs to step up, as the firefighters are doing their job to the best of their ability.

Response: Comment acknowledged.

## **12. Gil Guerrero Local 1230, Captain in ECCFPD**

12a. Time and staffing are of the essence. Discovery Bay has lost 3 residents to cardiac arrest because engines were unavailable to respond. There are multiple deaths on Hwy 4 (more helicopters out of that area than anywhere else in the county); no fire boat. ECCFPD has no paramedics (can’t administer drugs, have to wait for ambulance), and no ladder truck. Three engines respond to 6,900 calls annually. Training is lacking, and firefighters are getting tired and hurt. EBRPD does not relieve the burden of protecting major parks.

Response: Comment acknowledged.

## **13. Joe Young, ECCFPD Director (speaking for himself)**

13a. The recommendation for an elected board should be explained; disproportionate representation could distort decisions.

Response: Fire district boards can be elected by division or population group per the Health and Safety Code. The MSR has been revised to clarify the recommendation for an elected board, which the MSR states could improve local accountability and increase the likelihood of successful tax elections. Also refer to comments by Don Blubaugh, above.

**14. Joe Young, ECCFPD Director**

14a. The report implies a connection between ECCFPD board independence and improved funding.

Response: The report will be revised to indicate that independence could increase local accountability and responsibility for local funding, which could improve prospects for local tax measures. Also refer to comments by Don Blubaugh, above.

14b. The report should clarify that Knightsen and Bethel Island are “rural,” similar to Crockett-Carquinez, and therefore a longer response time standard applies as well as variation in ISO ratings.

Response: The report will be revised to indicate that the lesser standard applies.

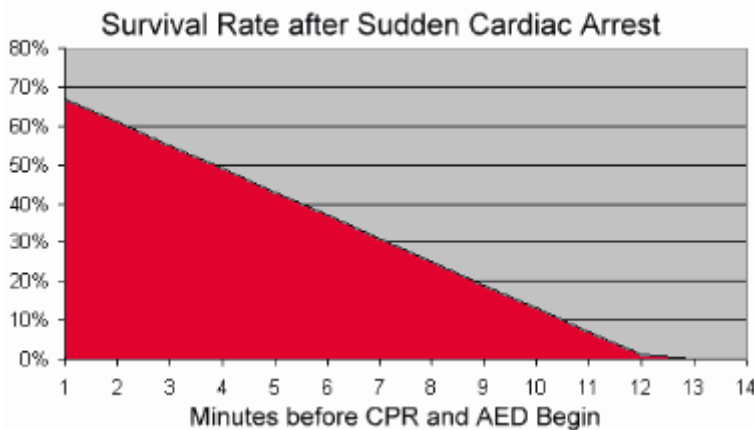
14c. The new CCCERA assumption will not be in effect until FY 2017-18. UAAL costs are paid by the employer only.

Response: Comment acknowledged.

**15. Bryan Craig , RHFD Acting Chief**

15a. It would be helpful to depict the relationship between mortality rates and response times.

Response: Data is not readily available on response times and mortality, as the type of incident and/or injury varies so significantly. However, County EMS provided the following table illustrating the relationship between mortality and response times in the event of a cardiac event.



15b. The Phillips 66 refinery brigade is not there on weekends and nights.



Response: Comment acknowledged.

15c. When the Phillips 66 refinery was annexed to RHFPD, the District received a small share of property tax increment; if that assessed value decreases RHFD feels this.

Response: Comment acknowledged (also, see Response 5b to Mary Piepho).

15d. A lawsuit in Hercules means almost no tax base from the development to the RHFPD. I support consolidation of RHFD (i.e., administrative, functional, full, etc.) as small districts can't survive. CCCERA decision will have an impact; the district won't have any money for this increase in costs.

Response: Comments acknowledged.

#### **16. Ernie Wheeler, Director, RHFPD (speaking for himself)**

16a. If Prop 172 funds are provided to fire districts, this may trigger a reduction in fire district revenue by ERAF 2 and ERAF 3.

Response: ERAF 2 and ERAF 3 will not take property tax from fire districts if Prop. 172 funds are allocated to fire districts.

#### **OTHER COMMENTS RECEIVED**

#### **17. Rob Piper, City of Pinole, email correspondence 2016-05-05.**

17a. Table 5 is missing the city of Rodeo altogether.

Response: Table 5 shows city population forecasts from ABAG; Rodeo is an unincorporated community, and is not shown in this table. See Table 21 for an estimate of projected Rodeo growth.

17b. Table 9 population numbers Rodeo/Hercules do not equal the numbers for Table #5 or Table #21.

Response: Table 9 shows residents per station of 16,500 for RHFPD; with two stations, the total population is double, or approximately 33,000. Table 5 utilizes forecasts provided by ABAG; Table 21 utilized the Dept. of Finance 2015 estimate for Hercules, which was slightly lower than the ABAG forecast, but Table 21 has been revised in the Final Report to be consistent with the higher ABAG number shown in Table 5.

**18. Chief Stephen Healey, MOFD, email correspondence 2016-05-04.**

I have three minor typographical changes I noticed in the draft:

1. Page-1 Moraga-Orinda “FPD” not “FD”
2. Page-97 “Stephen” not “Steven”
3. Page D-3 “Risk-based staffing” not “seasonal staffing” at Station-45

Response: Comments acknowledged; the Final Report will be revised accordingly.

**19. Patricia Frost, Director of EMS, Contra Costa County Health Services Dept., email correspondence 2016-05-13 and 2016-06-24.**

19a. On page 20 they describe the co-location of the CCFPD and AMR dispatch. Please note that those efficiencies are operationalized differently for Richmond dispatch. While the projected dispatch efficiencies may occur for all calls where CCFPD dispatches both fire and ambulance. In Richmond this is NOT the case. Richmond Dispatch dispatches fire and then CCFPD dispatches the ambulance. So efficiencies of co-location of fire and ambulance dispatchers exist ONLY for calls where CCFPD is responsible for BOTH fire and ambulance dispatch and does not apply to Richmond for EMS ambulance services.

Response: Comment acknowledged. The report will be revised as noted.

19b. In the MSR, references to response times and performance for 2014 or 2015 are based in old response time requirements. The system ambulance response zones were significantly updated based on population growth and in east county the urban response zones were changed as well. It is not clear to readers what the data reflects under the old EMS ambulance response zones vs the new ones. I recommend including both the old and the new response zone maps, and clarifying these changes for the public. I also recommend adding a table describing the new ambulance response requirements for public clarification.

Response: Comments acknowledged; the Final Report will be revised accordingly.

19c. It is important to note that the EMS agency works with fire first responder agencies based on their capabilities and has the ability to modify and optimize dispatch medical response protocols that influence deployment of assets through medical control.

Response: Comment acknowledged.

19d. There is no mention of emergency ambulance mutual aid issues in this document.

Response: Comment acknowledged; the Final Report will be revised accordingly to indicate that mutual aid to MOFD was addressed through an agreement with ConFire at the same time the new ConFire/AMR contract was implemented. The new agreement addressed issues related to the delivery of ambulance services to help assure adequate levels of service to all communities.

**20. Rick Artis**, Kensington resident, email correspondence 2016-05-05.

It is difficult to get useful information from the data in the KFPD Board packet. Many members of the community would greatly appreciate increased transparency and public access to the response information, as your consulting team suggested. Having worked through this with ECFD personnel (so that I could do the calculations myself), it is clear that monthly and yearly data dumps and summary reports yielding information similar to that provided to LAFCO as part of the MSR process, would take very little actual time - but allow for a much greater degree of transparency and accountability than citizens of Kensington are afforded currently. These reports (in excel format) could easily be regularly posted on the KFPD website, which would allow for appropriate public scrutiny.

The El Cerrito budget shown on Table 4 should exclude payments for the KFPD contract.

Response: Comments acknowledged. The report has been revised to adjust for the El Cerrito budget change as noted. The report also recommends additional call report subtotaling specific to KFPD calls in/out of Kensington.

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
ADOPTING DETERMINATIONS FOR THE 2016 FIRE & EMERGENCY MEDICAL SERVICES  
MUNICIPAL SERVICE REVIEW**

**WHEREAS**, Government Code §56430 requires LAFCO to conduct municipal service reviews (MSRs) in order to prepare and update spheres of influence (SOIs) pursuant to Government Code §56425; and

**WHEREAS**, the Commission previously authorized the *Fire & Emergency Medical Services (EMS) MSR* to be prepared; and

**WHEREAS**, the MSR covers services provided by three cities - El Cerrito, Pinole and Richmond, and eight special districts - County Service Area (CSA) EM-1, Contra Costa County Fire Protection District (CCCFPD), Crockett Carquinez Fire Protection District (CCFPD), East Contra Costa Fire Protection District (ECCFPD), Kensington Fire Protection District (KFPD), Moraga Orinda Fire District (MOFD), Rodeo Hercules Fire Protection District (RHFPD) and San Ramon Valley Fire Protection District (SRVFPD); and

**WHEREAS**, this is the 2<sup>nd</sup> round *Fire/EMS MSR* which concentrates on: 1) data updates for the 11 fire/EMS service providers, 2) review of auto and mutual aid agreements, and 3) focused analysis on East Contra Costa Fire Protection District and Rodeo Hercules Fire Protection District and the interface with Contra Costa County Fire Protection District; and

**WHEREAS**, on May 11, 2016, the Commission held a public hearing to receive an overview of the Public Review Draft MSR, receive public comments, and provide input; and

**WHEREAS**, the Commission agreed to a 90-day pause to allow additional time to review potential changes in retirement benefit rates, and directed that the Final Draft MSR be presented at a public hearing on August 10<sup>th</sup>; and

**WHEREAS**, the MSR report and determinations are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to §15306 Class 6 of the CEQA Guidelines.

**NOW, THEREFORE, BE IT RESOLVED** that the Contra Costa Local Agency Formation Commission does hereby resolve, determine and order as follows:

The *Fire & Emergency Medical Services (EMS) MSR* (2<sup>nd</sup> Round) determinations attached hereto as Exhibit A and incorporated herein by reference are hereby adopted.

\* \* \* \* \*

PASSED AND ADOPTED THIS 10<sup>th</sup> day of August 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: August 10, 2016

\_\_\_\_\_  
Lou Ann Texeira, Executive Officer

**EXHIBIT A**  
**FIRE & EMERGENCY MEDICAL SERVICES**  
**MUNICIPAL SERVICE REVIEW DETERMINATIONS**

***Growth and Population***

**GENERAL**

- The Association of Bay Area Governments (ABAG) projects that Contra Costa County's population growth from 2015 to 2020 will average 0.7% annually, which is approximately the same rate of growth the County realized from 2010 to 2015. East and West County growth is above the countywide average, and Central County exhibits slightly below-average rates.
- Between 2015 and 2020, the cities of Hercules and Oakley are expected to see the highest annual growth rates in the County, with 1.7% and 1.6% respectively; these cities will also see a corresponding increase in service demand. These growth rates will impact the most vulnerable districts – East Contra Costa Fire Protection District (ECCFPD) and Rodeo Hercules Fire Protection District (RHFPD).
- Continued population growth, job creation, and changes in health care services affect the volume and location of service calls, creating the need for new facilities and staff resources in order to sustain services. While recovery in real estate and development has benefits, it also has costs in terms of increases in service demands.
- The recession created a pause in real estate development. However, with recovery in real estate markets, development planning and construction has resumed. New development creates increased service responsibilities and costs to all fire service agencies, but does not provide sufficient revenues to maintain adequate service levels, particularly to ECCFPD and RHFPD.
- Fire service providers throughout the County continue to work toward restoring service levels. However, the ability to restore services to pre-recession levels and fund increased services required by new development is especially challenging for the ECCFPD and RHFPD.

**ECCFPD**

- Growth within the ECCFPD is expected to increase as the region recovers from the recession. Projections indicate growth of 0.8 to 1.5% annually, or about 240 new residents per year.
- This growth will increase calls for service and potentially reduce resources required for responses to other areas when multiple calls occur.
- ECCFPD's response times currently fall below national standards, and are likely to worsen as service calls increase.

**RHFPD**

- Growth in the RHFPD is expected to increase as the region recovers from the recession. Projections indicate growth of 1.4 to 1.5% annually over the next 10 years, or about 480 new residents per year.
- This growth will increase calls for service and potentially reduce resources required for responses to other areas when multiple calls occur.
- Response times, which currently fall below national standards, will worsen, particularly if one of the RHFPD's two stations is closed.

***Location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the sphere of influence (SOI)***

**GENERAL**

- LAFCO has catalogued and mapped disadvantaged communities (incorporated and unincorporated) in Contra Costa County, most of which are located in East and West County.

**ECCFPD**

- There are several disadvantaged communities located within the SOI of ECCFPD; these areas include Bethel Island, and an area to the east of Brentwood that includes the community of Knightsen. These two areas

experience among the worst response times in the District - 13:37 and 18:18 minutes, respectively (90% of responses fall within those times). Although these are rural communities and subject to a different standards (National Fire Protection Association 1720); these response times fall significantly below overall ECCFPD times, and well below national standards for “Best Practices” of 5 minutes and 20 seconds.

### **RHFPD**

- One area within the Rodeo community has been identified as a disadvantaged community. The area is within one mile of RHFPD Station 75; therefore, response times for the first-arriving engine company should meet or exceed Best Practice norms. However, if Station 75 closes as a result of revenue shortfalls, the next closest station would be Station 76, over two miles away. Times required for arrival of additional engine companies in the event of a structure fire would increase.

### ***Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any DUCs within or contiguous to the SOI***

### **GENERAL**

- Service adequacy can be measured by various factors, including response times, Insurance Service Office (ISO) ratings, per capita service levels and other factors.
- A majority of service calls to which fire agencies respond are medical (over 72%). Many Contra Costa County fire service providers are unable to meet “best practices” for response times and staffing. In 2009 and still today, local fire agencies are unable to meet national and state guidelines for fire response times 90% of the time. Response times have worsened for ECCFPD and RHFPD due to fiscal challenges, station closures, and staff reductions.
- Since the last MSR in 2009, the number of open stations declined by nearly 15% - a net reduction of approximately 10 stations. Meanwhile, the population of Contra Costa County increased by 3.5% over the same period. The closure of five ECCFPD stations accounts for the majority of the station reductions.
- Regarding infrastructure, nearly half of the fire stations in the County are over 40 years old and a significant number are in poor condition, needing repair or replacement. The total number of stations rated by the agencies as in “poor” condition increased from six stations in 2009 to 17 stations in 2015.
- Funding challenges have made it difficult for many service providers to plan for and fund capital needs.

### **ECCFPD**

- The ECCFPD has the longest response times in the County at 11:58 minutes (90% of responses), and the highest ISO rating of 4/10.
- Since 2009, ECCFPD has closed five of its eight fire stations. The three stations currently staffed are rated in “excellent” condition.
- Three stations are inadequate to cover the District’s 249 square mile service area, and adversely affect response times, ISO ratings and service levels. With its current three stations, ECCFPD relies on aid from other agencies.
- Limited firefighting resources increases the probability that adequate response to a structure fire, which requires a minimum of 15 firefighters, will not arrive in time to contain a fire and minimize damage to property and risk of injury to residents.
- ECCFPD does not have a current Capital Improvement Program. A recently completed Standards of Cover (SOC) study – *Deployment Performance and Headquarters Staffing Adequacy Study* - documents service needs and related facilities and equipment throughout the District.

### **RHFPD**

- The RHFPD has the second longest response times in the County at 9:43 minutes (90% of responses), and an ISO rating of 2/2X. Closure of one of the District’s two stations, which could occur due to financial constraints, will worsen response times. Consequently, first responder times will increase, and the RHFPD will become increasingly reliant upon aid from other agencies, increasing the probability that adequate response to a structure fire, which requires a minimum of 15 firefighters, will not arrive in time to contain a fire and minimize damage to property and risk of injury to residents.

- The RHFPD currently operates two fire stations, both of which are functional, but do not meet “essential services” and “best practices and design” standards, according to the District.
- Given the loss of special tax funding and expiration of a federal grant, the District may close one station. Returning to a one-station configuration will have significant impacts on service, particularly fire suppression.
- The RHFPD has a Business Plan and Capital Improvement Plan with funds designated for infrastructure improvements; however, it is likely that most of these funds will be needed for operations to buffer the impact of reduced assessment and grant revenues.

## ***Financial Ability of Agencies to Provide Services***

### **GENERAL**

- For the most part, Contra Costa County fire service providers have the financial ability to deliver appropriate service levels, with the exception of East Contra Costa Fire Protection District (ECCFPD) and Rodeo Hercules Fire Protection District (RHFPD), which receive a significantly low share of the ad valorem property tax.
- The primary revenue source for the fire districts is property taxes, which depend on the district’s share of taxes generated by assessed value within district boundaries. A low share of property taxes, combined with relatively low assessed values, contributes to the significant financial problems of the ECCFPD and RHFPD, which receive on average 6% to 7% of each property tax dollar paid within their districts, compared to other districts that receive two to three times that tax share.
- In general, fire districts have limited sources of revenue in that they do not charge fees for most services, have high insurance costs due to the risky nature of the profession, have incurred significant pension liabilities from past underfunding, and some receive low property tax shares as they evolved from volunteer agencies. New taxes, increased development fees and pension reform may help alleviate some of the fiscal challenges.
- According to the County Assessor, assessed values and property taxes have recovered and now exceed pre-recession levels. The increase in the countywide local tax base for FY 2015-16 represents a 7.53% increase in assessed value.
- The new partnership between the County, Contra Costa County Fire Protection District (CCCFPD) and American Medical Response (AMR) is expected to result in cost savings, reduced response times, and other efficiencies.

### **ECCFPD**

- ECCFPD serves most of far East Contra Costa County, with a service area of 249 square miles, the second largest service area in the County.
- The District continues to suffer from inadequate financial resources, and was forced to close five fire stations since 2009, which has significantly increased response times from its three remaining stations.
- ECCFPD is heavily dependent on property tax, which is significantly lower than most other fire districts in the County; and has been unsuccessful in passing special taxes due to lack of voter support.
- ECCFPD carries significant pension and Other Post-Employment Benefits (OPEB) liabilities.
- A recently formed Task Force, composed of representatives from the County and the cities of Brentwood and Oakley, has provided ECCFPD interim financing to re-open one station, and is investigating longer-term solutions in partnership with affected agencies.
- The District continues to look for financial enhancements and governance options, through a Standards of Cover (SOC) Study, pursuit of independence through a directly elected board, and an ongoing quest for new funding sources.
- Improved financial conditions will help to address infrastructure needs and service deficiencies. Other issues noted in the MSR, including lack of adequate financial documentation and elected representation, could also be better addressed as improved financial resources allow.
- New funding sources, such as special taxes and new and increased fees are needed to sustain ECCFPD.

### **RHFPD**

- RHFPD serves the City of Hercules and unincorporated Rodeo, a portion of which is a Disadvantaged Unincorporated Community (DUC).
- RHFPD relies on property tax for a majority of its revenue, and receives the lowest allocation of property tax of all fire districts in the County. Other fiscal constraints include reduced property tax in the City of Hercules due

to extensive redevelopment; limited property tax from the Phillips refinery property; significant pension and OPEB liabilities; and a recent court decision that terminated the District's 2014 benefit assessment at the end of FY 2016-17.

- Within the next 1-2 years, RHFPD revenues will decline by over \$2.6 million, or 40% of its revenues, due to its SAFER Grant ending and the elimination of its recently adopted 2014 benefit assessment. Without additional revenues, the RHFPD faces the potential closure of one of its two stations, which will significantly impact service levels.
- In an effort to maintain current service levels, RHFPD continues to pursue new revenue sources including tax measures, grant and bond opportunities; additional Measure H funding (countywide assessment to improve EMS); possible Proposition 172 funds through the County; and possible increases to charges and fees.

### ***Status of, and Opportunities for, Shared Facilities***

#### **GENERAL**

- Local fire agencies have entered into various agreements, both formal and informal, to augment existing services and to jointly respond to hazards that may be beyond the capability of any single agency. These agreements, in some cases, also provide for the sharing of functions such as training, dispatch, and administrative services.
- All fire agencies in the County have signed the California State Master Mutual Aid Agreement that is administered by the State Office of Emergency Services. Further, all agencies have also signed the Contra Costa County Fire Chiefs' Mutual Aid Plan, which was last updated in 1997.
- In addition to the County Mutual Aid Agreement, automatic aid agreements are in place among fire agencies that are in close proximity to each other. In Contra Costa County, every fire agency is party to at least one, and, often, multiple automatic aid agreements.
- The new partnership between the County, CCCFPD and AMR is expected to result in cost savings, reduced response times, and other efficiencies. In conjunction with this partnership, the EMS Agency (Contra Costa Health Services) is the County's designated contract manager and reviews CCCFPD and AMR's performance. Performance monitoring for independent fire districts providing EMS ambulance services is a responsibility shared by those fire districts and the EMS Agency.
- The Battalion 7 "shared resources agreement" is an operational agreement, which includes the following fire departments: City of Pinole, CCCFPD (San Pablo and other unincorporated pockets) and RHFPD. Each of the three partner agencies provides an operational Battalion Chief to cover one of the rotating three 24-hour shifts. Each 24-hour Battalion Chief is responsible for the operational activities of the on-duty personnel from all three separate fire agencies.
- The West County fire agencies participate in mutual and automatic aid agreements, and participate in shared operational training.
- CCCFPD, the City of Pinole and RHFPD are currently considering a "shared Chief" position for the City of Pinole, along with other cost-effective, inter-agency solutions to reduce overhead costs for the three agencies. While significant issues remain to be addressed (e.g., pay, benefits, pension obligations, etc.), if implemented, these efforts could decrease operational costs for the agencies significantly and materially improve service. The shared Chief position will, if implemented, make a significant step in integrating the agencies in a functional manner.
- Absent consolidation or annexation, "functional" consolidation, which does not require governance changes, could provide a more efficient application of resources available in West Contra Costa County. While functional consolidation could improve the long-term financial sustainability of RHFPD, it would not offset the inherent service deficiencies of RHFPD as a result of unfunded service demands and a closed fire station.

#### **ECCFPD**

- The City of Brentwood provides administrative support services to ECCFPD. CCCFPD provides fire prevention, fire investigation, and communications services.
- The ECCFPD has relied on CCCFPD for auto aid and assistance, which was recently reduced pursuant to a revised automatic aid agreement. According to the agreement, CCCFPD will no longer respond automatically to non-critical medical emergencies unless ECCFPD resources are unavailable.



## **RHFDP**

- The RHFDP and other local fire agencies have entered into agreements to augment existing services and jointly handle hazards that may be beyond the capability of any single agency. These agreements also help to ensure coordinated responses to wildland/interface incidents and to incidents on agency borders.
- The RHFDP provides fire and rescue services to CCCFPD and CAL FIRE along the Highway 4 Corridor, through a series of automatic aid and mutual threat zone agreements.
- The RHFDP provides 24-hour battalion coverage along with CCCFPD and the City of Pinole. These three agencies also train together.
- The RHFDP's Station 76 in Hercules serves as the Training Center for Battalion 7.
- From February 2011 through June 2013, the RHFDP fire chief served as chief for the City of Pinole, and the District shared certain administrative costs with the City of Pinole.

## ***Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies***

### **GENERAL**

- Most of the agencies reviewed follow "Best Practices" in terms of contested elections, constituent outreach efforts, transparency, and disclosure practices.
- Recent changes in standards issued by the Government Accounting Standards Board (GASB) allow for the reporting of "net liabilities" for pension and OPEB plans. While the "net" reporting helps to simplify the reporting process, it also reduces the availability of important information available to the public regarding total pension and OPEB assets and liabilities, and actual vs. total required payments. Agencies should include both the total and the net liabilities to provide maximum transparency and public information.

### **ECCFPD**

- The ECCFPD follows generally accepted practices and legal requirements for meeting noticing procedures. However, given the District's severe financial constraints, some of the website information is delayed (e.g., meeting minutes), incomplete (e.g., Board member contact info, budget details), or missing (e.g., independent financial reports, pension and OPEB reports).
- Efforts are underway to stabilize ECCFPD's funding and to create a more representative elected Board to enhance accountability.

### **RHFDP**

- The RHFDP follows generally accepted practices and legal requirements for meeting noticing procedures. Current meeting agenda/packets, financial/budget information, and some archived documents (i.e., meeting minutes) are available on the District's website.
- The District prepared a Business Plan and a Strategic Plan in 2012 that provide clear direction and strategies; however, implementation has been stymied by the District's lack of financial resources.

**Fire & Emergency Medical Services  
Municipal Services Review (MSR) and Sphere of Influence (SOI) and Governance Options**

AGENCY	2009 SOI UPDATE - APPROVED	2016 SOI OPTIONS	GOVERNANCE OPTIONS
County Service Area (CSA) EM-1	Retained existing coterminous SOI	<ul style="list-style-type: none"> <li>• Retain existing SOI</li> </ul>	<ul style="list-style-type: none"> <li>• None identified</li> </ul>
Contra Costa County Fire Protection District (CCCFPD)	Expanded SOI to include area southeast of Clayton, Roddy Ranch area, eastern boundary areas in the cities of Antioch and Pittsburg already served by CCCFPD; removed Bogue Ranch area previously annexed to SRVFPD; removed 101 acres in Orinda previously annexed to MOFD; continued to exclude from SOI the western boundary areas (i.e., City of San Pablo, and unincorporated areas including Bayview, East Richmond Heights, El Sobrante, Montalvin Manor, North Richmond, Tara Hills) to facilitate future West County fire consolidation <sup>1</sup>	<ul style="list-style-type: none"> <li>• Retain existing SOI and continue to exclude western boundary areas<sup>1</sup></li> <li>• Expand SOI to include western boundary areas already being served (2009)</li> <li>• Reduce SOI to remove area in North Alamo (2009)</li> <li>• Expand SOI to include City of Pinole (2009)</li> <li>• Remove Avon area from SOI - served by private fire brigade (2009)</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) of Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> <li>• Consider annexing Tesoro refinery</li> </ul>
Crockett-Carquinez Fire Protection District (CCFPD)	SOI update pending - deferred SOI update to facilitate a future West County fire consolidation	<ul style="list-style-type: none"> <li>• Retain existing SOI</li> <li>• Expand/reduce SOI to coincide with service area (i.e., overlaps with RHFPD service area) (2009)</li> <li>• Adopt “provisional” or “zero” SOI in anticipation of future West County consolidation (2009)</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> </ul>
East Contra Costa Fire Protection District (ECCFPD)	Removed from SOI Roddy Ranch property	<ul style="list-style-type: none"> <li>• Adopt “provisional” SOI</li> <li>• Adopt “zero” SOI</li> <li>• Retain existing SOI</li> <li>• Expand SOI to include Jersey and Bradford islands and Webb Tract which are not currently in any fire district’s boundary (2009)</li> </ul>	<ul style="list-style-type: none"> <li>• Establish an independent governing board</li> <li>• Work with the County and the cities of Brentwood and Oakley to develop a multi-faceted funding plan to increase revenues (e.g., special taxes, development fees, community facility districts, etc.)</li> <li>• Continue efforts to educate and involve the community</li> </ul>

AGENCY	2009 SOI UPDATE - APPROVED	2016 SOI OPTIONS	GOVERNANCE OPTIONS
Kensington Fire Protection District (KFPD)	SOI update pending - deferred SOI update to facilitate a future West County fire consolidation, and pending completion of Kensington Police Protection & Community Services District MSR	<ul style="list-style-type: none"> <li>• Retain existing SOI</li> <li>• Expand SOI to include EBMUD reservoir area (2009)</li> <li>• Adopt “provisional” or “zero” SOI in anticipation of future West County consolidation (2009)</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) of Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> <li>• Enhance reporting to separate City of El Cerrito and KFPD call data</li> </ul>
Moraga Orinda Fire District (MOFD)	Expanded SOI to include 101 acres previously annexed to MOFD	<ul style="list-style-type: none"> <li>• Retain existing SOI</li> </ul>	<ul style="list-style-type: none"> <li>• None identified</li> </ul>
Rodeo Hercules Fire Protection District (RHFPD)	SOI update pending - deferred SOI to facilitate a future West County fire consolidation	<ul style="list-style-type: none"> <li>• Adopt “provisional” SOI</li> <li>• Adopt “zero” SOI</li> <li>• Retain existing SOI</li> <li>• Expand/reduce SOI to coincide with service area (i.e., submerged areas, overlaps with CCCFPD) (2009)</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) of Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> <li>• Pursue new funding sources</li> </ul>
San Ramon Valley Fire Protection District (SRVFPD)	Expanded SOI to include previously annexed areas (Tassajara Valley/Morgan Territory, Bogue Ranch)	<ul style="list-style-type: none"> <li>• Retain existing SOI</li> <li>• Increase SOI to include area in North Alamo (2009)</li> </ul>	<ul style="list-style-type: none"> <li>• None identified</li> </ul>
City of El Cerrito	Retained existing SOI following completion of 2009 city services MSR	Pending completion of future city service MSR	<ul style="list-style-type: none"> <li>• Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) of Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> </ul>

AGENCY	2009 SOI UPDATE – APPROVED	2016 SOI OPTIONS	GOVERNANCE OPTIONS
City of Pinole	Retained existing SOI following completion of 2009 city services MSR	Pending completion of future city service MSR	<ul style="list-style-type: none"> <li>Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) of Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> </ul>
City of Richmond	Removed from the SOI areas east of Bonita Road and at North Arlington following completion of 2009 city services MSR	Pending completion of future city service MSR	<ul style="list-style-type: none"> <li>Participate in a Battalion 7/West County Fire/EMS Task Force with representatives from all affected agencies. The Task Force would undertake and implement a regional Standards of Cover (SOC) of Study, apply for grants, refine operational practices and develop cooperative agreements to improve services through collaboration</li> </ul>

1. The 2009 MSR recommended that a West County Ad Hoc Committee be formed to address issues raised in the 2009 MSR report and pursue future boundary and/or operational changes



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

August 10, 2016 (Agenda)

August 10, 2016  
 Agenda Item 8

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

**Contract Amendment – Berkson Associates**

Dear Members of the Commission:

Earlier this year, the Commission approved a work plan that includes preparing two special governance options studies – one relating to the West Contra Costa Healthcare District (WCCHD), and one relating to the Rollingwood Wilart Park Recreation & Park District (RWPRPD). Both districts face ongoing financial challenges, and the provision of future services is tenuous.

In March 2016, LAFCO entered into a contract with Berkson Associates (BA) to prepare the WCCHD study, which is currently underway. A Public Review Draft report will be released this month, and the Commission will receive an overview of the report in September.

In addition to working on the WCCHD study, Mr. Berkson is also working on Contra Costa LAFCO’s Fire/Emergency Medical Services Municipal Service Review (MSR) in conjunction with Municipal Resource Group, LLC. Previously, Mr. Berkson worked for Contra Costa LAFCO on the Mt. Diablo Healthcare District special study, and has worked on various other fiscal and governance projects in Contra Costa County.

Mr. Berkson has over 30 years of experience working with public agencies. He has prepared numerous fiscal and governance studies, along with MSRs, and studies addressing incorporations, annexations, special district formations, consolidations, and dissolutions. Mr. Berkson is available to assist with the RWPRPD study.

In general, the scope of work will include the following components.

- ❖ **Overview of RWPRPD** (e.g., history/evolution; property taxes, fees and charges; population served; services and facilities)
- ❖ **Financial Review** (e.g., operating expenditures, revenues, assets, debt obligations)
- ❖ **Governance and Service Options** (e.g., dissolution, successor agencies, other)

LAFCO staff and the consultant will finalize the scope of work and timeline following the Commission's approval. The special study will take approximately five months to complete. Following the special study, should the Commission wish to initiate a change of organization or reorganization, such a process will take several months to complete.

**RECOMMENDATION:** Authorize the LAFCO Executive Officer to execute a contract amendment with Berkson Associates to prepare a governance options study for the RWPRPD, which will extend the contract term from September 30, 2016 to February 28, 2017; and increase the total contract amount from \$25,000 to \$43,000. Adequate funds are included in the FY 2016-17 LAFCO budget.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment – Proposed Contract Amendment

PO Number: \_\_\_\_\_

**AGREEMENT AMENDMENT**

Reference is made to that contract entered into on the 23<sup>rd</sup> day of March 2016, by and between the Contra Costa Local Agency Formation Commission and Berkson Associates.

Said contract is hereby amended:

PURPOSE will be amended to include the Rollingwood Wilart Park Recreation & Parks District (RWPRPD) special study

TERM will be from March 23, 2016 through **February 28, 2017**

SCOPE OF SERVICE (Exhibit 1) will be amended to include a Scope of Service for the RWPRPD study

PROJECT TIMELINE (Exhibit 2) will be amended to include a Project Timeline for the RWPRPD study. In addition, the Project Timeline for the WCCHD study will also be amended to reflect the current timeline.

PAYMENT LIMIT (Exhibit 3) will be amended to include a payment schedule for the RWPRPD study, and add \$18,000 to the total contract for a total contract amount not to exceed **\$43,000**.

This amendment is effective August 10, 2016.

IN WITNESS THEREOF, the parties hereto have executed this amendment this 10<sup>th</sup> day of August 2016.

CONTRA COSTA LAFCO

BERKSON ASSOCIATES

By: \_\_\_\_\_  
LAFCO Executive Officer

By: \_\_\_\_\_

Taxpayer ID#: \_\_\_\_\_

APPROVED AS TO FORM

\_\_\_\_\_  
LAFCO Legal Counsel

I hereby certify under penalty of perjury that the Executive Officer of the Contra Costa LAFCO was duly authorized to execute this document on behalf of the Contra Costa LAFCO by a majority vote of the Commission on August 10, 2016.

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Contra Costa LAFCO Clerk



August 10, 2016  
Agenda Item 9

## AGENDA

### RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING  
July 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 April 27, May 4 and May 25, 2016 meetings.

#### *CLOSED SESSION*

4. The Board will meet in closed session pursuant to Govt. Code Section 54956.9(d)(2) to confer with legal counsel regarding potential litigation (one case).

#### *OPEN SESSION*

5. Consider authorizing the attendance of Board and/or staff:
  - a. Public Retirement Seminar, The Public Retirement Journal, September 8, 2016, Sacramento, CA.
  - b. Torchlight Investment Summit, Torchlight Investors, October 5-6, 2016, New York, NY.
  - c. Wastewater Opportunity Fund Annual and Advisory Committee Meetings, Wastewater Capital Management, October 24-25, 2016, Columbus, OH.
6. 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, August 03, 2016**

August 10, 2016  
Agenda Item 11a

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**AB 2032 (Linder R) Change of organization: cities: disincorporation.**

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

**Introduced:** 2/16/2016

**Last Amended:** 6/6/2016

**Status:** 6/30/2016-In Assembly. Concurrence in Senate amendments pending. May be considered on or after July 29 pursuant to Assembly Rule 77.

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

**Calendar:**

8/4/2016 #11 ASSEMBLY CONCURRENCE IN SENATE AMENDMENTS

**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 Support Letter May 2016](#)

[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. The amendments in the June 6 version make a minor change to align with AB 2910. 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:** 5/27/2016-Failed Deadline pursuant to Joint Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/20/2016)

Desk	Policy	Dead	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:** UPDATE: This bill failed to make it out of the Assembly Appropriation Suspense File and has died.

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:** 8/2/2016-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:**

8/4/2016 #261 SENATE SEN THIRD READING FILE - ASM BILLS

**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 With Concerns

**Subject:** Water

**CALAFCO Comments:** As amended, this bill requires a water agency to provide water service upon request of an Indian tribe and under certain conditions, to the tribe at substantially the same terms as existing customers of the water district even though no annexation of the land to be serviced is required. The proposed process bypasses entirely the LAFCo process and requires the water agency to provide the service without discretion. The author contends the criteria for qualification as outlined in the bill applies only to the Sycuan Indian tribe in San Diego. CALAFCO solicited feedback from members and based on the responses there are no other Indian tribes (at least for which LAFCo is aware) to which that criteria applies.

**AB 2910 (Committee on Local Government) Local government: organization: omnibus bill.**

**Current Text:** Amended: 6/1/2016 [pdf](#) [html](#)

**Introduced:** 3/15/2016

**Last Amended:** 6/1/2016

**Status:** 8/2/2016-In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 4 pursuant to Assembly Rule 77.

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

**Calendar:**

8/4/2016 #24 ASSEMBLY CONCURRENCE IN SENATE AMENDMENTS

**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 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:** 6/29/2016-June 29 set for first 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, February 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: 6/15/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 6/15/2016

**Status:** 6/30/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (June 29). Re-referred to Com. on APPR.

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

**Calendar:**

8/3/2016 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ, 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, if a water supply for a proposed project includes groundwater, require certain additional information to be included in the water supply assessment.

**Attachments:**

[CALAFCO Letter of Concern, March 2016](#)

**Position:** Watch With Concerns

**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.

Recent amendments removed CALAFCO's primary concern of the timing requirements of the water supply assessment, and returns the statute to its original state. Other concerns remain unaddressed in the bill including the ongoing discussion of the appropriate size of a project (is 500 units the appropriate threshold) and how this bill will deal with phased development. Based on stakeholder discussions with the author, these issues will not be addressed in this bill.

**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:** 6/30/2016-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:**

8/4/2016 #129 ASSEMBLY CONSENT CALENDAR 2ND DAY-SENATE 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: 6/1/2016 [pdf](#) [html](#)**Introduced:** 2/19/2016**Last Amended:** 6/1/2016**Status:** 7/1/2016-Failed Deadline pursuant to Joint Rule 61(b)(13). (Last location was L. GOV. on 6/9/2016)

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

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation and change of organization of cities and special districts. This bill would additionally authorize a local agency formation commission to initiate a proposal by resolution of application for the annexation of a disadvantaged unincorporated community, as specified. This bill contains other related provisions and other current laws.

**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:** MOST RECENT UPDATE: As of June 15, CALAFCO was notified by the author's office they were dropping the bill. At the request of the author, CALAFCO provided a second set of proposed amendments that were focused solely on bringing all LAFCos into compliance with SB 244. The sponsor of the bill ultimately could not agree to the proposed amendments, and as a result the author decided to drop the bill. CALAFCO's Oppose position will remain on record and we will continue to monitor the bill for any further activity.

PRIOR UPDATES: CALAFCO has been working closely with the author and sponsor on potential

amendments to improve the April 12 version of the bill. Substantial amendments were provided, and the bill as amended on June 1 reflect only a portion of those amendments.

As amended, the bill still provides no funding for LAFCo to conduct the required studies and for agencies to complete any service extensions or annexations, which is one of the biggest obstacles for these areas to receive the service. (CALAFCOs amendments included the Water Board and Regional Water Quality Boards as funding mechanisms.) The bill changes the definition of a DUC (different from what CALAFCO proposed), retains protest provisions for the DUC only, and requires LAFCo to hold public hearings as close in proximity to the DUC. Several important amendments that were included are the proposed change to 56653, the removal of the prohibition to LAFCo for annexing or extending services to an area if all DUCs in the area have not been served, it moves the DUC mapping requirements from the SOI/MSR section to the LAFCo Powers section.

**[AB 1362](#) (Gordon D) San Mateo County Mosquito and Vector Control District: board of trustees: appointment of members.**

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

**Introduced:** 2/27/2015

**Last Amended:** 8/2/2016

**Status:** 8/2/2016-Read second time and amended. Re-referred to Com. on APPR.

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

**Calendar:**

8/8/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

**Summary:**

Would authorize a change in the appointment of the board of trustees of the San Mateo County Mosquito and Vector Control District. If a majority of the legislative bodies that include the city councils in, and the Board of Supervisors of, the County of San Mateo adopt resolutions approving the change in board composition and forward a copy of the resolution to the local agency formation commission, the bill would require the commission to adopt procedures for the reorganization of the board of trustees of the San Mateo County Mosquito and Vector Control District.

**Position:** Watch

**CALAFCO Comments:** As amended on June 22, this bill amends the Health and Safety Code by creating an alternative option to the appointment process to the board of trustees of the San Mateo County Mosquito and Vector Control District (previous versions were statewide - this version is district specific). 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.

**[AB 2414](#) (Garcia, Eduardo D) Desert Healthcare District.**

**Current Text:** Amended: 6/28/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 6/28/2016

**Status:** 8/1/2016-In committee: Referred to APPR. suspense file.

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

**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:** As amended, this bill requires Riverside LAFCo to approve the expansion of the district, providing a determination is made that the expansion is financially feasible. The bill requires the

County of Riverside to file the application with the LAFCo by 1/1/17, and as the applicant, to pay all necessary fees. The bill gives Riverside LAFCo 150 days to conduct all proceedings and direct the election necessary to expand the district. While the amendments removed the unrealistic timelines prescribed in the original version, and removed the requirement for the LAFCo (and other agencies) to find a viable funding source for the expansion, the bill still divests Riverside LAFCo of its authority and discretion.

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

**Current Text:** Amended: 8/1/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 8/1/2016

**Status:** 8/2/2016-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:**

8/4/2016 #299 SENATE SEN THIRD READING FILE - ASM BILLS

**Summary:**

Would require the Alameda County local agency formation commission to order the dissolution of the Eden Township Healthcare District if that health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to specified provisions of the act that require dissolution by voter approval only if a majority protest exists, as specified. By requiring a higher level of service from the Alameda County local agency formation commission to analyze the criteria described above, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Oppose Unless Amended Letter\\_April 2016](#)

**Position:** Oppose unless amended

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

**CALAFCO Comments:** As amended, the bill makes the language specific to Eden Township Healthcare District, rather than the more generic statewide original approach. However, the bills till divests Alameda LAFCo of their authority and discretion. The bill requires the Alameda LAFCo to review Eden Township Healthcare District's compliance with certain criteria set forth in the bill. If all of the prescribed criteria is met, the bill requires the LAFCo to order the dissolution of the district.

**SB 1263 (Wieckowski D) Public water system: permits.**

**Current Text:** Amended: 6/29/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 6/29/2016

**Status:** 6/29/2016-Read second time and amended. Re-referred to Com. on APPR.

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

**Calendar:**

8/3/2016 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

**Summary:**

Would require a person submitting an application for a permit for a proposed new public water system to first submit a preliminary technical report to the State Water Resources Control Board at least 6 months before initiating construction of any water-related improvement, as defined. Because a misstatement in the report could be a crime under the provision described above, this bill would impose a state-mandated local program by expanding the scope of a crime.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** As amended, this bill would require an application for a permit for a proposed new public water system to first submit a preliminary technical report to the board at least 6 months before initiating construction of any water-related improvement, as defined.

The bill would allow the state board to direct the applicant to undertake additional discussion and negotiation with certain existing public water systems to provide an adequate and reliable supply of domestic water to the service area of the proposed new public water system and would require an applicant to comply before submitting an application for a permit to operate a system and would prohibit the application from being deemed complete unless the applicant has complied. The bill would authorize the 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. The bill also prohibits a local primacy agency from issuing a permit to operate a public water system without the concurrence of the state board. The bill prohibits water hauling as a viable source of water supply.

Amendments done on June 8, 2016 raised a concern for CALAFCO in that Section 116527(e) addresses what the board may do upon review of a prelim tech report. Subsection (1) states they may direct the applicant to undertake additional discussions if they have not already gone to LAFCo. It further states the board will not do that if, among other things, the LAFCo has already denied the project. However, there is no indication that the board's direction for the applicant to undertake additional discussions is NOT a replacement for going to LAFCo. CALAFCO has requested an amendment to add clarifying language on this point.

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**3**

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

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

**Introduced:** 1/13/2016

**Status:** 6/16/2016-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:**

8/4/2016 #94 SENATE SEN THIRD READING FILE - ASM BILLS

**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:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/17/2016)

Dead	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: 6/22/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 6/22/2016

**Status:** 8/2/2016-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:**

8/4/2016 #249 SENATE SEN THIRD READING FILE - ASM BILLS

**Summary:**

The Ralph M. Brown Act requires the legislative body of a local agency to post, at least 72 hours before the meeting, an agenda containing a brief general description of each item of business to be transacted or discussed at a regular meeting, in a location that is freely accessible to members of the public and to provide a notice containing similar information with respect to a special meeting at least 24 hours prior to the special meeting. This bill would require an online posting of an agenda for a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site to be posted on the local agency's primary Internet Web site homepage accessible through a prominent, direct link, as specified.

**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: 5/9/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 5/9/2016

**Status:** 6/30/2016-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:**

8/4/2016 #173 SENATE SEN THIRD READING FILE - ASM BILLS

**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:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/19/2016)

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.

**[AB 2737](#) (Bonta D) Nonprovider health care districts.**

**Current Text:** Amended: 6/20/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 6/20/2016

**Status:** 8/2/2016-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:**

8/4/2016 #302 SENATE SEN THIRD READING FILE - ASM BILLS

**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. The bill would require a nonprovider health care district to pay any amount required to be paid in the district's annual budget year by a final judgment, court order, or arbitration award before payment of those grants or administrative expenses, as specified.

**Position:** Watch

**CALAFCO Comments:** This bill appears to be a companion bill to AB 2471 (Quirk) addressing the Eden Township Healthcare District, although it is written in generic form. As amended, the bill requires a non-provider 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).

**[AB 2853](#) (Gatto D) Public records.**

**Current Text:** Amended: 6/16/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 6/16/2016

**Status:** 8/2/2016-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:**

8/4/2016 #275 SENATE SEN THIRD READING FILE - ASM BILLS

**Summary:**

Would authorize a public agency that posts a public record on its Internet Web site to refer a member of the public that requests to inspect the public record to the public agency's Internet Web site where the public record is posted. This bill would require, if a member of the public requests a copy of the public record due to an inability to access or reproduce the public record from the Internet Web site where the public record is posted, the public agency to promptly provide a copy of the public record to the member of the public, as specified. 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 552](#) (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.**

**Current Text:** Amended: 8/1/2016 [pdf](#) [html](#)

**Introduced:** 2/26/2015

**Last Amended:** 8/1/2016

**Status:** 8/1/2016-From committee with author's amendments. Read second time and amended.

Re-referred to Com. on APPR.

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

**Calendar:**

8/3/2016 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

**Summary:**

Would authorize the State Water Resources Control Board to order consolidation where a public water system or a state small water system is serving, rather than within, a disadvantaged community, and would limit the authority of the state board to order consolidation or extension of service to provide that authority only with regard to a disadvantaged community. This bill would make a community disadvantaged for these purposes if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** As amended, the bill makes the CALAFCO requested change to the Health & Safety Code by amending 116682 (g) which gives LAFCo the approval to do what is necessary to complete a consolidation of two systems, should they be required to do so by the State Water Board. (Previous language technically divested LAFCo of that authority.)

Further, the bill adds provisions that give the SWRCB the authority to appoint an Administrator to a water system (as opposed to mandating consolidation), which is a kind of receivership.

**[SB 971](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 5/27/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/27/2016-Chaptered by Secretary of State - Chapter 15, Statutes of 2016.

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

**Summary:**

This bill 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 contains other related provisions.

**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:** Chaptered: 5/27/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/27/2016-Chaptered by Secretary of State - Chapter 16, Statutes of 2016.

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

**Summary:**

This bill 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 contains other related provisions.

**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:** Chaptered: 5/27/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016**Status:** 5/27/2016-Chaptered by Secretary of State - Chapter 17, Statutes of 2016.

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

**Summary:**

This bill 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: 6/2/2016 [pdf](#) [html](#)**Introduced:** 2/8/2016**Last Amended:** 6/2/2016**Status:** 8/1/2016-From consent calendar on motion of Assembly Member Calderon.

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

**Calendar:**

8/4/2016 #98 ASSEMBLY THIRD READING FILE - SENATE BILLS

**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 ensure 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:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was GOV. & F. on 2/25/2016)

Desk	Dead	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 1276](#) (Moorlach R) Local agencies.****Current Text:** Introduced: 2/19/2016 [pdf](#) [html](#)**Introduced:** 2/19/2016**Status:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was RLS. on 3/3/2016)

Desk	Dead	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.

**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:** 5/27/2016-Failed Deadline pursuant to Joint Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/25/2016)

Desk	Policy	Dead	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.

**Attachments:**

[CALAFCO Letter of Support\\_May 2016](#)

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** UPDATE: This bill did not make it out of the Assembly Appropriations Suspense File and therefore died.

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 1374 (Lara D) The Lower Los Angeles River Recreation and Park District.**

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

**Introduced:** 2/19/2016

**Last Amended:** 8/2/2016

**Status:** 8/2/2016-Read second time and amended. Re-referred to Com. on APPR.

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

**Calendar:**

8/10/2016 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

**Summary:**

Would specifically authorize the establishment of the Lower Los Angeles River Recreation and Park District subject to specified existing laws governing recreation and park districts, including their formation, except as provided. The bill would authorize 9 specified city councils and the Los Angeles County Board of Supervisors to appoint the initial board of directors of the district. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Letter of Oppose\\_June 2016](#)

**Position:** Oppose

**CALAFCO Comments:** Gut and amended on June 16, this bill creates a new district within the LA County area and does not involve LAFco in the formation process.

**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:** 6/30/2016-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:**

8/4/2016 #135 ASSEMBLY CONSENT CALENDAR 2ND DAY-SENATE BILLS

**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: 30

Total Tracking Forms: 30

8/3/2016 9:52:17 AM

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
PENDING PROPOSALS – AUGUST 10, 2016**

August 10, 2016  
Agenda Item 11b

<b>LAFCO APPLICATION</b>	<b>RECEIVED</b>	<b>STATUS</b>
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	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 6/8/16 meeting to 9/14/16
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
Montreux Reorganization: proposed annexations to the City of Pittsburg, Contra Costa Water District and Delta Diablo and detachment from County Service Area P-6 of 165.1± acres located on the west and east sides of Kirker Pass Road	Apr 2016	Pending
Tassajara Parks Project – proposed SOI expansions to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	May 2016	Under review
Tassajara Parks project – proposed annexations to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	May 2016	Under review
West County Wastewater District Annexation 315 - proposed annexation of 1.0± acres located on Hillside Drive in unincorporated El Sobrante	May 2016	Pending
Dougherty Valley Reorganization #17: Annexation to the City of San Ramon and Detachment from CSA P-6	July 2016	Under review

# Drought Felt in Low-Income Bay Area Communities

The impact of the drought in rural California has been well documented, but urban areas are also feeling the effects – and low-income communities are especially hard hit, a new report finds.

Written by Tara Lohan Published on [Jul. 13, 2016](#) Read time Approx. 5 minutes

California's drought, now in its fifth year, has grabbed headlines – many of them focused on the state's mandatory conservation measure enacted last year or the impacts on the agricultural sector, said Heather Cooley, the water program director of the Pacific Institute, a global water think tank.

“Impacts on disadvantaged communities have received far less attention,” she said. “And the attention that there has been has focused on wells running dry in the San Joaquin Valley. There has really been less of a review about the drought and disadvantaged communities more broadly.”

That's changed since the Pacific Institute teamed up with the Environmental Justice Coalition for Water and eight grassroots organizations to put together a community-based participatory research project on [Drought and Equity in the San Francisco Bay Area](#). The research area covers the San Francisco Bay hydrologic region, which is 4,500 square miles (12,000 sq km) and includes San Francisco County and parts of Marin, Sonoma, Napa, Solano, San Mateo, Santa Clara, Contra Costa and Alameda counties.

The area, Cooley said, is an important case study because it contains a mix of small, rural water systems, and highly urbanized, large systems. These serve communities with racial, social and economic diversity.

While there are few documented cases of wells running dry in the Bay Area, the drought's impacts have manifested in other ways. Margaret Gordon, co-director of [West Oakland Environmental Indicators Project](#), cited aging infrastructure and high prices for water as two of the biggest problems in her community and across the region.

“Old infrastructure and payment – it's the same all over,” said Gordon. “From Sonoma to Bayview-Hunters Point to Richmond to East Oakland to West Oakland to Marin – it's the same thing. The oldest parts of cities historically have been communities of color and there's a lack of a real system that protects them and ensures they have good water.”

Affordability is an issue that's been exacerbated by the drought, said Cooley – with water rates rising faster than inflation and some communities being hit by drought surcharges from water

agencies. Research from the Public Policy Institute of California found that water bills have increased two to three times quicker than inflation in urban areas of the state between 2000 and 2010. “This was needed to cover some of the fixed costs associated with water service,” said Cooley. “But they can exacerbate affordability concerns for low-income households.”

Dan Johnson, a treatment plant operator, inspects a sediment pond at the Roseville Water Treatment Plant in Granite Bay, Calif., in July 2015. Due to reduced water use, Roseville is among the water agencies that have had to impose a “drought surcharge” in order to make up the lost revenue. (Rich Pedroncelli, AP)

Another concern is inequitable use of water. In general, low-income households use less water than those with higher incomes, which are more likely to have pools, larger lots and bigger lawns. For example, the report compares Hillsborough, where the median household income is \$250,000 a year and per capita water use last year was 181 gallons (685 liters) a day, to East Palo Alto, less than 20 miles (32km) away, where median household income is \$53,000 and per capita water use is 43 gallons (163 liters) a day.

“Higher levels of water use place additional burdens and costs on the water system and increase the likelihood of having to develop more expensive water supplies,” the report noted.

As some communities face diminished water supplies and need to augment water resources, an equity issue arises. “Who is driving the need for, the demand for those new supplies, who pays for it and how is it allocated?” asked Cooley.

There are other drought impacts on water systems and ratepayers, as well. In West Oakland, Gordon said that new developments are putting increased pressure on aging infrastructure, when hundreds or thousands of new connections are added to existing pipelines – making a bad problem even worse.

Drought can also lead to overpumping of aquifers (which can cause subsidence and decrease water quality) and increased costs for expensive upgrades to water treatment systems. Some communities reliant on water through the Sacramento-San Joaquin Delta may be on the hook for future costs related to infrastructure and habitat restoration.

“The Bay Area, despite its wealth, is vulnerable, in many of the same ways, if not to the same degree, as other parts of the state that get a lot more attention – like much of the San Joaquin Valley and the Central Coast, where wells are running dry in mass numbers,” said Colin Bailey, executive director of the [Environmental Justice Coalition for Water](#). “The Bay Area is not immune and the equity impacts of drought are felt statewide first and worst by low-income communities of color, but they have implications for our society as a whole.”

In rural areas the impacts of drought are most often the result of small water systems that are unable to serve a dispersed community with limited resources. In those cases, the entire community is impacted. But in more urban regions, like the Bay Area, “it’s really about pockets of communities that are struggling,” said Cooley. “The solutions are within our reach. There are



programs we can implement to help households and we should be doing it. It isn't just the drought, they are much broader and more long-term.”

The report outlined what an equitable response to drought would look like and grouped the solutions into six categories: fair and equitable water rates; billing practices that meet low-income household needs; low-income financial assistance programs; programs to reduce water use in low-income households; effective communication and outreach strategies; and stakeholder engagement in decision-making processes.

Gordon said that in her community of West Oakland, she'd like to see discussion of a new bond to address equity issues around water infrastructure and water-saving technologies, like gray-water systems, and help them become accessible and widespread.

Later this summer a summit will convene the area's water suppliers with community leaders who worked on the report – which include representatives from Youth United for Community Action, West Oakland Environmental Indicators Project, West County Toxics Coalition, North Richmond Shoreline Open Space Alliance, Greenaction for Health and Environmental Justice, Shore Up Marin, California Indian Environmental Alliance and Alviso Water Collaborative. There there will be an “opportunity to present their findings and find common cause,” said Bailey.

Research in the coming months will also broaden to encompass the drought impacts on equity statewide. “In some senses, the Bay Area was a primer for what is to come,” said Bailey. “We found that one area of California most widely assumed to not have impacts, in fact does, and the results of a statewide analysis will give rise to a pretty broad sense that no region is in any way immune from some dire consequences for low-income communities of color, which in some parts of the state is an overwhelming majority.”

## Water crisis

# City stops most new projects

*Three well-heeled developments escape East Palo Alto rule*

**By Kaitlyn Landgraf**

[klandgraf@bayareanewsgroup.com](mailto:klandgraf@bayareanewsgroup.com)

EAST PALO ALTO — A water crisis three decades in the making came to a head this week when East Palo Alto's City Council imposed a moratorium on development until the city can increase its historically meager water supply. For the past 14 years, the city has used nearly all of its annual water allotment, making it increasingly difficult for East Palo Alto to approve new developments, unless they can essentially provide their own water. With no easy or affordable solution in sight, developers are caught in limbo as they wait for the city to obtain additional water resources — a process that could take years. Three well-heeled developments managed to dodge the moratorium at Tuesday night's meeting if they pay a price. Office developments funded by the Sobrato Organization and a private equity firm, and the Primary School, founded by Mark Zuckerberg's wife Priscilla Chan, will be allowed to move forward with the projects if they agree to reimburse the city for the engineering and legal costs incurred by the city's quest to increase its water allocation.

So far, the water shortage has not delayed the Primary School's opening since it plans to start classes this fall in a temporary site, according to the school's spokesman Nathan James. Other proposed developments are out of luck. An affordable housing project owned by the city did not make the cut, nor did 11 other developments that had recently submitted applications to build in East Palo Alto. Many of those developers showed up at Tuesday's meeting to voice their displeasure. "We only found out about this last Thursday," said Jeff Major, a vice president and investment officer with Prologis, a real estate company that last month submitted a development proposal for an industrial building in the Ravenswood district of East Palo Alto. Major requested that the council oppose the moratorium in favor of working with developers to obtain the water. "We'd like to help out in any way we can," he said. The council was unswayed, however. By a 4 to 1 vote, it chose to implement the moratorium, which will last for two years or until the city manages to obtain more water. That won't be easy. The city is pumping more of its own groundwater, but those supplies are limited. It's also trying to buy water from other Bay Area cities and ask the city's main supplier, the San Francisco Public Utilities Commission, to increase its annual water allocation. But it's unclear how long it would take to buy water from other cities or increase East Palo Alto's water allocation from the SFPUC, according to Sean Charpentier, East Palo Alto's assistant city manager.

That's because neither solution has been attempted before. "This is unprecedented," Charpentier said.

East Palo Alto's current water woes began in 1984 when the SFPUC entered into a contract to sell Hetch Hetchy reservoir water to cities and water agencies on the Peninsula.

East Palo Alto, which historically has been low-income, had only just been incorporated the year before, and its water needs were managed by a county agency that later dissolved.

"Like many communities of color, they're the last to know when the goodies are being handed out," said Gary Kremen, a Silicon Valley entrepreneur and member of the Santa Clara Valley Water Board District's board of directors. "East Palo Alto got a super raw deal here." When the SFPUC water was divvied up among Bay Area cities, East Palo Alto was allocated the smallest slice of the water pie — an inequity that persists to today.

With a high share of small lots and multiple-family housing, East Palo Alto consumes less than 57 gallons per person a day, while the tony community of Hillsborough with its luxurious gardens uses more than 301 gallons per person each day. In June, East Palo Alto petitioned the SFPUC to increase its allotment by 1.5 million gallons a day, up from the 1.96 million gallons it currently receives. But an answer isn't likely to come anytime soon: The SFPUC isn't scheduled to vote on the question until December 2018.

And East Palo Alto faces steep hurdles in obtaining water from the utility commission.

In 2008 the SFPUC agreed that it would cap the water it uses from the Tuolumne River until 2018, due to environmental pressures from the Tuolumne River Trust, a conservation group. Kremen says such conservation efforts can complicate the efforts of cities such as East Palo Alto to meet their water needs. "It's that environmental elitism over the need of people of color," said Kremen.

"I'm a conservationist but a lot of things they do that increase the price of water directly affect low-income people, people on fixed incomes and people of color, specifically."

That's not the way Peter Drekmeier sees it.

"It's not the cap so much as the way the water is divided up," said Drekmeier, policy director for the Tuolumne River Trust and former mayor of Palo Alto. "You're absolutely right that East Palo Alto got the short end of the stick, but we're working with them to come up with a solution."

East Palo Alto could also try to buy water from other cities that don't use their full allotment — an uncertain proposal since no one has done it before, said Steven Ritchie, Assistant General Manager of the Water Enterprise at SFPUC. "It's not going to be easy to do, but on the other hand it's easier than providing the additional supply," said Ritchie.

Until it finds a water solution, East Palo Alto is halting development, despite builders' objections. Because of the lack of water, "in effect, we've had a de facto moratorium," said Charpentier. "Processing (development) agreements without proof of water feels like driving toward a cliff." With this solution, he said, "it feels like we're building a bridge."

## East Bay Times

# Martinez, developer to negotiate Alhambra Highlands sale

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

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MARTINEZ -- The city and a Houston-based developer will negotiate a possible deal for the sale of 297 acres of land -- a segment of it believed to be part of the estate of renowned naturalist John Muir -- that could become open space, or continue on its path toward becoming a subdivision.

Wednesday night, the City Council agreed to formally negotiate with Richfield Investment Corp. and Richfield Real Estate Corp., the owners of the hilly land south of Highway 4 and between Alhambra Avenue and Alhambra Valley Road popularly known as Alhambra Highlands.

If a sale can be negotiated in coming months, it's possible the land could in turn be sold to a land trust group or open space preservation group -- or that such a group could be the initial buyer.

The city's lead on the project, several involved people said, is crucial in giving the effort gravitas and momentum, which in turn should help attract financial support from outside groups.

"Once you have some commitment, folks can start coming to the table, hopefully," said Jamie Fox, a leader of the local Alhambra Hills Open Space Committee, which has been working since 2010 to preserve the land.

The agreement is for 180 days, which could be terminated sooner than that, or extended.

The City Council approved the current version of the housing project in July 2011, for 109 custom homes on 72 acres within the 297-acre parcel.

But even then, seeds were being sown for this whole parcel to one day become open space. At the City Council's request, Richfield agreed to delay project grading until at least April 2014, to give outside parties time to explore buying the land to keep it as open space.

That date came and went, and no outside parties stepped up. But informal discussions started between Richfield and the city about a land sale, and have continued intermittently since.

Alicia Guerra, a land use attorney for Richfield, told the council Richfield has been working to maintain its development permits and other needed requirements for building houses there, and that the company is prepared to move ahead with the houses.

"If things fall apart, we would move ahead with the final map" to subdivide the property for development, Guerra told the council. Asked after the meeting about Richfield's motivation to discuss selling the land, Guerra stressed it's happening at the behest of the city. "(Richfield) wants to develop it, frankly," she said. "We're going to proceed in good faith."

While Fox and others have praised the city for working to preserve what some call "John Muir's Hill," the city has simultaneously taken flak for not wanting to buy the former Pine Meadow Golf Course and prevent houses from being built there. Developer DeNova Homes of Concord, which now owns the land, plans to build houses there. One speaker Wednesday night urged the council to save both parcels from development.

City officials have said they don't consider Pine Meadow true open space, and say the proximity of Hidden Lakes Park a few blocks away negates the old golf course's value as parkland.

But council members and others have said Alhambra Highlands is more worthy of "saving," not yet developed in any way, and with some historical value.

"It has oak trees that were there before Europeans strolled onto this continent," said Bill Nichols of Martinez told the council Wednesday. "If you need a caretaker, I'm available."

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## Purchase by Peninsula Open Space Trust

# Farm preservation grows along coast

*Deal keeps 96 acres of Brussels sprouts near Pescadero, state beach*

By Paul Rogers

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A fledgling effort to preserve working farms is growing along San Mateo County's scenic coast with the addition of a 96-acre Brussels sprouts farm 3 miles south of Pescadero.

Providing scenic oceanfront views and sitting adjacent to a state beach along Highway 1, it's the kind of property that environmentalists in the past would have added to the state parks system. But the Peninsula Open Space Trust has purchased the Cordes property, located across Highway 1 from Bean Hollow State Beach, for \$3.3 million in the latest in a series of deals by the Palo Alto-based environmental group designed to preserve farming on the San Mateo coast and open opportunities for young farmers amid sky-high real estate prices.

Blair Friedeman, a spokeswoman for the Peninsula Open Space Trust, said the purchase is part of the organization's "Farmland Futures Initiative," which has a goal of raising \$25 million over 10 years to increase the number of farms on the San Mateo County coast protected from development from 11 to 33 and from 750 acres to 2,250 acres.

Since launching the effort at the beginning of this year, the group has purchased four farms totaling 153 acres so far, Friedeman said. Like the others, the plan for the latest purchase is to place a conservation easement on the title so most of the property can't be developed, with plans to sell it later at a price lower than what it would have sold for if it could have been developed for luxury homes. The land trust may also put a trail along the edge to help expand the California Coastal Trail.

The property is zoned for agriculture. Two homes could have been built on it under county rules.

"Now even if the property is sold, all of the natural values of it will be protected and most of it will stay in ag production forever," she said.

The farm was previously owned by Richard Cordes, a Walnut Creek real estate investor. Cordes, 55, said he bought the property a decade ago as an investment, and came to love the area.

"From just about any place you have a 180-degree view of the Pacific Ocean," he said. "You hear the seals. It's just a spectacular plateau, with prime soils. It's beautiful."

Cordes said he and his family received offers in recent years from wealthy individuals who wanted to purchase the property to build a large home or two. But he said he wanted the land — which has only one small shed on it now — to continue being farmed by the Marchi family, a third-generation San Mateo coast farming family that leases the land and grows Brussels sprouts, leeks and fennel there. Under the deal, the Marchi family will continue to lease and work the property.

The adjacent park, Bean Hollow State Beach, was acquired by the state parks system in 1958 and although rural with few amenities, it is known for its colorful stones and tide pools rich with anemones, crabs and sea urchins.



The Peninsula Open Space Trust has bought the 96-acre Cordes property, a farm near Bean Hollow State Beach on the San Mateo County coast. The property will continue to be farmed.

COURTESY OF TEDDY MILLER/PENINSULA OPEN SPACE TRUST

## **The Sacramento Bee/California Forum**

July 24, 2016 12:00 AM

# **Here's how Metropolitan Water District can be good Delta neighbor**

Delta interests are concerned about the Metropolitan Water District of Southern California buying islands in the Sacramento-San Joaquin Delta. Manny Crisosotomo Sacramento Bee file

**By Mary Nejedly Piepho**  
*Special to The Bee*

Now that Metropolitan Water District of Southern California has completed its \$175 million purchase of four islands in the Sacramento-San Joaquin Delta, totaling almost 20,000 acres in size, it is time to engage in a discussion of how Met can be a good Delta neighbor.

Delta interests are rightly concerned about the presence of Met in our midst. The overpumping of the Delta by water contractors, led by Met, has had a negative impact on Delta water quality for farms and wildlife. The proposed twin tunnels, largely advocated by Met, will have monumental negative impacts on Delta communities and farms near the construction sites, and will create a massively expensive infrastructure that could only be paid for by the continuation, and perhaps even the acceleration, of the overpumping from the Delta. This is contrary to state law, which requires a reduced reliance on water from the Delta.

It's also worth noting that the proposed twin tunnel alignment passes through two of the four islands that Met has just purchased. This serves to facilitate the disastrous twin tunnel project, part of the Delta plan that a Sacramento judge recently ruled invalid.

Met gets the benefit of the doubt that it has not yet decided the use of the four islands, as claimed in court proceedings. With the purchase complete, Met's attention will certainly focus on how it will use this new asset to advance its interests in the Delta.

With or without the tunnels, it is certainly possible that Met's use of the islands can either do no harm or even be positive for the Delta.

For starters, Met could agree to pay its taxes and assessments, which are necessary for local governments (both counties and reclamation districts) to ensure continued road improvements on these islands and improvement to the critical levee system. As a public agency, Met is not obligated to pay all of these amounts. As a good and responsible neighbor, Met certainly should.

Met should also agree to participate as a member of the Delta levee community, acknowledging that Delta levees work as a system necessary to maintain levees not only on these four Delta islands but throughout the Delta, and not take actions that would undermine levees on adjoining



islands. Delta levees in this area are critical for ensuring movement of fresh water through the Delta to the south Delta export pumps.

Met should adopt the proposed California Department of Water Resources “good neighbor” policies that minimize the impact of restoration projects on nearby agricultural operations. Agriculture is the primary economic driver in the Delta and the surrounding region, and it is critically important that any restoration activity on these islands minimizes the impact on nearby agriculture.

Much of the Delta islands are deeply subsided as a result of their peat soils and century-old farming practices. There are promising methods in the Delta to halt and even reverse subsidence, and Met would have a vast canvas with these islands to test these methods.

Met has the ability to usher in a new beginning in its troubled history with the Delta. With proper management of these properties, Met can advance its own interest in restoring the Delta, sustaining the continued use of the Delta and maintaining the Delta as one of the largest estuaries in the Western Hemisphere.

Mary Nejedly Piepho is a member of the Contra Costa County Board of Supervisors and chairwoman of the Delta Protection Commission. Contact her at [mary.piepho@bos.cccounty.us](mailto:mary.piepho@bos.cccounty.us).



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## How Proposed Transportation Sales Tax Will Impact Lamorinda

*By Nick Marnell*

The Board of Supervisors July 12 approved the expenditure plan of the Contra Costa Transportation Authority, paving the way for a countywide one-half cent sales tax measure to appear on the November ballot. The plan proposes funding for several high-profile projects in the Lamorinda area. Since 1988 the dollars generated through voter-approved sales tax measures C and J, and administered by the CCTA, have funded a wide variety of major Contra Costa County transportation projects, notably the Caldecott Tunnel's Fourth Bore. The current Measure J half-cent sales tax, in effect through 2034, will generate approximately \$2.5 billion. If the new half-cent sales tax measure is approved, it will bring in an additional \$2.9 billion through 2047.

The expenditure plan provides for funding over five major areas, including transit, major highway corridors, local streets and roads, the environment, and the safe transportation of children, seniors and people with disabilities.

"It took a lot of compromise among many, many groups and organizations to bring us to where we are today," Board Chair Candace Andersen said.

In order for a jurisdiction to receive its share of the funds generated by the proposed sales tax, it must meet a long list of criteria, including the adoption of a development approval process that supports transit, bicycle and pedestrian access. Each jurisdiction must also demonstrate reasonable progress in providing housing opportunities for all income levels, and must maintain growth within clear urban limits.

"You want the voters' money, these are the rules," said Don Tatzin, Lafayette city council member and CCTA commissioner. A public oversight committee will make sure that the rules are followed. Officials of the Lamorinda communities outlined what the money from this proposed tax measure will provide for their jurisdictions.

**Moraga**

Benefits to Moraga residents include more than \$400,000 for local street and road maintenance over the life of the proposed measure, according to Ellen Clark, town planning director. The plan will also provide funding for pedestrian and bicycle projects throughout town, for enhanced transit service and for the Lamorinda School Bus program, which eliminates 3,000 automobile trips every school day. "Major streets projects like the new roundabouts planned along St. Mary's Road could also be funded with the measure," Clark said.

**Orinda**

"BART is a huge piece, because residents want access to BART," said Amy Worth, Orinda city council member and CCTA commissioner. BART, however, will not receive proceeds from the sales tax measure until it meets contingencies, which include spending on its own infrastructure and funding by Alameda and San Francisco counties. Money will also go toward the design of direct access to eastbound Highway 24, the city's bicycle and pedestrian master plan, and the maintenance of Orinda roads. Worth said that the plan will address increased demand for senior services, as seniors wish to be able to age in place in Lamorinda.

**Lafayette**

Tatzin also led off with BART, noting that Lafayette residents are big users of the system, with money from the proposed tax allocated to increased capacity and ridership. Also planned is improvement of traffic and pedestrian flow and bicycle access in the downtown.

"We want to make the portion of Mt. Diablo Boulevard west to Acalanes Road a more attractive route," Tatzin said. A bicycle trail along the East Bay Municipal Utility District aqueduct is also on the docket.

Not only did all of the 19 county jurisdictions support the expenditure plan, every member of each of the governing bodies voted yes. Orinda endorsed the plan in May, Moraga and Lafayette in June.

Having been approved by the Board of Supervisors, the plan returns to the CCTA board for approval, then back to the supervisors for adoption of an ordinance allowing the sales tax measure to be placed on the November ballot, where it must garner two-thirds of the vote for passage. "We have taken into consideration the needs of various interests, and we think this is going to be saleable to the public," said Supervisor Federal Glover, also a CCTA commissioner.

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## Weil Will Not Run for Reelection in November

By Nick Marnell



Longtime MOFD director Fred Weil, second from left, has been an advocate for fairness. Photo Nick Marnell

costs, Weil warned that properly running the district came first.

"He did a solid job helping our district through good times and bad times, and he always treated us fairly," said firefighters' union representative Mark DeWeese.

Weil often criticizes what he perceives to be sloppy performance, including that of other public agencies. He lashed out at PG&E for what he termed an inadequate response to the sinkhole that disrupted Moraga in March. Weil blamed Contra Costa County leadership for the collapse of fire station 46, a joint venture with the Contra Costa County Fire Protection District that was estimated to save the district \$1 million a year in operating costs. Even so, Supervisor Candace Andersen praised Weil's "commitment to MOFD and strong desire to keep the citizens of Moraga and Orinda safe."

"Fred will be a tough act to follow," said long-time fellow board member John Wyro.

Weil does have his detractors. A grassroots group faulted Weil for his part in the improper calculation of Fire Chief Peter Nowicki's pension in 2009, costing the district millions of dollars over the chief's retirement period, and in 2015 demanded Weil's ouster from the board. "As long as he remains a member of the MOFD board, his judgment will be questioned," said Steve Cohn, group spokesman. Cohn declined to comment on Weil's announcement.

"I have enjoyed this immensely," Weil said. "Whoever my successor will be, I hope will enjoy the opportunities as much as I have."

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Moraga-Orinda Fire District director Fred Weil stunned the audience at the July 20 district board meeting when he announced that he will not seek reelection to his Division 2 seat in November.

"It is important that a board member be fully committed to a four-year term without distraction, and I am not in a position to do that," said Weil, citing personal reasons for his decision.

Weil has served on the district board since 2003 and has long advocated for excellence in the MOFD service model and for fairness in dealings with district residents and its employees. He pushed for a competitive wage for the firefighters and he balked at any mention of service cutbacks, even once lecturing the board that it was more focused on saving money than on providing long-term service. As recently as June, as the board listened to a presentation on prefunding district retirement