

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

February 8, 2017

Board of Supervisors Chambers
Martinez, CA

March 8, 2017
Agenda Item 5

1. Chair Don Blubaugh called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. The Chair welcomed Diane Burgis as the alternate county member. County Counsel Sharon L. Anderson delivered the oath of office to Commissioner Burgis.
4. Roll was called. A quorum was present of the following Commissioners:

County Members Candace Andersen and Federal Glover and Alternate Diane Burgis.
Special District Members Mike McGill and Igor Skaredoff and Alternate Stanley Caldwell.
City Members Don Tatzin and Alternate Tom Butt.
Public Members Don Blubaugh and Alternate Sharon Burke.

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

5. Approval of the Agenda

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

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

6. Public Comments

There were no public comments.

7. Approval of January 11, 2017 Meeting Minutes

Upon motion of Glover, second by Andersen, the minutes were approved by a vote of 6-0 with one abstention.

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

8. Knightsen Town Community Services District (KTCSO) Update

The Executive Officer provided background, noting that when LAFCO completed its 2nd round MSR covering water and wastewater services in 2014, one of the agencies that elicited concern was the KTCSO with its lack of facilities, services and programs. Similar concerns were raised in the 2008 1st round MSR. Both MSRs recommended a zero SOI for the District, as the District had not provided any physical services since its inception in 2005. However, at the LAFCO hearing in 2014, both the District and the County spoke in favor of retaining the District's SOI, given that the District was making progress on grant funding and land

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acquisition. The Commission adopted a resolution retaining the existing SOI and requiring the KTCSD to provide progress reports to LAFCO annually until the next MSR cycle.

Steve Ohmstede, Chair of the KTCSD, and Mitch Avalon, Project Consultant, presented a progress report on the District, noting that it is now up to date with governance requirements such as budgeting, board makeup, and financial audits. Highlights of the District's major flood control project were provided. Mr. Ohmstede noted that the KTCSD is working with County Flood Control, East Bay Regional Parks District, and East Contra Costa County Habitat Conservancy (ECCCHC) on a Memorandum of Understanding in conjunction with the purchase of 645 acres of land by the ECCCHC, which is interested in a habitat and restoration project that can also serve as a collection area for KTCSD's stormwater runoff. Secondly, there is already a stormwater collection basin on Delta Road, as well as initial plans for conveying stormwater from Knightsen's downtown area to a County-owned site at the intersection of Knightsen Avenue and Eden Plains Road.

Additionally, the District, which now has close to \$200,000 in savings from its assessments, will likely increase that assessment in the upcoming fiscal year as it prepares for its largest project, outlined above.

Finally, the District is working on developing a website, which will convey information on its projects and also will provide information to individual property owners who want to construct their own water collection and/or conveyance systems.

Mitch Avalon provided further details, with maps, on the 645-acre project, and noted that he has been working on this for years and is pleased that it continues to move forward.

Following Commissioner questions and discussion, the Commissioners thanked Mr. Ohmstede and Mr. Avalon for their report, and complimented them on developing a project that is more comprehensive and has greater community and environmental value than a simple flood control project.

9. Rollingwood Wilart Park Recreation and Park District (RWPRPD)

The Executive Officer provided a brief background summary which led to preparing the special study of the RWPRPD. The study identifies governance options for the District, including dissolution. The study was conducted and the report prepared by Richard Berkson of Berkson Associates. A public review draft was released in December and underwent a 30-day public comment period.

Richard Berkson reported that subsequent to the public review draft presentation, he and Executive Officer Teixeira met with the RWPRPD Board to discuss the options, and then with the Economic Development/Project Management Standing Committee of the San Pablo City Council to explore the possibility of that city's annexing the Rollingwood area and taking over parks & recreation services. On February 6, the San Pablo City Council received a staff report which provided City staff's assessment of the Rollingwood Recreation Center. The City Council discuss the LAFCO study and governance options and made the decision to go forward with a fiscal study to analyse annexing the area.

According to Mr. Berkson's analysis, the City of San Pablo would receive tax revenue in excess of \$94,000 per year. The annexation could result in a tax increase for residents of the RWPRPD area.

The Executive Officer reported that LAFCO received a letter from the San Pablo City Manager confirming the City's intent to conduct a fiscal study. In response to a question from Commissioner McGill, staff confirmed that the entire RWPRPD area is under 150 acres, so annexation would not be subject to a protest hearing.

Following further discussion regarding the option of dissolution vs. annexation to San Pablo, Commissioners agreed to defer any decision to reorganize or dissolve the RWPRPD pending the City of San Pablo's annexation study.

Upon motion of Butt, second by Tatzin, Commissioners unanimously, by a 7-0 vote, approved the RWPRPD special study report, urged the City of San Pablo to go forward with its fiscal study, and deferred further action pending the City's study.

AYES: Andersen, Blubaugh, Butt (A), Glover, McGill, Skaredoff, Tatzin

NOES: none

ABSENT: Schroder (M)

ABSTAIN: none

10. Fiscal Year 2017-18 Budget Schedule/Work Plan Preview

The Executive Officer introduced a preliminary work plan for FY 2017-18, which includes goals and objectives such as MSRs & SOI updates, policies & procedures updates, and other projects.

Due to two special studies undertaken in FY 2016-17, the healthcare services and cities/community service districts (CSDs) 2nd round MSRs were delayed. An RFP for the 2nd round healthcare services MSR is being presented for approval at this meeting, and a 2nd round MSR on cities/CSDs will carry over into FY 2017-18.

The Executive Officer presented a table summarizing which 2nd round MSRs could be scheduled for FY 2017-18. Commissioners expressed interest in moving forward with another MSR in FY 2017-18, and grouping service types as was done in the past.

Regarding moving the office and hiring another staff member, the Executive Officer noted that space for LAFCO has been included in the plans for the new County Administration Building, but that there is still some possibility of moving to 40 Muir Road, depending on whether that space finds a second-floor tenant to share in the costs of finishing the interior.

As for staffing, Commissioner Tatzin requested a description of the three separate jobs as envisioned, and asking that the staffing plan include a summary of how LAFCO and local agencies would benefit from an increase in LAFCO staff, an indication of any related cost savings.

Commissioner Tatzin also recommended that the Commission could benefit from receiving informational presentations about some of the JPAs that LAFCO is now collecting (e.g., solid waste, transit, etc.).

Staff will prepare a Proposed Budget for presentation at the March 8 regular LAFCO meeting.

11. 2nd Round Healthcare Services Municipal Services Review (MSR)/Sphere of Influence (SOI) Updates

The Executive Officer presented a Draft RFP for a 2nd Round Healthcare Services MSR/SOI Updates, with several focus areas including 1) updating the date in the 2007 MSR, 2) looking

at what HCDs are doing to stay relevant and meet changing healthcare needs, and 3) identifying opportunities for collaboration among healthcare providers.

This is timely, as LAFCO recently completed a special study on the WCCHCD, providing current information on that district. Also, there is discussion statewide regarding healthcare services. The Little Hoover Commission recently formed a subcommittee to focus on healthcare districts and their evolving role now that over 50% of these districts no longer own and operate hospitals, and given the changing needs in healthcare services.

The Draft RFP includes a proposed selection process, timeline and draft scope of service.

Upon motion of Tatzin, second by Andersen, Commissioners unanimously, by a 7-0 vote, approved the RFP and authorized its circulation immediately.

AYES: Andersen, Blubaugh, Butt (A), Glover, McGill, Skaredoff, Tatzin

NOES: none

ABSENT: Schroder (M)

ABSTAIN: none

12. Correspondence

Commissioner Tatzin, referencing the correspondence from CCCERA, asked if we can prepay a portion of our unfunded liability in order to have a better contribution rate. Staff will follow-up.

13. Commissioner Comments and Announcements

Commissioner McGill reported that he attended the CALAFCO Board meeting and retreat in San Jose on January 11 and 12, a CALAFCO Legislative Committee meeting on January 27, and will attend the next CALAFCO Legislative Committee meeting on February 24 in Irvine.

14. Staff Announcements

The Executive Officer reported that LAFCO has received a letter from the State Controller regarding Reclamation District 2121 and its lack of activity. Staff will work with the property owner to determine the next steps in response to this.

The meeting adjourned at 2:29 p.m.

Final Minutes Approved by the Commission March 8, 2017.

AYES:

NOES:

ABSTAIN:

ABSENT:

By _____
Executive Officer