### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION



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### NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, April 18, 2018, 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.

### APRIL 18, 2018 CONTRA COSTA LAFCO AGENDA

- 1. Call to Order and Pledge of Allegiance
- 2. Welcome New/Returning Commissioners
- 3. Roll Call
- 4. Adoption of Agenda
- 5. Public Comment Period (please observe a three-minute time limit):
  - Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
- 6. Approval of Minutes for the March 14, 2018 regular LAFCO meetings

### SPHERE OF INFLUENCE/BOUNDARY CHANGES

- 7. *LAFCO 17-11 Kirkpatrick Drive Annexation to West County Wastewater District (WCWD)* consider proposed annexation to WCWD comprising 0.763± acres located at 39 Kirkpatrick Drive in unincorporated El Sobrante (APN 430-161-021); and consider related actions under the California Environmental Quality Act (CEQA). *Public Hearing*
- 8. *LAFCO 17-14 Delta Diablo Sphere of Influence (SOI) Amendment (Bay Point Regional Shoreline)* consider proposal to amend the district's SOI to include a portion of the Bay Point Regional Shoreline (2.74± acres) located at the end of McAvoy Road in Bay Point and consider related actions under the California Environmental Quality Act (CEQA) *Public Hearing*

### **BUSINESS ITEMS**

- 9. Award Contract City Services Municipal Services Review/SOI Updates consider approving a contract with the recommended consultants.
- 10. *Alternate Legal Services Contract* consider approving a contract for alternate legal services in the event of a conflict.
- 11. Legislative Report Update and Position Letters receive a legislative update
- 12. FY 2017-18 Third Quarter Budget Report receive FY 2017-18 third quarter budget report.

### **CORRESPONDENCE**

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

### INFORMATIONAL ITEMS

- 14. Commissioner Comments and Announcements
- 15. Staff Announcements
  - CALAFCO Updates Highlights of Staff Workshop
  - Pending Projects
  - Newspaper Articles

### **ADJOURNMENT**

Next regular LAFCO meeting May 9, 2018, 2018 at 1:30 pm

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting\_archive.htm

### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MINUTES OF MEETING

### March 14, 2018

### Board of Supervisors Chambers Martinez, CA

April 18, 2018 Agenda Item 6

- 1. Chair Mike McGill called the meeting to order at 1:32 p.m. and the Pledge of Allegiance was recited.
- 2. 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.

City Members Don Tatzin and Alternate Tom Butt.

Public Member Don Blubaugh.

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

### 3. Approval of the Agenda

It was recommended that agenda item #7, Selection of Alternate Public Member, be switched with agenda item #6, LAFCO 18-02.

Upon motion of Tatzin, second by Blubaugh, Commissioners approved the revised agenda unanimously, 7-0.

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

NOES: none

ABSENT: Schroder (M)

ABSTAIN: none

### 4. Public Comments

Debra Mason, resident of Bay Point, presented her assessment of the 2009 recreation and parks municipal service review's (MSR) section on the Ambrose Recreation and Park District, which she feels is spending the majority of its budget (98%) on administrative costs, with only 2% left for direct services to the community. She requested that Commissioners conduct a new MSR on this district.

### 5. Approval of February 14, 2018 Meeting Minutes

Upon motion of Andersen, second by Skaredoff, the February 14, 2018 meeting minutes were approved by a vote of 6-0.

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

NOES: none

ABSENT: Schroder (M)
ABSTAIN: Blubaugh

### 6. <u>Selection of Alternate Public Member (Agenda Item 7)</u>

The Executive Officer deferred to members of the selection committee (Commissioners Andersen, McGill, and Tatzin), but reminded Commissioners that LAFCO law provides that selection of the public members is subject to an affirmative majority vote including at least one city, one county, and one special district member. Consequently, Public Member Don Blubaugh will not participate in this item. Commissioner Blubaugh took a seat in the audience.

Commissioner Andersen briefly recapped the activities of the selection committee, noting that they had an excellent field of candidates from which to choose the five finalists that the Commissioners would be interviewing at this time.



Each finalist was given the following scenario question in advance of the meeting, in order to prepare their answer to the question.

LAFCO has received an application to annex a large parcel to City X. The parcel is within the City's sphere of influence. A recently completed LAFCO Municipal Services Review identified a number of deficiencies with regard to City X, including financial and service challenges. What k ind of terms  $\mathcal D$  conditions might the Commission impose if it were inclined to approve the annex ation?

Chair McGill announced that the candidates would each be given two minutes to introduce themselves. The Chair would then repeat the scenario question and the candidate would respond. After this, Commissioners would each have an opportunity to ask questions of the candidate. The total amount of time given to each interview was approximately 15 minutes.

Victoria Smith, real estate attorney, noted that her law practice would present no conflict with the LAFCO seat. She indicated that she spent two years on the Orinda Planning Commission, followed by three terms on the Orinda City County during which time she served as mayor three times and chaired the Contra Costa Mayors' Conference in 2014. During this time she developed strong collaborative skills.

In response to the scenario, Ms. Smith spoke of CKH and balancing agricultural and open space restrictions with the need for housing while ensuring that all services are adequately met, that adequate funding is available to support services, and that such an annexation will work for the region as a whole.

Ms. Smith then responded to questions from Commissioners, stressing her understanding that LAFCO Commissioners represent the public as a whole; providing a view of how she feels about preserving agricultural and open space; her perspective on balance; and finally responding to Commissioner Tatzin's question that changed the scenario annexation into one of a largely developed industrial area: she would want to see studies addressing mitigation and cleanup issues, and if it were on the waterfront, ensuring that the public would have access to the shoreline.

Chuck Lewis, attorney with Pacific Gas & Electric, recounted his history of lifelong work in public service, including the Association of Bay Area Governments (ABAG), first with his educational background in political science and public policy and later with his law degree. Throughout the years, he has served with numerous nonprofit and governmental organizations.

In response to the scenario, Mr. Lewis noted that there would be different conditions depending on what type of area was being annexed; greenfields would present different concerns than would disadvantaged unincorporated communities (DUC) or infill areas. It would be important to ensure that the service plan addresses the impacts of a new development and that the city has adequately planned for potential problems and benefits. He also commented on the Revenue & Taxation Code provisions.

Mr. Lewis then responded to questions from Commissioners, noting that one of LAFCO's roles is to review agencies with appropriate and similar pertinent standards; confirming his belief that the public member has a special duty to the public as a whole; agreeing that the urban limit line (ULL) is a valuable planning tool; and stressing the importance of looking at the totality of any situation that comes before LAFCO. In response to Commissioner Tatzin's question changing the scenario annexation into one of a largely developed industrial area, Mr. Lewis stated that he would want staff to find a solution that would benefit both the plant and the surrounding community.

**Barbara Hockett**, a nurse and college nursing instructor, has been involved in healthcare and public service since moving here in 1960. She spent 20 years on the board of Central Contra Costa Sanitary District, and has served on the community healthcare task force and the Economic Council's Water Task Force.

In response to the scenario, Ms. Hockett focused on financial issues and the question of ensuring that a proper tax sharing agreement would be in place and that services would be adequately funded, noting



that a community facilities district might be needed for this. She also stressed that collaborative efforts and mutual aid agreements might be useful.

Ms. Hockett then responded to questions from Commissioners, noting that LAFCO Commissioners must reflect the concerns and interests of the public in making decisions; agreeing that the ULL is a development tool that can be used to protect agricultural and open spaces and that can be respected as long as it doesn't disrupt services; stating that her motivation for applying for this position was the work that Central Contra Costa Sanitary District did on cleaning up its boundaries; and noting that her healthcare background has given her insight into the challenges facing healthcare districts today, and appreciation for their work to transition from managing hospitals to supporting public health through granting and other programs.

Ms. Hockett's response to Commissioner Tatzin's question again stressed the importance of negotiating an equitable tax sharing agreement, noting that financial stability into the future is paramount whether the annexation is residential or industrial.

**Diane Hedler**, registered nurse (retired), spent much of her career developing healthcare quality oversight programs at the national level for Kaiser Permanente, working with personnel from administrators to physicians to nurses to nonphysician caregivers, as well as with the business and technology communities. Since moving to Richmond in 1991, Ms. Hedler has been involved with a number of public service groups, and currently serves as president of the Rosie the Riveter Trust Board of Directors.

In response to the scenario, Ms. Hedler focused on the financial challenges, noting that LAFCO would need to identify and consider some solutions to the potential deficits of such an annexation, suggesting that the city be required to develop a 3-5-year plan and that it report its progress to LAFCO every six months; she also felt that recording of the annexation could be delayed until progress as laid out could be seen.

Ms. Hedler responded to Commissioners' questions, stating that while she doesn't know the eastern part of the county well, she would take the time to drive to annexation sites, she would do thorough research, and spend time to familiarize herself with the rest of the county; affirming that her work with Kaiser Permanente trained her well to engage all people in this work; acknowledging that there must be a way to solve the housing and transportation crises while preserving open and agricultural space; and, finally, stating that her interest in this position derives from her desire to be part of the community through active participation.

Ms. Hedler's response to Commissioner Tatzin's question was that when looking at the initial scenario question she had tried to consider all possibilities, residential or industrial.

**Dave Dolter**, former city manager, planning director and commissioner, noted that his resume spoke for itself, and pointed out that he has worked on projects having to do with LAFCO, including shepherding a large private development, which involved a DUC, through to annexation to Atwater, California.

In response to the scenario, Mr. Dolter stated that he assumed the annexation was not part of a development application or it would have been built into the development project. Mr. Dolter suggested that LAFCO could require an Enhanced Infrastructure Financing District (EIFD), Community Facilities District (CFD), or benefit assessment districts to ensure adequate financing of the area to be annexed; noted that existing service agreements could be renegotiated; and county service areas could be transferred from the county to the annexing city.

Responding to Commissioners' questions, Mr. Dolter explained that the DUC that was part of the annexation he worked on was a small corner of a 150-acre project that the city initially wanted to exclude, but they instead conducted extensive outreach coupled with assurances from the city that residents would benefit from the annexation. In additional responses, Mr. Dolter stressed the need to recognize that commissioners represent the public; stated his support of the ULL and mitigation of

annexed open and agricultural space; admitted his unfamiliarity with special districts; and did not see any conflicts of interest between his current activities and LAFCO service.

Mr. Dolter's response to Commissioner Tatzin's follow-up question to the scenario (i.e., substitute industrial for residential project) indicated that his response to the initial scenario question would not change; he felt that an annexing city would work this out before submitting the application.

Chair McGill thanked the candidates for their time and thoughtful responses and brought the discussion back to the Commissioners, who indicated their admiration for all of the candidates and expressing their desire to see more geographic and gender diversity while ensuring that anyone appointed will develop knowledge of all of Contra Costa County.

Commissioner Glover, second by Commissioner Andersen, nominated Dave Dolter for the position of Alternate Public Member. The vote failed with a tie and with no city vote.

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

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

ABSTAIN: none

Commissioner Butt made a substitute motion, seconded by Commissioner Skaredoff, to appoint Charles Lewis for the position of Alternate Public Member. The vote passed, 6-0.

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

NOES: none

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

ABSTAIN: none

Chair McGill again thanked the candidates.

### 7. <u>LAFCO 18-02 - City of Martinez Out of Agency Service (2415 Donald Avenue) (Agenda Item 6)</u>

The Executive Officer provided brief background on this request to provide municipal water service to property located on Donald Avenue in the unincorporated Mt. View area, which is outside the City boundary, but within the City's SOI and contiguous to the City boundary. Although the City indicates it cannot annex the property at this time, due to access and other issues, the City has demonstrated a commitment to annexing the Mt. View area in the future, and has also executed a deferred annexation agreement with this property owner and is in the process of completing prezoning of the area.

Christina Ratcliffe, Martinez Community and Economic Development Director, confirmed that the City prefers annexation, but that the community is not yet ready for annexation of the entire area. With two City resolutions indicating annexation by 2030, the City requests support from LAFCO as staff works toward that goal. There are very few parcels in the Mt. View area that still need municipal water service, and the City would prefer to provide out of agency water service to them as they may apply.

Responding to Commissioner Butt's questions regarding why the City has delayed annexation of the area, Ms. Ratcliffe stated that until she came to Martinez about six months ago, the City had been without a planning staff for a long period of time. She prefers to complete annexation of the Mt. View area before 2030. Commissioner Skaredoff recalled a failed attempt to update the City of Martinez General Plan a few years ago.

Upon motion of Skaredoff, second by Butt, 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 0.10±-acre parcel located at 2415 Donald Avenue, subject to specified terms and conditions.



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

NOES: none

ABSENT: Schroder (M)

ABSTAIN: none

At 4:00 p.m., Commissioners Glover and Burgis departed.

### 8. Fiscal Year 2018-19 Proposed Budget and Work Plan

The Executive Officer presented a proposed budget for Fiscal Year 2018-19, which reflects an overall increase of 5% as compared to the approved FY 2017-18 budget. The staff report also includes a summary of the variances between the current year budget and projected expenses. An 11% increase in salary & benefit costs is primarily attributable to three months of funding for an Analyst position, as previously discussed with the Commission. Services & Supplies expenses are expected to be comparable to the current year budget, and include carryover funding for the city services MSR. Last month, LAFCO released an RFP for the city services MSR. Proposals are due on March 23<sup>rd</sup>.

The current year budget contains funds associated with the relocation, including five months' rent at the new location and moving expenses; however, the move was delayed due to occupancy and other issues. Tenant improvements are now underway and there is an anticipated move in date of September 2018. The proposed budget includes funding associated with relocating the LAFCO office, as well as three months' salary for an Analyst (April–June 2019). In the coming months, staff will present a staffing plan, along with a job description and salary range for the position.

The budget also includes an \$80,000 contingency reserve for unanticipated expenses, which is reappropriated each year; an annual contribution of \$40,000 to prefund LAFCO's OPEB liability; and an annual contribution of \$30,000 to prefund LAFCO's retirement liability through CCCERA. The Commissioner began prefunding the OPEB liability in FY 2011-12, and the retirement liability in FY 2017-18. The budget assumes the ongoing funding of these liabilities.

Revenue sources include local agency contributions and application fees. The most significant portion of LAFCO's revenue comes from the funding agencies – the County, cities and special districts. Per the Government Code, LAFCO's net operating budget is apportioned to these agencies, with the County paying 1/3, the cities paying 1/3, and the independent special districts paying 1/3. The County Auditor calculates and collects the apportionment based on general revenues reported to the State Controller. Based on the proposed budget, the revenue needed from our funding agencies is approximately 5% more than the current year contributions. The FY 2018-19 estimate for application and related fees is 25% higher than the current year budgeted amount based on a multi-year historical average, and a recent increase in application activity.

As in the past, the year-end fund balance will be used to offset the apportioned contributions from the County, cities, and special districts.

The proposed 2018-19 work plan includes relocating the LAFCO office and enhancing LAFCO staff; completing a 2<sup>nd</sup> round MSR covering city services and initiating a 2<sup>nd</sup> round MSR covering either CSAs or park & recreation services; completing the dissolution of the RWPRPD; resuming work on LAFCO policies & procedures; processing LAFCO applications; and continuing our involvement with CALAFCO and on statewide issues involving LAFCO.

Chair McGill opened the public hearing, but with no public members present, closed the public hearing and returned discussion to the Commissioners.

Chair McGill and Commissioner Skaredoff thanked the staff for its work on the FY 2018-19 budget.

Upon motion of Blubaugh, second by Tatzin, Commissioners, by a 6-0 unanimous vote, approved the budget as proposed for FY 2018-19; directed staff to distribute the proposed budget to the County, cities, and special districts; and scheduled a public hearing for May 9 to adopt the Final FY 2018-19 LAFCO budget.

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

NOES: none

ABSENT: Glover (M), Schroder (M)

ABSTAIN: none

### 9. <u>Proposed Update to Contra Costa LAFCO's Legislative Platform</u>

Commissioners Blubaugh and Tatzin reported that Contra Costa LAFCO bases its legislative policy on the policy established by the CALAFCO Board, which was recently updated with some minor changes that are more inclusive with respect to agricultural lands and the viability of local services to disadvantaged communities.

Upon motion by Tatzin, second by Blubaugh, Commissioners, by a 6-0 vote, approved the minor changes to the Commission's legislative platform to coincide with recent changes to CALAFCO Legislative Policies.

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

NOES: none

ABSENT: Glover (M), Schroder (M)

ABSTAIN: none

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

There were no comments on this item.

### 11. Commissioner Comments and Announcements

Commissioner McGill reported that he attended the CALAFCO Legislative Committee meeting, and a CALAFCO Ad Hoc Finance Committee meeting, on February 16, attended the CALAFCO Board meeting on February 23, 2018, and will attend the CALAFCO Legislative Committee meeting by phone on March 16, 2018.

Commissioner Skaredoff wished to correct an earlier omission and thanked the alternate public member screening committee for their work on the process.

### 12. Staff Announcements

The Executive Officer reported that she would be attending the CALAFCO Legislative Committee meeting by phone on March 16, 2018. CALAFCO is tracking a total of 24 bills, and actively working on 10 of these.

Staff reminded Commissioners that the April meeting is the third Wednesday (April 18), due to the CALAFCO Staff Workshop, which will be held April 11-13. Additionally, CALAFCO has announced that it is seeking proposals and planning committee members for the Annual Conference, which will take place October 3-5 in Yosemite.

The meeting adjourned at 4:15 p.m.

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AYES:		
NOES:		
ABSTAIN:		
ABSENT:		
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J	Executive Officer	



## CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

April 18, 2018 (Agenda)

April 18, 2018 Agenda Item 7

<u>LAFCO 17-11</u> Kirkpatrick Drive Annexation to West County Wastewater District (WCWD)

PROPONENT Satwant S. and Gurmail S. Pandher, Landowners

<u>SYNOPSIS</u> The landowners propose to annex one parcel of 0.763+ acres (APN 430-161-021)

to WCWD. The parcel is located at 39 Kirkpatrick Drive in unincorporated El Sobrante, as shown in Attachment 1. There is one single family residential dwelling unit on the property; no new development is proposed. This is a boundary clean-up as the property currently receives municipal sewer service

from WCWD.

It is also recommended that the Commission include the neighboring property of  $0.442\pm$  acres located southwest of the subject parcel (APN 430-161-004). This parcel is currently vacant, and is within the WCWD's SOI. This parcel is partially in WCWD's service boundary and partially outside the District's boundary, and shows on the 1% ad valorem as being within WCWD. In October 2017, the applicant contacted the neighboring property to ask if they want to be included in the annexation. The neighboring property owner indicated they were in the process of selling the property and were not interested in annexation. County records show no change in ownership has occurred.

LAFCO staff informed the neighboring property owner of split parcel and potential annexation of the property to WCWD. Further, that exclusion of her property would create an island. As of this writing, the neighboring property owner has not responded to the letter or the public notice.

### **DISCUSSION**

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

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

Both the property proposed for annexation and the neighboring property are within WCWD's SOI, and within the County Urban Limit Line; the parcels are located in the unincorporated community of El Sobrante.

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

The County General Plan designation for the subject parcels is Single Family Residential – High. And the County zoning is Single Family Residential – 7,000 square foot minimum. Land use designations in the surrounding areas are comparable, with residential development to the northwest and southeast, vacant land to the southwest, and underutilized land to the northeast. No changes are proposed to the General Plan or zoning designations as part of this proposal.

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

The subject properties contain no prime farmland or land covered under Williamson Act Land Conservation agreements; there are no agricultural uses on the parcels proposed for annexation.

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

The topography of the subject parcels and surrounding area is hillside residential.

### **Population**:

No residential development is currently proposed on the subject parcels; therefore, there is no projected population growth associated with this proposal.

### 5. 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. No residential development is proposed; thus, the proposed annexation will have no effect on regional housing needs.

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

An application for a change of organization or reorganization typically requires 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 LAFCO 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.

A plan for service is not required for this application as this is primarily a boundary clean-up. Municipal sewer services are already being provided to one of the parcels, and no other development is proposed at this time.

### 7. Timely Availability of Water and Related Issues:

Water service is currently provided to the property by EBMUD. No change in water service is anticipated as a result of this annexation.

### 8. Assessed Value, Tax Rates and Indebtedness:

The annexation area is within tax rate area 85040. The total assessed value for the annexation area is \$238,441 (2017-18 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies. The County and District will rely on the master tax transfer agreement for this annexation.

### 9. Environmental Impact of the Proposal:

The WCWD found the proposed annexation of APN 430-161-021 categorically exempt pursuant to CEQA Guidelines sections 15319, and 15061(b)(3). The District prepared a Notice of Exemption which the LAFCO environmental coordinator finds to be adequate. In addition, LAFCO staff found the annexation of the remainder of APN 430-161-004 exempt pursuant to 15061(b)(3).

### 10. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there is one registered voters in the area proposed for annexation; thus, the area proposed for annexation is considered uninhabited. All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundaries of the area(s) have received notice of the April 18, 2018 LAFCO hearing.

The applicant/landowner supports the annexation. As of this writing, LAFCO has received no comments from the adjacent landowner whose parcel is partially within the WCWD boundary and is also proposed for annexation. Given that this landowner has not yet provided written consent to the annexation, a protest hearing is required (Gov. Code §56663).

### 11. Boundaries and Lines of Assessment:

The annexation area is within WCWD's SOI and contiguous to the District's service boundary. A map and legal description to implement the proposed boundary change has been submitted and is subject to approval by the County Surveyor. Annexation of the subject parcel alone would create an island. Annexation of the neighboring parcel is recommended to clean up the boundary and avoid creating an island.

### 12. Environmental Justice:

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

### 13. Disadvantaged Communities:

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

### 14. Comments from Affected Agencies/Other Interested Parties

No comments were received from other affected agencies or parties.

### 15. Regional Transportation and Regional Growth Plans:

In its review of a proposal, LAFCO shall consider a regional transportation plan adopted pursuant to Gov. Code §65080 [Gov. Code §56668(g)]. Further, the Commission may consider the regional growth goals and policies established by a collaboration of elected officials only, formally representing their local jurisdictions in an official capacity on a regional or subregional basis (Gov. Code §56668.5). Regarding these sections, LAFCO looks at consistency of the proposal with the regional transportation and other regional plans affecting the Bay Area.

SB 375, a landmark state law, requires California's regions to adopt plans and policies to reduce the generation of greenhouse gases (GHG), primarily from transportation. To implement SB

375, in July 2013, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) adopted Plan Bay Area as the "Regional Transportation Plan and Sustainable Communities Strategy" for the San Francisco Bay Area through 2040. Plan Bay Area focuses on where the region is expected to grow and how development patterns and the transportation network can work together to reduce GHG emissions. The Plan's key goals are to reduce GHG emissions by specified amounts; and to plan sufficient housing for the region's projected population over the next 25 years.

In July 2017, ABAG and MTC adopted Plan Bay Area 2040, which updates the 2013 Plan Bay Area and reaffirms the goals and targets identified in the earlier version. Plan Bay Area establishes "Priority Conservation Areas" (PCAs) and "Priority Development Areas" (PDAs), and focuses growth and development in nearly 200 PDAs. These existing neighborhoods are served by public transit and have been identified as appropriate for additional, compact development. The area proposed for annexation is not within a PCA or a PDA; however, the proposed annexation does not appear to conflict with the regional transportation or growth plans.

### ALTERNATIVES FOR COMMISSION ACTION

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

**Option 1** Approve the annexation as proposed with the addition of APN 430-161-004 (partial parcel).

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered information contained in the WCWD's Notice of Exemption and LAFCO's finding of exemption of APN 430-161-004.
- B. Adopt this report, approve LAFCO Resolution No. 17-11 (Attachment 2), and approve the proposal, to be known as *Kirkpatrick Drive Annexation to West County Wastewater District* subject to the following terms and conditions:
  - 1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
  - 2. The landowner applicant has delivered an executed indemnification agreement providing for WCWD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
- C. Find that the subject territory is uninhabited, that not all affected landowners have provided written consent to the proposed annexation, and a protest hearing is required.

### **Option 2** Approve the annexation of APN 430-161-021 as proposed.

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered information contained in the WCWD's Notice of Exemption.
- B. Adopt this report, approve LAFCO Resolution No. 17-11 (Attachment 3), and approve the proposal, to be known as *Kirkpatrick Drive Annexation to West County Wastewater District* subject to the following terms and conditions:
  - 1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.

- 3. The landowner applicant has delivered an executed indemnification agreement providing for WCWD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
- C. Find that the subject territory is uninhabited, that all affected landowners have provided written consent to the proposed annexation, and a protest hearing is waived.
- **Option 3** Adopt this report and DENY the proposal.
- **Option 4** If the Commission needs more information, CONTINUE this matter to a future meeting.

### RECOMMENDED ACTION:

**Option 1** – Approve the annexation as proposed.

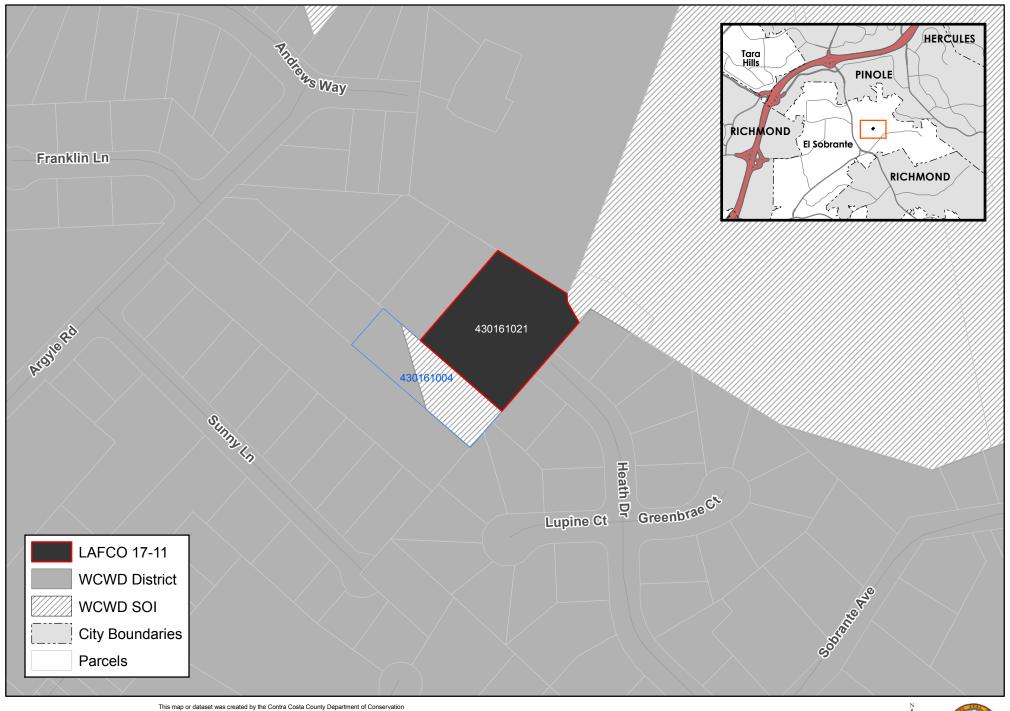
# LOU ANN TEXEIRA, EXECUTIVE OFFICER CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

### Attachments

- 1 WCWD Annexation Map
- 2 Draft LAFCO Resolution 17-11 (APNs 430-161-004 and -021)
- 3 Draft LAFCO Resolution 17-11 (APN 430-161-021 only)

c: Distribution

### LAFCO 17-11 39 Kirkpatrick Drive Annexation to West County Wastewater (WCWD)



Map created 03/26/2018 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muitr Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



### **RESOLUTION NO. 17-11**

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING

### KIRKPATRICK DRIVE ANNEXATION TO WEST COUNTY WASTEWATER DISTRICT APNs 430-161-004 (partial) and 430-161-021

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

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

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

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

WHEREAS, at a public hearing held on April 18, 2018, 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, applicable General and Specific Plans, consistency with the sphere of influence, contiguity with the district's boundary, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, in order to correct a boundary irregularity, APN 430-161-004 (partial parcel) has been added to the annexation proposal; and

WHEREAS, the Local Agency Formation Commission determines the proposal to be in the best interests of the affected area and the 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. LAFCO, as a Responsible Agency under the California Environmental Quality Act (CEQA), finds the proposed annexation exempt pursuant to CEQA Guidelines sections 15319, and 15061(b)(3).
- 2. The annexation is hereby approved.
- 3. The subject proposal is assigned the distinctive short-form designation:

## KIRKPATRICK DRIVE ANNEXATION TO WEST COUNTY WASTEWATER DISTRICT

4. The boundaries of the affected territory, including one parcel (APN 430-161-021) and one partial parcel (APN 430-161-004), are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.

Contra Costa LAFCO Resolution No. 17-11

- 5. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.
- 6. The subject landowner delivered an executed indemnification agreement between the landowner and Contra Costa LAFCO providing for the landowner to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
- 7. The territory proposed for annexation is uninhabited.
- 8. The subject territory is uninhabited and not all affected landowners have provided written consent to the proposed annexation; thus, a protest hearing is required.
- 9. All subsequent proceedings in connection with this annexation 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 18<sup>th</sup> day of April 2018, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

MICHAEL R, MCGILL, 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.

Dated: April 18, 2018

Lou Ann Texeira, Executive Officer

### **RESOLUTION NO. 17-11**

# RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING

### KIRKPATRICK DRIVE ANNEXATION TO WEST COUNTY WASTEWATER DISTRICT APN 430-161-021

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

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

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

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

WHEREAS, at a public hearing held on April 18, 2018, 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, applicable General and Specific Plans, consistency with the sphere of influence, contiguity with the district's boundary, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission has been presented that no affected landowners/registered voters within the annexation area object to the proposal; and

WHEREAS, the Local Agency Formation Commission determines the proposal to be in the best interests of the affected area and the 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. LAFCO, as a Responsible Agency under the California Environmental Quality Act (CEQA), finds the proposed annexation exempt pursuant to CEQA Guidelines sections 15319, and 15061(b)(3).
- 2. The annexation is hereby approved.
- 3. The subject proposal is assigned the distinctive short-form designation:

# KIRKPATRICK DRIVE ANNEXATION TO WEST COUNTY WASTEWATER DISTRICT

4. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.

Contra Costa LAFCO Resolution No. 17-11

- 5. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.
- 6. The subject landowner delivered an executed indemnification agreement between the landowner and Contra Costa LAFCO providing for the landowner to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
- 7. The territory proposed for annexation is uninhabited.
- 8. The proposal has 100% landowner consent, and the conducting authority (protest) proceedings are hereby waived.
- 9. All subsequent proceedings in connection with this annexation 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 18 <sup>th</sup> d	day of April 2018, by the following vote:
AYES:	
NOES:	
ABSTENTIONS:	
ABSENT:	
MICHAEL R, MCGILL, CHAIR, CON	TTRA COSTA LAFCO
I hereby certify that this is a correct copen the date stated.	by of a resolution passed and adopted by this Commission
Dated: April 18, 2018	Lou Ann Texeira, Executive Officer

## CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

April 18, 2018 (Agenda)

April 18, 2018 Agenda Item 8

<u>LAFCO 17-14</u> Delta Diablo (DD) Sphere of Influence (SOI) Amendment – Bay Point

**Regional Shoreline** 

APPLICANT East Bay Regional Park District (EBRPD)

ACREAGE & LOCATION

The proposed SOI expansion totals 2.74± acres and includes a portion of the Bay Point Regional Shoreline (BPRS) 69-acre parcel located at the end of McAvoy Road in unincorporated Bay Point. The subject property includes a 2.58± acre portion of EBRPD's parcel (APN 098-020-021) and a 0.16± acre portion of Contra Costa Water District's (CCWD) parcel (APN 098-020-002) in order to avoid a gap in DD's service boundary and SOI. EBRPD has also submitted a corresponding application to annex the subject areas to DD. The subject area is located outside the voter approved urban limit line (ULL). Typically, LAFCO discourages annexation of partial parcels; however, given this area is outside the ULL and used for park and recreational uses, it is desirable to include only a portion of the 69-acre parcel in the annexation to DD.

**PURPOSE** 

The purpose of the proposal is to upgrade the existing vault toilet restroom and allow for a flush toilet restroom at the BPRS staging area. Installing a sewer line to the new restroom would require connection to a DD pipeline.

<u>BACKGROUND</u> In 2001, the EBRPD prepared a Land Use Plan (LUP) for the BPRS, a regional parkland located in unincorporated Bay Point. Consistent with prior planning efforts, the parkland will be managed to conserve natural resources, provide recreational opportunities, and improve public safety in the area. In addition, the LUP will restore and enhance up to 29 acres of sustainable wetlands and uplands habitat and shoreline access.

The BPRS project area consists of  $51\pm$  acres of marsh, upland and a large J-shaped channel at the waterfront near the Bay Point community. The 2001 LUP includes marsh restoration and nature management designed to conserve and enhance the site and assist in the local recovery of special-status species. The LUP also includes a recreation/staging unit development component on  $7\pm$  acres. The staging area includes shade structures, parking, a bus turnaround and restrooms. Recreational amenities in this area include picnic facilities, carry-in boat access to the channel, and trailheads for two trails, along with related utility infrastructure.

Since the project approval in 2001, some of the project components were constructed. To date, parking, bus turnaround, vault toilet, picnic facilities, electrical services, and the two trailheads have been constructed; components not yet implemented include shade structures, potable water, non-motorized watercraft launch, and the marsh restoration project and natural unit management elements. The EBRPD now proposes some modifications to the original plan, along with construction of the remaining components, including marsh restoration, two trails, a non-motorized watercraft launch, and a municipal sewer connection to upgrade the existing restroom.

<u>DISCUSSION</u> The Cortese-Knox-Hertzberg Act (CKH Act) empowers LAFCO with the responsibility for developing and determining the SOI of each local agency within the County, and for enacting policies designed to promote the logical and orderly development of areas within the spheres.

An SOI is defined as a plan for the probable physical boundaries and service area of a local agency, as determined by LAFCO. The intent of an SOI is to identify the most appropriate area for an agency's extension of services in the foreseeable future (e.g., 10-20 year horizon). Accordingly, territory included in an agency's SOI is an indication that the probable need for service has been established, and that the subject agency has been determined by LAFCO to be the most logical service provider for the area.

Pursuant to Government Code section 56425, when amending an SOI for a local agency, LAFCO is required to consider and prepare a written statement of determinations with respect to the following:

- 1. The present and planned uses in the area, including agricultural and open space lands The County's General Plan designation for the subject property is Parks and Recreation (PR) and the zoning is Planned Unit (P-1). The land uses in the area are park and recreation and the area provides access to the shorelines, trails and picnic facilities. The property is outside the ULL, and adjacent to and north of the parkland is marsh owned by the California State Lands Commission that is leased to the EBRPD. The Shore Acres/Bay Point neighborhood is south of the project site, McAvoy Harbor is east, and marsh owned by the federal government is west. There are no current Williamson Act Land Conservation Agreements within the project site, and the proposed SOI amendment and pending annexation will facilitate no changes in land use and would have no impact on agricultural land or open space lands.
- 2. The present and probable need for public facilities and services in the area There is present and probable need for municipal sewer services to improve the restroom facility and enhance visitor experience.
- 3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide DD serves the cities of Antioch and Pittsburg and the unincorporated Bay Point community. DD serves approximately 212,000 residents in a service area of 54± square miles. DD has over 49 miles of gravity sewer main, 14 miles of pressure force mains, and five pump stations.
  - The DD treatment plant has an average dry weather flow capacity of 19.5 million gallons per day (mgd). During the most recent reporting period (2016), the average dry weather flow was 12.3 mgd. In 2010, 2013, and 2014, the average dry weather flows at the plant were 13.4, 13.1 and 12.5 mgd, respectively.
  - The subject area is located in Zone 1 of DD's service area. DD estimates that the proposed flush toilets will generate approximately 220 gallons per day of wastewater discharge. DD indicates that it has adequate capacity to serve the restroom at the BPRS.
- 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 The BPRS is located in the unincorporated community of Bay Point. The community, visitors and users of the BPRS amenities are the communities of interest and will benefit from the enhanced facilities. The project is a high priority of the EBRPD to serve the outdoor recreation needs of the 4,020 neighborhood residents that live within a half mile of the project site, as there are no other parks with this half mile vicinity. The project serves as the waterfront for the Bay Point community. Outside this project, only one 12.3± acre park (Ambrose Park) serves the more than 24,000 residents of the unincorporated Bay Point community. Based on State criteria, Bay Point is a Disadvantaged Unincorporated Community (DUC).

Page 3

5. Nature, location, extent, functions & classes of services to be provided — When adopting, amending, or updating an SOI for a special district, LAFCO shall establish the nature, location, and extent of any functions or classes of services provided by existing districts.

DD provides water resource recovery (wastewater collection) services for the unincorporated community of Bay Point, and the cities of Antioch and Pittsburg. DD also operates the Delta Household Hazardous Waste Collection Facility for residents in the eastern portion of the County.

**Environmental Impact of the Proposal** – The EBRPD, as Lead Agency, prepared a Mitigated Negative Declaration (MND) in 2001, and an Addendum in 2017. The Addendum specifically addresses annexation to DD and is adequate for LAFCO purposes.

### ALTERNATIVES FOR COMMISSION ACTION

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

- Option 1 Approve the proposed expansion of DD's SOI as depicted on the attached map (Attachment 1).
  - A. Determine that the EBRPD, as Lead Agency, prepared a Mitigated Negative Declaration (2001) and an Addendum (2017) to the MND.
  - B. Certify that LAFCO has reviewed and considered the information contained in these CEQA documents as prepared by the EBRPD.
  - C. Adopt this report and attached resolution (Attachment 2) amending DD's SOI as described herein and shown on the attached map.
- Option 2 Adopt this report and DENY the proposal.
- **Option 3** If the Commission needs more information, CONTINUE this matter to a future meeting.

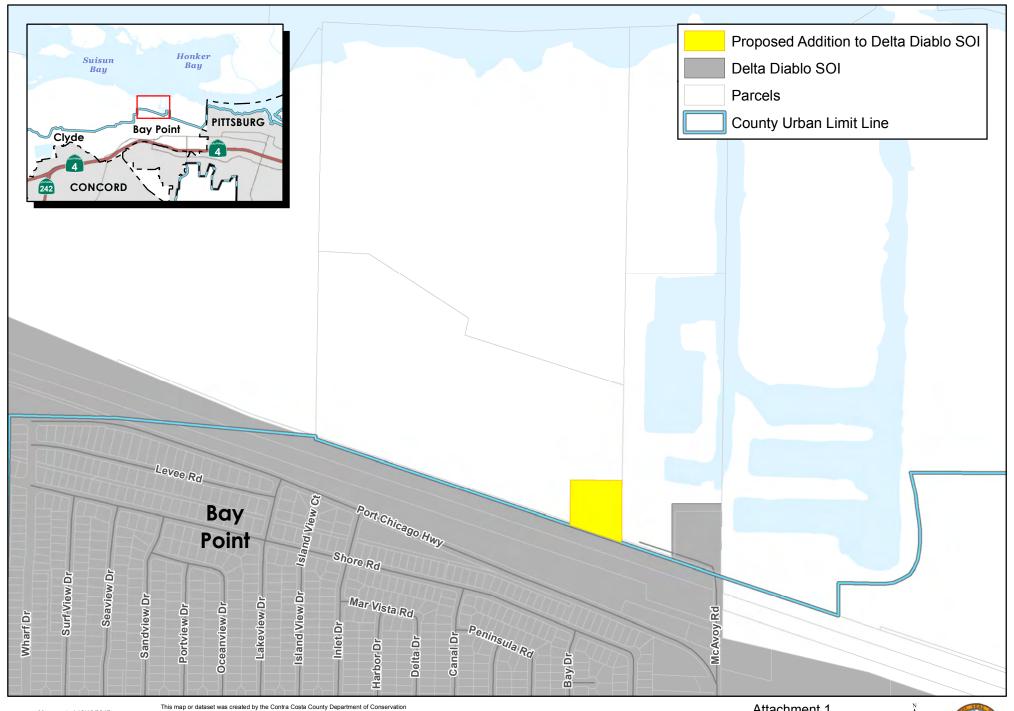
**RECOMMENDATION** Option 1 – approve the SOI amendment.

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

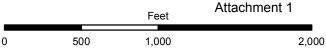
### Attachments

- 1 Map Proposed DD SOI Amendment
- 2 Draft LAFCO Resolution DD SOI Amendment
- c: Karla Cuero, Project Coordinator, EBRPD
   Chris Barton, Programs Manager, EBRPD
   Vince De Lange, General Manager, Delta Diablo
   Patricia Chapman, Associate Engineer, Delta Diablo
   Mark Seedall, Principal Planner, Contra Costa Water District

### LAFCO No.17-14 - Delta Diablo SOI Amendment (Bay Point Regional Shoreline)



Map created 12/19/2017 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.





### SPHERE OF INFLUENCE RESOLUTION NO. 17-14

# RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND EXPANDING THE SPHERE OF INFLUENCE OF DELTA DIABLO (BAY POINT REGIONAL SHORELINE)

WHEREAS, a proposal to expand the sphere of influence (SOI) of Delta Diablo (DD) was filed with the Contra Costa Local Agency Formation Commission (LAFCO) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56425); 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 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, SOIs and applicable General and Specific Plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included herein by reference;

NOW, THEREFORE, the Contra Costa LAFCO DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

- 1. The matter before the Commission is the proposed expansion of DD's SOI to include a portion (2.58± acres) of Assessor Parcel Number (APN) 098-020-021 and a portion of APN 098-020-002 (0.16± acres) totaling 2.74± acres located at the end of McAvoy Road (Bay Point Regional Shoreline) in the unincorporated Bay Point community.
- 2. LAFCO, as a Responsible Agency under the California Environmental Quality Act (CEQA), has reviewed and considered information contained in the Lead Agency's (East Bay Regional Parks District) 2001 Initial Study/Mitigated Negative Declaration and 2017 Addendum, and finds that there are no new or additional direct or indirect environmental effects that would result from LAFCO's approval of the annexation other than those already disclosed in the referenced CEQA documents.
- 3. DD's SOI is hereby expanded to include the areas as shown on the attached map (Exhibit A).
- 4. DD's service is limited to serving the EBRPD's restroom.
- 5. The Commission has considered the criteria set forth in Government Code §56425 and determines as follows:

### The present and planned uses in the area, including agricultural and open space lands.

The County's General Plan designation for the subject property is Parks and Recreation and the zoning is Planned Unit. The land uses in the area are park and recreation and the area provides access to the shorelines, trails and picnic facilities. There are no current Williamson Act Land Conservation Agreements within the project site, and the proposed SOI amendment will facilitate no changes in land use and will have no impact on agricultural land or open space lands.

### The present and probable need for public facilities and services in the area.

The purpose of the SOI change is to allow for the extension of municipal wastewater service to the EBRPD's restroom. There is present and probable need for wastewater service to improve the restroom facility and enhance visitor experience. The proposed SOI change will have no effect on public facilities or services.

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

Current DD public facilities are adequate for the existing uses. No new development or growth is anticipated due to the existing use, land use designations, and that the property is outside the Urban Limit Line.

The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

The Bay Point Regional Shoreline (BPRS) is located in the unincorporated community of Bay Point. The community, visitors and users of the BPRS amenities are the communities of interest and will benefit from the enhanced facilities.

The nature, location, and extent of any functions or classes of services provided by the existing district.

When adopting, amending, or updating an SOI for a special district, LAFCO shall establish the nature, location, and extent of any functions or classes of services provided by existing districts.

DD provides water resource recovery (wastewater collection) services for the unincorporated community of Bay Point, and the cities of Antioch and Pittsburg. DD also operates the Delta Household Hazardous Waste Collection Facility for residents in the eastern portion of the County.

PASSED AND ADOPTED THIS 18<sup>th</sup> day of April 2018, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

MICHAEL R. MCGILL, 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: April 18, 2018

Lou Ann Texeira, Executive Officer



Lou Ann Texeira

Executive Officer

### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229 e-mail: LouAnn. Texeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

**MEMBERS** 

Candace Andersen County Member

Donald A. Blubaugh Public Member

Federal Glover County Member

Michael R. McGill Special District Member

Rob Schroder City Member

Igor Skaredoff Special District Member

Don Tatzin City Member ALTERNATE MEMBERS

**Diane Burgis** County Member

**Tom Butt** City Member

**Stanley Caldwell** Special District Member

> VACANT Public Member

April 18, 2018 Agenda Item 9

April 18, 2018 (Agenda)

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

### **Authorize Service Contract - Countywide 2<sup>nd</sup> Round Municipal Service Review** and Sphere of Influence Updates – "City Services"

Dear Members of the Commission:

### **DISCUSSION**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that on or before January 1, 2008, and every five years thereafter, LAFCO review and update the sphere of influence (SOI) of each local agency, as necessary. As part of the SOI update, LAFCO must prepare a corresponding Municipal Service Review (MSR) to determine the range and adequacy of governmental services provided.

In April 2013, Contra Costa LAFCO completed its inaugural MSR cycle covering all 19 cities and 75 special districts. In conjunction with the MSRs, LAFCO updated the SOIs for most agencies. In August 2013, LAFCO initiated its 2<sup>nd</sup> round MSRs/SOI updates. To date, LAFCO has completed 2<sup>nd</sup> round MSRs covering water/wastewater (2014), reclamation/levee (2015), fire and emergency medical services (2016), and healthcare services (2018).

As part of the FY 2017-18 work plan and budget, the Commission approved preparing two 2<sup>nd</sup> round MSRs - healthcare services covering three healthcare districts and County healthcare services, and "city services" covering cities and community services districts (CSDs). The 2<sup>nd</sup> round healthcare services MSR was completed in January 2018.

The "city services" MSR will cover the 19 cities and four of the six CSDs, excluding the Dublin San Ramon Services District (DSRSD) and Knightsen Town CSD as these districts were reviewed in the 2014 2<sup>nd</sup> round water/wastewater MSR. Also, Alameda LAFCO is the principal LAFCO for DSRSD and also conducts an MSR and establishes the SOI for this district.

Contra Costa LAFCO's first round city MSRs were prepared by sub-region (central, east and west), and were completed in 2009. The CSDs were previously covered in various MSRs including sub-regional and service-specific MSRs (e.g., parks/recreation, law enforcement, etc.).

As proposed, municipal services to be covered in the "city services" MSR will include those listed below. Water, wastewater, and fire/emergency medical services will not be reviewed as these services were covered in recent 2<sup>nd</sup> round MSRs.

- Animal control
- Broadband
- Building/planning
- Law enforcement
- Library
- Lighting

- Parks & recreation
- Solid waste
- Streets/roads
- Stormwater
- Utilities (gas, electricity/community choice aggregation)

As proposed, the 2<sup>nd</sup> round "city services" MSR will focus on the following:

- ❖ Updating profile data including growth and population, jobs/housing, finances (expenses, revenues, debt, reserves, related fiscal health indicators), and staffing
- ❖ Shared services (i.e., joint powers/joint use agreements, contracts between public agencies, public-private partnerships)
- ❖ Infill development/sprawl prevention/islands
- ❖ Agricultural/open space preservation

Consultant Recruitment Process - Contra Costa LAFCO relies primarily on consultants to prepare MSRs. In February 2018, the Commission approved release of a Request for Proposals (RFP) and Scope of Services for the "city services" MSR. The RFP was released on February 16<sup>th</sup>, was sent to over 30 firms, and posted on the Contra Costa LAFCO, CALAFCO, California Special Districts Association and League of California Cities websites. Proposals were submitted by the following firms (copies of the proposals are available upon request):

- Lamphier-Gregory & Berkson Associates
- RSG

The proposals vary in terms of approach, number of team members, timelines, and costs, which range from \$89,941 to \$145,675. *Lamphier-Gregory & Berkson Associates* bring extensive LAFCO experience including environmental planning, LAFCO MSRs and special studies, and financial/fiscal expertise. The *RSG* team includes strong fiscal/financial professionals, extensive work with cities, as well as experience preparing several LAFCO fiscal studies and MSRs.

A screening committee composed of LAFCO professionals including **Brendon Freeman**, Executive Officer, Napa LAFCO and **Rich Seithel**, Executive Officer, Solano LAFCO, along with your Executive Officer reviewed the proposals and interviewed the firms on April 6<sup>th</sup>. The interviews were structured, with questions designed to gauge the consultants' understanding of the required tasks, proposed approach to the MSR, experience and familiarity with LAFCO, knowledge of healthcare services, qualifications of personnel assigned to work on the MSR, budget, timeline and other factors.

Following the interviews, the committee concluded that while both firms are qualified and could provide the needed services, it is recommended that the Commission hire the team of Lamphier-

Gregory & Berkson Associates to prepare the 2<sup>nd</sup> round "city services" MSR. Following the interviews, LAFCO staff conducted a reference check and reviewed some of the firms' sample MSR work products; all were positive and support the committee's recommendation. The Lamphier-Gregory team has significant experience working with LAFCOs and local agencies.

- ❖ Lamphier-Gregory is a professional services firm specializing in urban planning, environmental analysis and project management. The Lamphier-Gregory team includes Nat Taylor, who will serve as Project Director. Mr. Taylor has extensive local government and LAFCO experience. He has served as planning advisor to both Contra Costa LAFCO (since 2008) and Alameda LAFCO (since 2014). Mr. Taylor's associate Sharon Wright will serve as Project Manager and will be responsible for most of the MSR work. Ms. Wright also brings extensive planning expertise along with recent LAFCO work. In January 2018, Lamphier-Gregory completed an MSR for Alameda LAFCO covering Alameda County's 14 cities; Ms. Wright was the Project Manager for this MSR and performed most of the work.
- ❖ Richard L. Berkson, Principal, Berkson Associates, has over 30 years of experience working with local agencies throughout California. Areas of expertise include government organization, fiscal, financial and market analysis, and public finance. Richard has prepared numerous LAFCO governance studies and MSRs; studies addressing incorporations, annexations, special district formations, consolidations, and dissolutions; design and preparation of financial strategy studies, capital and infrastructure plans, fee, tax and related studies. Mr. Berkson has worked with Contra Costa LAFCO on a number of MSRs and special studies, including the Healthcare Services MSR (2018), EMS/Fire MSR (2016), and special studies for the West Contra Costa Healthcare District (2016), the Rollingwood Wilart Park Recreation & Park District (2016), and the Mt. Diablo Healthcare District Reorganization (2011). Berkson Associates will collaborate with Economic & Planning Systems, Inc. (EPS) in preparing the financial review component of the MSR.

### **FINANCING**

It is anticipated that this MSR will carry over to FY 2018-19. Adequate funding is included in the FY 2017-18 and FY 2018-19 LAFCO budgets to cover costs associated with this MSR.

### **RECOMMENDATION**

Authorize staff to execute a contract with Lamphier-Gregory & Berkson Associates to prepare the 2<sup>nd</sup> round "city services" MSR/SOI updates for the term May 1, 2018 through April 30, 2019 in an amount not to exceed \$90,000.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

c: Distribution



651 Pine Street, Sixth Floor • Martinez, CA 94553-1229 e-mail: LouAnn. Texeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

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**Tom Butt** City Member

**Stanley Caldwell** Special District Member

> VACANT Public Member

April 18, 2018 Agenda Item 10

April 18, 2018

Lou Ann Texeira

Executive Officer

Contra Costa Local Agency Formation Commission 651 Pine Street, 6<sup>th</sup> Floor Martinez, CA 94553

### **Contract for Alternate Legal Services**

### **Dear Commissioners:**

Two potential changes of organization will be presented to the Commission in the next several months. In January 2018, the Commission adopted a resolution initiating dissolution of the Rollingwood Wilart Park Recreation & Park District with intent to name Contra Costa County as successor agency to wind up the affairs of the District. While the County has been cooperative, it has not taken a formal position regarding its potential role as successor agency, and it may concur or object as this matter proceeds.

In November 2017, the Contra Costa County Board of Supervisors adopted a resolution requesting that LAFCO initiate proceedings to dissolve the Los Medanos Community Healthcare District (LMCHD). Subsequently, the County filed an application with LAFCO to dissolve the LMCHD. This proposal will be presented to the Commission within the next several months.

As you know, County Counsel Sharon Anderson serves as LAFCO's legal counsel. Other counties follow a similar practice (for example Alameda, Monterey, Riverside, San Mateo, Santa Barbara, Sonoma, Stanislaus, and Ventura LAFCOs are represented by their respective county counsel's offices). This type of dual representation is a normal part of a public law practice and ordinarily does not give rise to a conflict. However, with respect to the projects listed above, as well as other potentially controversial County projects that may arise in the future, it's possible that the interest of the Board of Supervisors and LAFCO's interest may not be in accord. Legal counsel has advised that, when a conflict occurs, the Commission should have alternate legal counsel available to advise it, as necessary, on matters that arise during LAFCO deliberations.

### Government Code section 56384(b) provides for the following:

- The Commission shall appoint legal counsel to advise it.
- If the Commission's counsel is subject to a conflict of interest on a matter before the Commission, the Commission shall appoint alternate legal counsel to advise it.
- The Commission may recover its costs by charging fees pursuant to Gov't. Code Sec. 56383.

Several firms employ attorneys that have LAFCO experience, including Best Best & Krieger LLP, Colantuono, Highsmith & Whatley, PC, Meyers Nave, and P. Scott Browne. These firms are also associate members of CALAFCO.

LAFCO staff is familiar with these firms, and recommends that Contra Costa LAFCO enter into a contract with Best Best & Krieger for the services of Kara K. Ueda, who works out of that firm's Sacramento Office (see attached resume). Ms. Ueda's hourly rate for legal services is \$270.

**RECOMMENDATIONS**: Authorize LAFCO staff to execute a contract with Best, Best & Krieger, for legal services on an as-needed basis, at the discretion of the Executive Officer, commencing May 1, 2018, in an amount not to exceed \$20,000. Sufficient funds are included in the LAFCO budget.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

Attachment – Resume of Kara K. Ueda, Partner, Best Best & Krieger



### Kara K. Ueda

Partner

☑ KARA.UEDA@BBKLAW.COM

Tel: (916) 551-2822

500 Capitol Mall, Suite 1700 Sacramento, CA 95814

Office (916) 325-4000

Fax (916) 325-4010



### At a Glance

Kara advises municipal clients in conflicts of interest, elections, land use and CEQA matters.

She has extensive experience working as city attorney or assistant city attorney.

Kara is an adjunct professor, teaching local government law at University of California, Davis School of Law.

#### **Profile**

Kara K. Ueda is a partner in Best Best & Krieger LLP's Municipal Law practice group. She has served as city attorney or assistant city attorney to a number of California municipalities. Kara is a trusted advisor and litigator on a variety of issues cities regularly confront, including drafting and updating local laws, board governance, ethics, and environmental regulations regarding development and conservation.

### **Municipal Law Experience**

Kara is city attorney for the City of Woodland, a position she's held since 2013. She previously served as city attorney for the City of Rio Vista. She was the assistant city attorney for the cities of Davis, Marysville, Paso Robles and Winters. Kara also serves as general counsel for the El Dorado County LAFCO and Murphys Sanitary District, and has done so since 2013.

Kara provides a wide range of services to public agencies, including assisting with crafting ordinances, drafting resolutions, providing advice on land use matters, helping clients navigate the Fair Political Practices Commission's

### **Areas of Focus**

**Practices** 

California Environmental Quality Act (CEQA)

**Elections** 

Environmental Law & Natural Resources

**Environmental Litigation** 

Fees, Taxes & Assessments

Government Policy & Public Integrity

Land Use, Planning & Zoning

Local Agency Formation Commission (LAFCO)

**Municipal Law** 

**Public Agency Litigation** 

**Industries** 

Municipal

**Special Districts** 

conflict of interest laws and other regulations, and writing conflict of interest opinions. She also regularly provides advice and counsel on elections, including initiative, referenda and city-sponsored ballot measures and assists clients with legal challenges under the California Voting Rights Act, and through the process of converting from at-large to by-district or by-division elections. Kara regularly provides ethics training for public officials to comply with AB 1234. She also regularly provides advice and counsel on California Environmental Quality Act matters, including reviewing environmental documents, assisting with determining CEQA compliance and reviewing findings for adoption.

Kara also negotiates and drafts a variety of agreements, including purchase and sale agreements consultant contracts, open space acquisitions and conservation easements. She has guided municipal clients through contentious Proposition 218 rate-setting processes for sewer and water rate increases and is working on a large general plan update for a city client. Kara routinely provides advice and training on the Public Records Act and the Brown Act, with a particular focus on email and social media. Kara is admitted to the U.S. District Court for the Eastern District of California and the Ninth U.S. Circuit Court of Appeals. She is admitted to practice law in the State of California.

### **Municipal Litigation**

Kara litigates in both state and federal courts. Her recent matters include:

- Representing the City of Hayward in a CEQA case in the First District Court of Appeal against the California State University Board of Trustees.
- Representing the Mills-Peninsula Health Care District in a case alleging violations of a ground lease and special election campaign expenditures.
   (Peninsula Guardians, Inc. v. Peninsula Health Care District, 168 Cal. App. 4th 75 (2008)).
- Successfully represented the City of Paso Robles in a CEQA case brought
  against the City over the preparation of a mitigated declaration. The case
  resulted in a dismissal and a denial of an award of attorneys' fees to the
  petitioner.
- Prevailed on a motion for summary adjudication on legal issues involving a Section 8 Housing Choice voucher contractual dispute. (Redevelopment Agency of the City of Roseville v. Maidu Village III, LP).

### **Experience and Background**

Prior to joining BB&K, Kara practiced at the law firm of McDonough Holland & Allen PC. She began her legal career at the League of California Cities as a fellow, and became the deputy general counsel. Even after entering private practice, Kara remained active with the LCC, having served on the LCC City Attorneys' Department ad hoc committee that recently updated a publication entitled "Providing Conflict of Interest Advice." Additionally, Kara has served on the LCC City Attorneys' Department FPPC Committee, on the Municipal Law Handbook Committee and on the LCC Environmental Quality and

Administrative Services Policy committees.

Kara is an adjunct law professor, teaching local government law at the University of California, Davis School of Law, where she is also a frequent guest lecturer and volunteer. She is licensed to practice law in the State of California.

#### Education

- University of California School of Law, Davis, J.D.
- University of California, Davis, B.S.

#### **Awards**

- Sacramento Magazine Top Lawyers, State, Local & Municipal, 2015-2017
- Northern California Super Lawyers, 2017
- Sacramento Business Journal Best of the Bar, 2014-2016
- Super Lawyers Top Women Attorneys in Northern California, 2014
- Super Lawyers Northern California Rising Star, 2012-2014
- Sacramento Business Journal 40 Under 40, 2011

#### **Affiliations**

- Sacramento County Bar Association
- State Bar of California Public Law Section
- American Leadership Forum Senior Fellow
- League of California Cities City Attorneys' Department ad hoc committee
- American Leadership Forum Mountain Valley Chapter, Class XVII senior fellow
- League of California Cities' Municipal Law Handbook Committee, former member
- League of California Cities' Environmental Quality Policy Committee, former liaison
- League of California Cities City Attorneys' Department, former representative to the Administrative Services Policy Committee
- League of California Cities City Attorneys' Department FPPC Committee
- University of California, Davis School of Law Alumni Association, past president and current Board member
- Asian/Pacific Bar Association of Sacramento, past president and current Board member
- Milton L. Schwartz/David F. Levi American Inn of Court, former member
- Women Lawyers of Sacramento, former member

### **Authorships**

California Supreme Court Takes on CEQA Issue in State College Expansion Project

- "FPPC Revises Regulations Regarding Conflicts of Interest Involving Real Property," BBKnowledge, July 14, 2014
- "Senator Wright Convicted of Perjury and Voter Fraud," BBKnowledge, Jan. 31, 2014
- "Best Practices For Compliance With SB 751," BB&K Legal Alert, Jan. 29, 2014
- "[Video] Ethics Laws and the Importance of Transparency for Public Officials," BBKnowledge, Jan. 2, 2014
- "New Laws Affecting Public Agencies in California," Riverside Press-Enterprise, Nov. 25, 2013
- "New Law Requires Public Report on Action and Vote of Each Member in Open Sessions," BB&K Legal Alert, Nov. 25, 2013
- "FPPC to Establish Electronic Filing and Public Disclosure System for Statements of Economic Interests," BB&K Legal Alert, Oct. 14, 2013
- "New California Law Authorizes FPPC to Provide Advice or Opinions, Investigate and Enforce Violations of Government Code Section 1090," BB&K Legal Alert, Oct. 10, 2013



#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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> April 18, 2018 Agenda Item 11

April 18, 2018

Lou Ann Texeira

Executive Officer

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

### Legislative Report - Update and Position Letters

Dear Members of the Commission:

This year marks the second year of a two-year legislative session in Sacramento. Presently, CALAFCO is sponsoring two bills including AB 3254 (Assembly Local Government Committee), the annual omnibus bill; and AB 2258 (Caballero), which would provide one-time grant funding to LAFCOs to prepare reorganization studies in conjunction with the 2017 Little Hoover Commission report relating to special districts.

CALAFCO is also tracking a number of bills that have direct and indirect impact on LAFCOs (see Attachment 1 - CALAFCO Legislative Report).

In late March, CALAFCO issued an urgent call for legislative action requesting that each LAFCO send letters of support for the following two bills which will impact LAFCOs.

**AB 2600** (Flora) – this bill would add the option for local governments to adopt a resolution of application in lieu of the 5,000+ signature petition to initiate formation of a Regional Park & Open Space District. This bill would also leave the LAFCO process intact (see Attachment 2 – LAFCO letter of support).

**AB 2491** (Cooley) – this bill, sponsored by the League of California Cities, seeks to reinstate VLF funding (through ERAF and backfilled by the general fund) for future city incorporations (see Attachment 3 – LAFCO letter of support and Attachment 4 AB 2491 Fact Sheet).

AB 3254 (Assembly Local Government Committee) – this is the annual CALAFCO omnibus which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (see Attachment 5 – LAFCO letter of support).

**AB 2258** (Caballero) – this bill establishes a funding program to provide grants to LAFCOs for conducting in-depth studies and analyses of local government agencies and services for the

purpose of creating efficiencies and dissolving inactive districts (see Attachment 6 – LAFCO letter of support).

Contra Costa LAFCO's legislative policy provides our LAFCO with flexibility to respond to urgent legislation that affects LAFCO. Specifically, the policy provides that in "situations when proposed legislation affecting LAFCO cannot be considered by the full Commission due to timing, the Executive Officer, in consultation with the LAFCO Chair (or Vice Chair in the absence of the Chair), is authorized to provide written or email comments communicating the Commission's position if the position is consistent with the adopted legislative policies of the Commission. The Chair or Vice Chair would review the letter or email prior to it being submitted. The Executive Officer will forward the email or letter to the Commission as soon as possible. The item will be placed on the next regular LAFCO meeting agenda as either "informational" or for discussion purposes."

In response to CALAFCO's request, and in accordance with the Commission's policy, letters of support for the above referenced bills were sent in late March.

### **RECOMMENDATION** – Receive legislative update.

Sincerely,

### LOU ANN TEXEIRA EXECUTIVE OFFICER

Attachment 1 - CALAFCO Legislative Update – April 10, 2018

Attachment 2 - Letter of Support - AB 2600

Attachment 3 – Letter of Support – AB 2491

Attachment 4 – AB 2491 Fact Sheet

Attachment 5 – Letter of Support - AB 3254

Attachment 6 – Letter of Support – AB 2258

# CALAFCO Daily Legislative Report as of Tuesday, April 10, 2018

1

AB 2050 (Caballero D) Small System Water Authority Act of 2018.

Current Text: Amended: 3/19/2018 html pdf

Introduced: 2/6/2018 Last Amended: 3/19/2018

Status: 3/20/2018-Re-referred to Com. on E.S. & T.M.

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

#### Calendar:

4/10/2018 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

#### Summary:

Would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2019, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance with applicable drinking water standards as of December 31, 2018.

**Position**: Watch

Subject: LAFCo Administration, Municipal Services, Water

**CALAFCO Comments:** This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water system. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of new public agencies.

CALAFCO met with the sponsors several times and they indicate a desire to work with LAFCos on creating a process that works. However, it is our understanding that LAFCo will lack any discretion in the dissolution of any public water agency mandated by the SWRCB and the formation of a new entity as mandated by the SWRCB. CALAFCO will continue to work with the sponsors and author.

### AB 2238 (Aguiar-Curry D) Local agency formation: regional housing need allocation: fire hazards: local health emergencies: hazardous and medical waste.

Current Text: Amended: 4/3/2018 html pdf

Introduced: 2/13/2018 Last Amended: 4/3/2018

Status: 4/4/2018-Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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#### Calendar:

4/18/2018 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

### Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 specifies the factors that a local agency formation commission is required to consider in the review of a proposal for a change of organization or reorganization, including, among other things, the proposal's consistency with city or county general and specific plans. This bill would require the

1 of 10

commission to consider information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area if it is determined that such information is relevant to the area that is the subject of the proposal.

Position: Watch

Subject: Climate Change, Growth Management

**CALAFCO Comments:** This bill seeks to add another factor for LAFCo consideration in the review of a proposal. That factor is any relevant hazard mitigation plan or safety element of a general plan, and the extent to which the proposal will affect any land identified as a very high fire hazard severity zone (pursuant to Gov. Code Sc. 51178) or land determined to be in a state responsibility area (pursuant to PRC Sec. 4102).

This bill is in response to the rash of wildfires throughout the state over the past several years and the ongoing threat of same as a result of climate change.

#### AB 2258 (Caballero D) Local agency formation commissions: grant program.

Current Text: Amended: 4/9/2018 html pdf

Introduced: 2/13/2018 Last Amended: 4/9/2018

Status: 4/9/2018-From committee chair, with author's amendments: Amend, and re-refer to

Com. on L. GOV. Read second time and amended.

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#### Calendar:

4/18/2018 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

#### Summary:

Current law establishes the Strategic Growth Council in state government and assigns to the council certain duties, including providing, funding, and distributing data and information to local governments and regional agencies that will assist in the development and planning of sustainable communities. This bill would require the Strategic Growth Council, until January 1, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of inactive districts, the payment of costs associated with a study of the services provided within a county by a public agency, and for other specified purposes, including the initiation of an action, based on determinations found in the study, as approved by the commission.

#### Attachments:

CALAFCO Support\_March 2018 CALAFCO Support\_March 2018

**Position:** Sponsor **Subject:** Other

**CALAFCO Comments:** As introduced this is a spot bill. This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCos one-time grant funding for in-depth studies of potential reorganization of local service providers. CALAFCO is working with the Strategic Growth Council in preparing a process and actual language will be coming soon.

#### AB 2600 (Flora R) Regional park and open space districts.

Current Text: Introduced: 2/15/2018 html pdf

Introduced: 2/15/2018

Status: 3/8/2018-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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#### Calendar:

4/11/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

#### Summary:

Would authorize the formation of a district by the adoption of a resolution of application by the

2 of 10 4/10/2018, 8:48 AM

legislative body of any county or city that contains the territory proposed to be included in the district. The bill would require the resolution to contain certain information, including the methods by which the district would be financed. The bill would require a public hearing before the adoption of the resolution, as provided.

#### Attachments:

CALAFCO Support\_March 2018

**Position**: Support

**CALAFCO Comments:** This bill would expand the process of initiating the formation of a regional pack and open space district by adding that a local governing body may adopt a resolution proposing to form a new district. This would be in lieu of having a 5,000 signature petition. The LAFCo process remains intact.

The intent of this bill is to create an easier way to proposed the formation of these types of districts, thereby removing the need for special legislation to do so. The bill is authorsponsored.

#### AB 3254 (Committee on Local Government) Local government organization: omnibus.

Current Text: Introduced: 3/14/2018 <a href="https://https://https://html">httml</a> <a href="pdf">pdf</a>

Introduced: 3/14/2018

Status: 3/22/2018-Referred to Com. on L. GOV.

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#### Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law defines various terms for purposes of that Act, including the terms "affected territory" and "inhabited territory." This bill would revise those definitions to include territory that is to receive extended services from a local agency, and additionally define the term "uninhabited territory" for purposes of the Act.

#### Attachments: CALAFCO Support

**Position**: Sponsor

**CALAFCO Comments:** This is the annual Assembly Local Government Committee Omnibus bill, sponsored by CALAFCO.

# SB 1215 (Hertzberg D) Drinking water systems and sewer systems: consolidation and extension of service.

Current Text: Introduced: 2/15/2018 html pdf

Introduced: 2/15/2018

Status: 3/29/2018-Set for hearing April 18.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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#### Calendar:

4/18/2018 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, WIECKOWSKI, Chair

#### Summary:

Current law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would also authorize the state board to set timeline and performance measures to facilitate completion of extension of service of drinking water. This bill contains other related provisions and other current laws.

Position: Watch With Concerns

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** This bill would authorize the State Water Resources Control Board (SWRCB) to mandate extension of service or consolidation of wastewater systems - both public and private, under certain circumstances. The process mirrors the process set forth in SB 88 giving the SWRCB authority to mandate the same for drinking water systems.

3 of 10 4/10/2018, 8:48 AM

#### **SB 1496** (Committee on Governance and Finance) Validations.

Current Text: Introduced: 3/1/2018 html pdf

Introduced: 3/1/2018

Status: 4/5/2018-Read second time. Ordered to consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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#### Calendar:

4/12/2018 #25 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

#### Summary:

Would enact the Second Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

#### Attachments:

CALAFCO Support March 2018

**Position**: Support

#### **SB 1497** (Committee on Governance and Finance) Validations.

Current Text: Introduced: 3/1/2018 html pdf

Introduced: 3/1/2018

Status: 4/5/2018-Read second time. Ordered to consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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#### Calendar:

4/12/2018 #26 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

#### Summary:

Would enact the First Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

#### Attachments:

CALAFCO Support March 2018

**Position:** Support

Subject: LAFCo Administration

#### **SB 1499** (Committee on Governance and Finance) Validations.

Current Text: Introduced: 3/1/2018 html pdf

Introduced: 3/1/2018

Status: 4/5/2018-Read second time. Ordered to consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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#### Calendar:

4/12/2018 #27 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

#### Summary:

Would enact the Third Validating Act of 2018, 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 March 2018

**Position**: Support

Subject: LAFCo Administration

2

#### AB 2268 (Reyes D) Local government finance: property tax revenue allocations: vehicle license fee

4/10/2018, 8:48 AM

#### adjustments.

Current Text: Amended: 4/2/2018 html pdf

Introduced: 2/13/2018 Last Amended: 4/2/2018

Status: 4/3/2018-Re-referred to Com. on L. GOV.

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Г		1st F	House			2nd F	louse		Conc.	Enrolled	vetoed	Chaptered

#### Calendar:

4/11/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-

CURRY, Chair **Summary:** 

Would, for the 2018–19 fiscal year, require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2017–18 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2017–18 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Position: SupportSubject: Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for

inhabited annexations.

#### AB 2491 (Cooley D) Local government finance: vehicle license fee adjustment amounts.

Current Text: Amended: 4/2/2018 html pdf

Introduced: 2/14/2018 Last Amended: 4/2/2018

Status: 4/3/2018-Re-referred to Com. on L. GOV.

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

#### Calendar:

4/11/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-

CURRY, Chair **Summary:** 

Would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter. This bill contains other related provisions and other existing laws.

#### Attachments:

CALAFCO Support March 2018

Position: SupportSubject: Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for cities

incorporating after 2017.

#### AB 2501 (Chu D) Drinking water: consolidation and extension of service.

Current Text: Introduced: 2/14/2018 html pdf

Introduced: 2/14/2018

**Status:** 4/2/2018-In committee: Set, first hearing. Hearing canceled at the request of author.

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#### Calendar:

4/24/2018 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

#### Summary:

The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order extension of service to an area within a disadvantaged community that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation of consolidation. The act defines "disadvantaged"

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community" for these purposes to mean a disadvantaged community that is in an unincorporated area, is in a mobilehome park, or is served by a mutual water company or small public water system. This bill would redefine "small public water system" for these purposes as a system with 200 connections of less.

Position: Watch

Subject: Disadvantaged Communities, Water

#### AB 3023 (Medina D) California Environmental Quality Act.

Current Text: Amended: 3/19/2018 html pdf

Introduced: 2/16/2018 Last Amended: 3/19/2018

Status: 3/20/2018-Re-referred to Com. on NAT. RES.

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#### Summary:

Would require lead agencies to post the notices required by CEQA and any environmental review document for a project on their Internet Web sites, if any, or to submit those notices and environmental review documents to the State Clearinghouse for inclusion in the database as specified. Because this bill would impose additional duties on lead agencies, this bill would impose a state-mandated local program.

Position: Watch Subject: CEQA

3

#### AB 1889 (Caballero D) Santa Clara Valley Water District.

Current Text: Amended: 4/4/2018 <a href="https://https://html.pdf">httml</a> <a href="pdf">pdf</a>

Introduced: 1/18/2018 Last Amended: 4/4/2018

Status: 4/5/2018-Re-referred to Com. on L. GOV.

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#### Calendar:

4/18/2018 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-

CURRY, Chair **Summary:** 

The Santa Clara Valley Water District Act authorizes the district to impose special taxes at minimum rates according to land use category and size. The district act authorizes the district to provide an exemption from these taxes for residential parcels owned and occupied by one or more taxpayers who are at least 65 years of age, or who qualify as totally disabled, if the household income is less than an amount approved by the voters of the district. This bill would authorize the district to require a taxpayer seeking an exemption from these special taxes to verify his or her age, disability status, or household income, as prescribed.

Position: Watch

#### AB 2019 (Aguiar-Curry D) Health care districts.

Current Text: Amended: 3/22/2018 html pdf

Introduced: 2/5/2018 Last Amended: 3/22/2018

Status: 4/2/2018-Re-referred to Com. on L. GOV.

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#### Calendar:

4/18/2018 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-

CURRY, Chair

#### Summary:

The Local Health Care District Law provides for local health care districts that govern certain health care facilities. The bill would require a district that is authorized and elects to use the design-build process, as specified, for the construction of housing to require that at least 20% of the residential units constructed be subject to a recorded affordability restriction for at least 55 years and be affordable to lower income households, very low income households, extremely low income households, and persons and families of low or moderate income, as defined, unless the city, county, or city and county in which the district is predominantly located has adopted a local ordinance that requires a greater percentage of the units be affordable to those groups. This bill contains other related laws and provisions.

Position: Watch

AB 2179 (Gipson D) Municipal corporations: public utility service: water and sewer service.

Current Text: Introduced: 2/12/2018 html pdf

Introduced: 2/12/2018

Status: 3/1/2018-Referred to Com. on L. GOV.

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#### Summary:

Would authorize a municipal corporation to utilize the alternative procedures to lease, sell, or transfer that portion of a municipal utility used for furnishing sewer service outside the boundaries of the municipal corporation.

Position: Watch

Subject: Municipal Services

AB 2262 (Wood D) Coast Life Support District Act: urgent medical care services.

Current Text: Introduced: 2/13/2018 html pdf

Introduced: 2/13/2018

Status: 3/21/2018-From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 14. Noes

0.) (March 20). Re-referred to Com. on L. GOV.

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#### Calendar:

4/11/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

#### Summary:

Current law establishes the Coast Life Support District and specifies the powers of the district. The district is authorized, among other things, to supply the inhabitants of the district emergency medical services, as specified. This bill would additionally authorize the district to provide urgent medical care services. This bill contains other related provisions.

Position: Oppose unless amended

Subject: LAFCo Administration, Special District Powers

**CALAFCO Comments:** This is a single district bill in which the district is seeking to activate latent powers (actually to codify powers they have been performing for a number of years) and bypassing LAFCo. CALAFCO and the local LAFCo are working with the author's office to keep this matter local. Will watch the bill.

#### AB 2339 (Gipson D) Water utility service: sale of water utility property by a city.

Current Text: Amended: 4/3/2018 <a href="httml">httml</a> <a href="pdf">pdf</a>

Introduced: 2/13/2018 Last Amended: 4/3/2018

Status: 4/4/2018-Re-referred to Com. on L. GOV.

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#### Calendar:

4/11/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

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#### Summary:

Would permit a city that owns and operates a public utility for furnishing water service to sell the public utility for the purpose of consolidating its public water system with another public water system pursuant to the specified procedures, only if the potentially subsumed water system is wholly within the boundaries of the city, if the city determines that it is uneconomical and not in the public interest to own and operate the public utility, and if certain requirements are met. The bill would prohibit the city from selling the public utility for one year if 50% of interested persons, as defined, protest the sale.

Position: Watch Subject: Water

#### SB 522 (Glazer D) West Contra Costa Healthcare District.

Current Text: Amended: 1/3/2018 html pdf

Introduced: 2/16/2017 Last Amended: 1/3/2018

Status: 1/30/2018-In Assembly. Read first time. Held at Desk.

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#### Summary:

Current law provides for the formation of local health care districts and specifies district powers. Under existing law, the elective officers of a local health care district consist of a board of hospital directors consisting of 5 members, each of whom is required to be a registered voter residing in the district and whose term shall be 4 years, except as specified. This bill would dissolve the existing elected board of directors of the West Contra Costa Healthcare District, effective January 1, 2019, and would require the Board of Supervisors of the County of Contra Costa, at its election, to either serve as the district board or appoint a district board, as specified.

Position: Watch

**Subject:** Special Districts Governance

#### **SB 561** (Gaines R) Fallen Leaf Lake Community Services District: elections.

Current Text: Amended: 1/23/2018 html pdf

Introduced: 2/17/2017 Last Amended: 1/23/2018

Status: 1/30/2018-Read third time. Passed. (Ayes 36. Noes 0.) Ordered to the Assembly. In

Assembly. Read first time. Held at Desk.

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#### Summary:

Under current law, the Fallen Leaf Lake Community Services District is a resident voting district. This bill, notwithstanding existing law, would provide that voters who are residents of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services District.

Position: Watch

Subject: Special Districts Governance

#### SB 623 (Monning D) Water quality: Safe and Affordable Drinking Water Fund.

Current Text: Amended: 8/21/2017 <a href="html">html</a> <a href="pdf">pdf</a>

Introduced: 2/17/2017 Last Amended: 8/21/2017

Status: 9/1/2017-From committee: Without recommendation. (Ayes 11. Noes 0.) (September

1) Re-referred to Com. on RLS.

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#### Summary:

Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would

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provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies.

Position: Watch Subject: Water

SB 778 (Hertzberg D) Water systems: consolidations: administrative and managerial services.

Current Text: Amended: 7/13/2017 <a href="html">html</a> <a href="pdf">pdf</a>

Introduced: 2/17/2017 Last Amended: 7/13/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. on

8/23/2017) (May be acted upon Jan 2018)

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#### Summary:

Would require, on or before March 1, 2018, and regularly thereafter, as specified, the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

Position: Watch

Subject: Municipal Services

SB 929 (McGuire D) Special districts: Internet Web sites.

Current Text: Amended: 3/6/2018 html pdf

Introduced: 1/25/2018 Last Amended: 3/6/2018

Status: 4/9/2018-Set for hearing April 16.

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#### Calendar:

4/16/2018 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA,

Chair

#### Summary:

The California Public Records Act requires a local agency to make public records available for inspection and allows a local agency to comply by posting the record on its Internet Web site and directing a member of the public to the Web site, as specified. This bill would, beginning on January 1, 2020, require every independent special district to maintain an Internet Web site that clearly lists contact information for the special district, except as provided. Because this bill would require local agencies to provide a new service, the bill would impose a state-mandated local program.

Position: Watch

#### SB 1459 (Cannella R) Cannabis cultivation: county agricultural commissioners: reporting.

Current Text: Amended: 4/9/2018 html pdf

Introduced: 2/16/2018 Last Amended: 4/9/2018

Status: 4/9/2018-From committee with author's amendments. Read second time and

amended. Re-referred to Com. on RLS.

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Summary:

Current law requires a county agricultural commissioner to compile, and to transmit to the Secretary of Food and Agriculture, reports of the condition, acreage, production, and value of the agricultural products in the county. This bill would provide that, for purposes of this report, agricultural products may include cannabis produced in the county. The bill would require that, if cannabis is included in a report, cannabis production be, at a minimum, categorized as provided, including by state cultivator license type.

Position: Watch

**Subject:** Disincorporation/dissolution **CALAFCO Comments:** This is a spot bill.

SB 1498 (Committee on Governance and Finance) Local Government Omnibus Act of 2018.

Current Text: Introduced: 3/1/2018 html pdf

Introduced: 3/1/2018

Status: 4/6/2018-Set for hearing April 18.

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Calendar:

4/18/2018 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

Current law sets forth various provisions governing cities that reference various officers and employees. This bill would make these references gender neutral.

Position: Watch

CALAFCO Comments: This is the annual Senate Governance & Finance Committee Omnibus

bill.

Total Measures: 25

Total Tracking Forms: 25

4/10/2018 8:46:47 AM



#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229 e-mail: LouAnn.Texeira@lafco.cccounty.us (925) 335-1094 • (925) 335-1031 FAX

#### **MEMBERS**

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County Member

**Donald A. Blubaugh**Public Member

Federal Glover County Member Michael R. McGill Special District Member

> Rob Schroder City Member

**Igor Skaredoff** Special District Member

**Don Tatzin** City Member

#### ALTERNATE MEMBERS

**Diane Burgis** County Member

Tom Butt City Member

**Stanley Caldwell** Special District Member

> VACANT Public Member

March 23, 2018

Lou Ann Texeira

Executive Officer

Assembly Member Heath Flora California State Assembly State Capitol, Room 3098 Sacramento, CA 95814

RE: SUPPORT FOR AB 2600: Regional Park and Open Space Districts

Dear Assembly Member Flora:

The Contra Costa Local Agency Formation Commission (LAFCO) supports *Assembly Bill 2600*, which allows the initiation of Regional Park and Open Space Districts to occur by resolution of City Councils and the Board of Supervisors within the proposed district.

Current law only allows the initiation of these districts to occur by a petition of 5,000 or more voters. This restrictive initiation requirement is an antiquated feature of the Open Space District law, which was passed in 1939 and has not experienced a comprehensive update since. The petition requirement increases the cost and time for proponents to initiate Regional Park and Open Space District formation proposals. The principal acts for a variety of special districts allow initiation by either petition or "local agency" resolution, such as Cemetery Districts, Community Service Districts, Fire Protection Districts, Mosquito and Vector Abatement Districts, and Parks and Recreation Districts.

The proponents of the last eleven (11) proposals for Regional Park and Open Space Districts have sought special enabling legislation from the State Legislature. However, a principal act should allow district initiations without the need for special enabling acts.

Contra Costa LAFCO supports a more streamlined and less costly initiation process for Regional Park and Open Space Districts. Adding the option for local governments to adopt a resolution of application in lieu of the 5,000 signature petition is a much more streamlined way to initiate the formation process. Further, keeping the LAFCO application process intact also allows for the appropriate detailed review to ensure the efficient and sustainable provision of services.

For these reasons, Contra Costa LAFCO is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) and support *AB* 2600. We thank you for authoring this important piece of legislation.

Sincerely,

Michael R. McGill, Chair Contra Costa LAFCO

cc: Members, Assembly Local Government Committee
Debbie Michel, Chief Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO



Lou Ann Texeira

Executive Officer

#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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**Tom Butt** City Member

**Stanley Caldwell** 

Special District Member VACANT Public Member

March 23, 2018

Assembly Member Ken Cooley California State Assembly State Capital Room 3013 Sacramento, CA 95814

Subject: Support of AB 2491

Dear Assembly Member Cooley:

The Contra Costa Local Agency Formation Commission (LAFCO) joins the California Association of Local Agency Formation Commissions (CALAFCO) in supporting Assembly Bill AB 2491, which would assist the fiscal viability of future city incorporations that meet all other state requirements.

The VLF gap created by SB 89, one of the 2011 budget bills, created a financial disincentive for future city incorporations and annexations of inhabited territory. For the past seven years, no new cities have formed. Given the growing population in our state and the need for orderly growth and adequate service provision, this policy issue needs to be addressed.

**AB 2491** by no means guarantees that a community wishing to incorporate will become a city. In order to incorporate, local communities have to overcome many hurdles, including compliance with state LAFCO law, local policies and guidelines, revenue neutrality negotiations with counties, and ultimately a public vote. This bill simply gives communities considering incorporation the same opportunity to incorporate that other California cities previously enjoyed.

Reinstating revenues for incorporations provides communities with local governance and efficient service delivery options, including the ability to incorporate. The inability to do so creates a tremendous detriment to the creation of logical development boundaries and to the prevention of urban sprawl. Because AB 2491 reinstates a critical funding component to cities incorporating after 2017, Contra Costa LAFCO supports this bill.

Thank you for carrying this important legislation. Please do not hesitate to contact us with any questions you may have on our position.

Sincerely,

Michael R. McGill, Chair Contra Costa LAFCO

c: Chair and Members, Assembly Local Government Committee
Debbie Michel, Chief Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO

#### The California Local Government Finance Almanac

### Restoring Property Tax in Lieu of VLF for New Cities: An Explainer

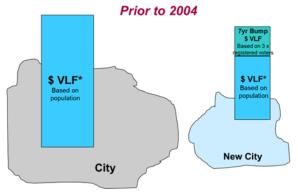
 Prior to the VLF Swap of 2004, Vehicle License Fee (VLF) revenues were collected and allocated statewide among cities and counties. After special allocations and allocations to counties, the city share of statewide VLF was allocated according to the population of each city (i.e. per capita).

**Base VLF.** When a new city incorporated, that new city, like all other cities, would receive an amount based on its population.

**Bump.** The new city also received an additional amount for its first seven years only. This amount, called the "bump" was based on the difference between three times the number of registered voters in the city on the date of incorporation and the actual population. Thus:

- As the city grew, the difference between threetimes-registered voters (on date of incorporation) and actual population would decline and
- A new city with a large proportion of registered voters would receive a larger annual bump.
   These bumps varied substantially.

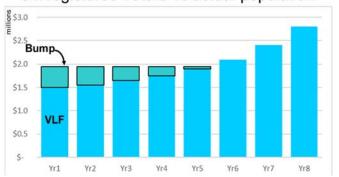
### Vehicle Lic Fee \$ Allocation



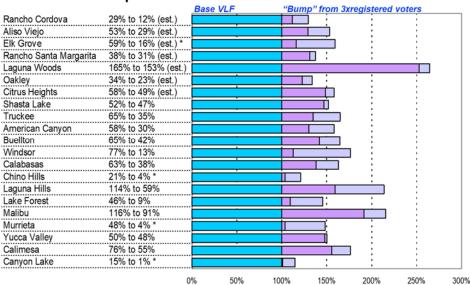
\*includes backfill from state general fund for VLF tax cut

### New City Bump Prior to 2004 VLF Swap

3 x registered voters vs actual population



## **Bump for New Cities Varied**

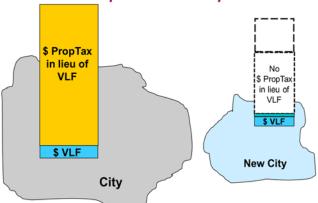


\*City population exceeded 3xregistered voters at time of incorporation before 7 years

2. **The VLF Swap of 2004** contained no provisions to establish a Property-Tax-in-Lieu-of-VLF amount (referred to in statute as a "VLF Adjustment Amount" in statute) for a new city. As a result, after the 2004 swap a new city incorporation was only entitled to receive an amount from the remaining city VLF, less than 1/10 of what the pre-2004 VLF provided.

# Vehicle Lic Fee \$ Allocation

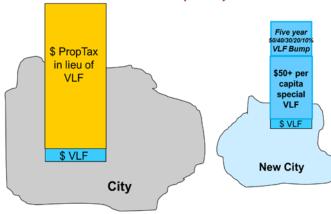
With PropTax - VLF Swap of 2004



3. **AB1602 (Laird),** signed into law in 2006, provided a special allocation from the remaining city VLF to compensate for the lack of Property-Tax-in-Lieu-of-VLF for new incorporations. AB1602 also contained a bump, but for uniformity and simplicity, the bump was designed as an additional 50%, 40%, 30%, etc. of actual population for the first five years (i.e. *not* registered voters).

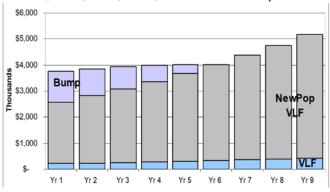
## Vehicle Lic Fee \$ Allocation

With AB1602 (Laird) 2006



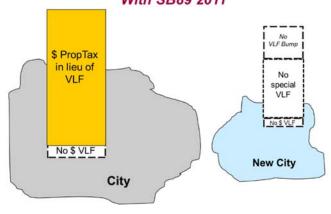
## AB1602 Five Year "Bump"

50%, 40%, 30%, 20%, 10% of Actual Population

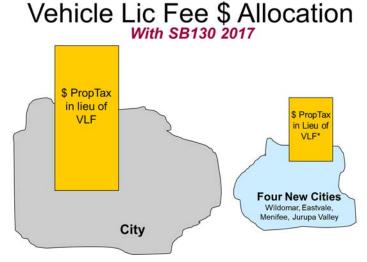


4. SB89 of 2011 wiped out the remaining city VLF and with it, the special allocations to new cities. SB89 took city VLF revenues to fund programs previously paid from the state general fund.

# Vehicle Lic Fee \$ Allocation With SB89 2011



5. **SB130 of 2017** established Property-Tax-In-Lieu-of-VLF amounts for the four new cities that had incorporated under AB1602, restoring the massive revenue losses these cities suffered under SB89.

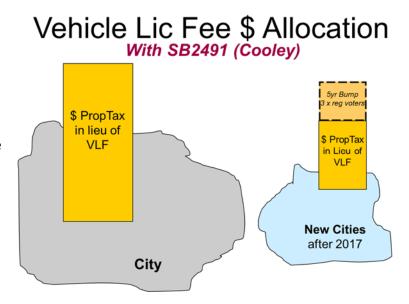


\*When SB130 was signed in 2017, these cities were beyond their 5 year bump periods.

6. **AB2491 (Cooley)** would establish a Property-Tax-In-Lieu-of-VLF amount a new city incorporating after 2017. The bill also provides a "bump" for the first five years based on the difference between 3 x registered voters (on the date of incorporation) and actual population.

AB2491 (Cooley) adds a new section to the Revenue and Taxation code which mirrors the formula for Property Tax in Lieu of VLF for a new city established in SB130(2017). The bill:

- a) Establishes a VLFAA for the city's first year of incorporation proportionate to the VLFAA amounts of other cities in the county relative to population.
- b) Provides that, in subsequent years, the VLFAA grows by the amount of AV growth in the city, just like all other cities and counties.



7. **Formulas in AB2491 (Cooley)** mirror the formulas established in SB130.

**First Year VLFAA Formula.** The city's first year VLFAA is established proportionate to other city VLFAAs in the county with the following formula:

$$V_{c1} = V_{all} \times P_c \div P_{all}$$

... where:

 $V_{c1}$  = the city's first year VLFAA

 $V_{all}$  = sum of VLFAAs of all other cities in county

 $P_c$  = population of the city in its first year

Pall = sum of populations of all other cities in county

Subsequent Years VLFAA Formula. Just as in other cities, the city's VLFAA will grow annually with AV.

$$V_c = V_p + (V_p \times % change from AV_p to AV_c)$$

... where

 $V_c$  = the city's VLFAA in years after first year

V<sub>p</sub> = city's VLFAA in prior year

AV<sub>p</sub> = city's AV in prior year

AV<sub>c</sub> = city's AV in current year

**VLFAA Bump Formula.** The bill provides a bump, additional revenue in each of the first five years of incorporation as follows:

$$B_c = V_{c1} \times (3 \times R - P) \div P$$

... where:

B<sub>c</sub> = the city's additional VLFAA "bump"

V<sub>c1</sub> = city's first year VLFAA

R = registered voters in the city on the day of incorporation

P = current year population of the city



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Lou Ann Texeira
Executive Officer

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Tom Butt

City Member
Stanley Caldwell
Special District Member

VACANT Public Member

March 27, 2018

Honorable Cecilia Aguiar-Curry, Chair Assembly Local Government Committee California State Assembly State Capitol, Room 5144 Sacramento, CA 95814

RE: SUPPORT of AB 3254: Local Government Committee Omnibus Bill

Dear Chair Aguiar-Curry:

The Contra Costa Local Agency Formation Commission (LAFCO) is pleased to support the Assembly Local Government Committee Bill *AB 3254*, which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH).

This annual bill includes technical changes to the CKH which governs the work of LAFCOs; these changes are necessary as LAFCOs implement the law. *AB 3254* corrects small inconsistencies and makes minor technical corrections and clarifications to the CKH making the law as unambiguous as possible.

Contra Costa LAFCO is grateful to your Committee and staff, and the members of the California Association of Local Agency Formation Commissions (CALAFCO) Legislative Committee, all of whom worked diligently on this language to ensure there are no substantive changes while creating a significant increase in the clarity of the CKH for all stakeholders.

This legislation helps insure the CKH remains a vital and practical law that is consistently applied around the state. We appreciate your Committee's authorship and your support of the mission of LAFCOs. Please feel free to contact us should you have any questions regarding our support of *AB 3254*.

Yours sincerely,

Michael R. McGill, Chair Contra Costa LAFCO

cc: Members, Assembly Local Government Committee
Debbie Michel, Chief Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO



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Lou Ann Texeira

Executive Officer

#### **MEMBERS**

Candace Andersen County Member

**Donald A. Blubaugh**Public Member

Federal Glover County Member Michael R. McGill Special District Member

> Rob Schroder City Member

**Igor Skaredoff** Special District Member

**Don Tatzin**City Member

#### ALTERNATE MEMBERS

**Diane Burgis** County Member

Tom Butt City Member

**Stanley Caldwell** Special District Member

> VACANT Public Member

March 27, 2018

The Honorable Anna Caballero California State Assembly State Capital Room 5158 Sacramento, CA 95814

Subject: Support of AB 2258 (as amended March 15, 2018)

Dear Assembly Member Caballero:

The Contra Costa Local Agency Formation Commission (LAFCO) is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) in support for *Assembly Bill* 2258. Sponsored by CALAFCO, this bill establishes a funding program to provide grants to LAFCOs for conducting in-depth studies and analyses of local government agencies and services for the purposes of creating improved efficiencies in the delivery of local government services and completing dissolution of inactive special districts. The grant program would be administered by the Strategic Growth Council and would sunset on December 31, 2023.

The Legislature established LAFCOs in 1963 to encourage the orderly formation of local government agencies. Since that time, the regulatory role and responsibilities of LAFCOs has substantially increased without additional funding. Operating in all 58 California counties, LAFCOs are responsible for meeting important statutory directives to maintain orderly boundaries and seek greater efficiencies in delivering municipal services, and yet these directives often times cannot be met under current funding mechanisms. As a result, much needed LAFCO activities are sometimes delayed or precluded.

In August 2017, the Little Hoover Commission published a report on special districts and their oversight by LAFCOs. This report contains several recommendations directly related to LAFCOs. One recommendation is for the Legislature to provide one-time grant funding to pay for specified LAFCO activities, particularly to incentivize LAFCOs or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes.

In 2012, Contra Costa LAFCO completed the successful reorganization of the Concord-Pleasant Hill Healthcare District (formerly the Mt. Diablo Healthcare District). This reorganization was supported by a Municipal Service Review and a LAFCO special study. In addition, Contra Costa LAFCO is currently pursuing the dissolution of one inactive district as a result of a special study

completed earlier this year. And in June, Contra Costa LAFCO will consider initiating dissolution of a second district. The costs associated with LAFCO initiated dissolutions and supporting studies fall to LAFCO and are ultimately borne by LAFCO's funding agencies – the County, cities and independent special districts.

By establishing this one-time grant funding, *AB* 2258 provides a much needed resource for LAFCOs to conduct detailed studies and implement greater efficiencies in delivering municipal services based on local circumstances and conditions. Contra Costa LAFCO speaks from personal experience, and for these reasons, we are pleased to support *AB* 2258.

Thank you for authoring this important piece of legislation. Please feel free to contact us should you have any questions about Contra Costa LAFCO's position.

Sincerely,

Michael R. McGill, Chair Contra Costa LAFCO

Cc: Members, Assembly Local Government Committee
Debbie Michel, Chief Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO



#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229 e-mail: LouAnn.Texeira@lafco.cccounty.us (925) 335-1094 • (925) 335-1031 FAX

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> VACANT Public Member

April 18, 2018 Agenda Item 12

April 18, 2018

Lou Ann Texeira

Executive Officer

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

#### Third Quarter Budget Report - Fiscal Year 2017-18

Dear Members of the Commission:

This is the third quarter budget report for FY 2017-18, which compares adopted and actual expenses and revenues for the period July 1, 2017 through March 31, 2018.

The LAFCO operating budget includes the following components: *salaries/benefits*, *services/supplies*, and *contingency reserve* and *OPEB Trust* and *CCCERA* fund. The budget is based on the "bottom line," which allows for variation within line item accounts as long as the overall balance remains positive. Funds may not be drawn from the contingency reserve without Commission approval.

LAFCO's budget is funded primarily by the County, cities and independent special districts, with each group paying one-third of the LAFCO budget. The city and district shares are prorated based on general revenues reported to the State Controller's Office. LAFCO also receives revenue through application fees and interest earnings.

**DISCUSSION:** On May 10, 2017, LAFCO adopted its final FY 2017-18 budget with total appropriations of \$945,210, which includes an \$80,000 contingency/reserve fund, a contribution of \$40,000 to fund the Other Post-Employment Benefits (OPEB) liability, and a contribution of \$30,000 to pre-fund LAFCO's retirement account with the Contra Costa County Employees' Retirement Association (CCCERA).

With 75% of the fiscal year elapsed, the Commission's third quarter expenditures total \$499,271 or approximately 53% of total appropriations. The Commission budgeted \$404,370 in *salaries/benefits* for FY 2017-18; and at the end of the third quarter, actual expenses total \$269,541 or 67% of the total budgeted amount. The Commission budgeted \$390,840 in *services/supplies*; and at the end of the third quarter, actual expenses total \$159,731 or 41%. The \$30,000 payment toward the CCCERA liability was made in the first quarter; the \$40,000

payment toward the OPEB liability was made in the second quarter; and no funds have been expended from the contingency/reserve fund.

The primary sources of revenues include local agency contributions, application fees, and interest earnings. Total revenues received through the third quarter are \$976,021 (including fund balance) or 104% of projected revenues. All local agencies have paid their prorated contributions to the LAFCO budget.

As for application fees, FY 2017-18 application activity significantly exceeds FY 2016-17 activity. Through the third quarter of FY 2017-18, LAFCO received 13 new applications, compared to four applications received through the third quarter of FY 2016-17.

LAFCO receives interest earnings through its OBEP and CCCERA accounts. LAFCO is currently not investing funds through the County Treasury due to low interest earnings.

Finally, when available, we budget fund balance to offset agency contributions. The FY 2017-18 budget includes \$170,000 in budgeted fund balance. See table below for a budget summary.

Account	FY 2017-18	Third Quarter
	Final Budget	Actuals
Salaries & Benefits	\$404,370	\$269,541
Services & Supplies	390,840	\$159,731
Contingency/Reserve	80,000	0
OPEB Trust	40,000	\$ 40,000
CCCERA Pre-Fund	30,000	\$ 30,000
Total Appropriations	\$945,210	\$499,272
Agency Contributions	\$755,210	\$755,210
Application/Other Revenue	20,000	\$ 50,811
Interest Earnings	-	-
Fund Balance	170,000	170,000
<b>Total Revenues</b>	\$945,210	\$976,021

No budget adjustments are recommended at this time. LAFCO staff will continue to closely monitor the budget and keep the Commission apprised.

**RECOMMENDATION:** It is recommended that the Commission receive the FY 2017-18 third quarter budget report.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER



#### **AGENDA**

April 18, 2018 Agenda Item 13

#### **RETIREMENT BOARD MEETING**

SECOND MONTHLY MEETING March 28, 2018 9:00 a.m. Retirement Board Conference Room The Willows Office Park 1355 Willow Way, Suite 221 Concord, California

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

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.
- 3. Approve minutes from the February 28, 2018 meeting.

#### **CLOSED SESSION**

- 4. The Board will go into closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:
  - a. *Peter J. Nowicki v. CCCERA*, *et al.*, Contra Costa County Superior Court, Case No. C17-01266
  - b. Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of CCCERA, et al., Court of Appeal, 1st Appellate District, Case No. A141913
  - c. *Odette Batis v. CCCERA*, *et al.*, Contra Costa County Superior Court, Case No. N18-0553

#### **OPEN SESSION**

- 5. Presentation from Chief Investment Officer and Verus on updated capital market assumptions and suggested revisions to strategic asset allocation.
- 6. Consider and take possible action on SACRS Voting Proxy Form.
- 7. Consider authorizing the attendance of Board:
  - a. Ares 2018 Annual Meeting, April 9-10, 2018, Laguna Niguel, CA.
  - b. SACRS 2018 Spring Conference, May 15-18, 2018, Anaheim, CA.
  - c. IFEBP Washington Legislative Update, May 21-22, 2018, Washington D.C.
- 8. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

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



#### **AGENDA**

#### **RETIREMENT BOARD MEETING**

REGULAR MEETING April 11, 2018 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. Recognition of James Lambert for 5 years of service.
- 3. Accept comments from the public.
- 4. Approve minutes from the March 14, 2018 meeting.
- 5. Routine items for April 11, 2018.
  - a. Approve certifications of membership.
  - b. Approve service and disability allowances.
  - c. Accept disability applications and authorize subpoenas as required.
  - d. Approve death benefits.
  - e. Accept Asset Allocation Report.
  - f. Accept Liquidity Report.

#### **CLOSED SESSION**

6. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)

Agency designated representatives: Gail Strohl, Chief Executive Officer Anne Sommers, Admin/HR Manager Joe Wiley/Ian Fellerman, CCCERA's Chief Negotiator

Employee Organization: AFSCME, Local 2700

7. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)

Agency designated representative: Gail Strohl, Chief Executive Officer

Unrepresented Employees: All CCCERA unrepresented positions

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.

8. The Board will continue in closed session pursuant to Govt. Code Section 54957 to consider recommendations from the Medical Advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	Type Sought	<u>Recommendation</u>
a. Michael Eglite	Service Connected	Service Connected
b. Ervin Roquemore	Service Connected	Service Connected

9. The Board will continue in closed session to consider the Hearing Officer's recommendation regarding the disability application for Rebecca Halvorson.

#### **OPEN SESSION**

- 10. Consider and take possible action to establish an engagement with DLA Piper and add them to the investment legal counsel pool.
- 11. Appointment of ad hoc advisory committee to review the Chief Executive Officer compensation package.
- 12. Consider and take possible action on SACRS Board of Directors Election.
- 13. Consider and take possible action to cancel the meeting on April 25, 2018.
- 14. Consider authorizing the attendance of Board:
  - a. 29<sup>th</sup> Annual Pension and Financial Services Conference, National Association of Securities Professionals, June 4-6, 2018, Houston, TX.
- 15. 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.

# CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION PENDING PROPOSALS – APRIL 18, 2018

April 18, 2018 Agenda Item 15b

LAFCO No. 10-09 - Town of Discovery Bay Community Services District (DBCSD) sphere of influence (SOI) Amendment (Newport Pointe): proposed SOI expansion of 20± acres bounded by Bixler Road, Newport Drive and Newport Cove  LAFCO No. 10-10 - DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development  LAFCO No. 13-04 - 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	reb 2013	Currently incomplete  Currently incomplete  Currently incomplete  Continued from 11/12/14 meeting  Removed from the Commission's calendar pending further notice
annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development  LAFCO No. 13-04 - 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  LAFCO No. 14-05 - 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	Feb 2013 June 2014	Continued from 11/12/14 meeting  Removed from the Commission's calendar pending
proposed annexation of 33± acres located south of San Pablo Avenue at the northeastern edge of the District's boundary  LAFCO No. 14-05 - 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	une 2014	Removed from the Commission's calendar pending
proposed annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) of 402± acres; 9 parcels		Commission's calendar pending
	10v 2016	
LAFCO No. 16-07 -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	Currently incomplete
LAFCO No. 16-06 - 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	Currently incomplete
LAFCO No. 17-09 - West County Wastewater District (WCWD) Annexation 317 (Sunborne Nursery) – proposed annexation of 6.981± acres (APNs 408-203-006/-011) located at the intersection of Brookside Drive and Central Street in unincorporated North Richmond	Aug 2017	Currently incomplete
LAFCO No. 17-13 - Dissolution of Los Medanos Community Healthcare District	lov 2017	Under review
LAFCO No. 17-06 - Bay Point Regional Shoreline Annexation to Delta Diablo	Dec 2017	Under review
LAFCO No. 18-01 - West County Wastewater District (WCWD) Annexation 318 (Hillside Dr & Castro Ranch Rd) – proposed annexation of 1.68± acres (APN 433-110-015) located at 5917 Hillside Drive	an 2018	Under review
LAFCO 18-04 – Chang Property SOI Amendments – proposed SOI expansions to CCCSD and EBMUD of 66.92± acres located northwest of the intersection of Bollinger Canyon Road and Crow Canyon Road in unincorporated San Ramon	//arch 2018	Under review
LAFCO 18-05 - Chang Property Reorganization – proposed annexations to City of San Ramon, CCCSD and EBMUD of 66.92± acres located northwest of the intersection of Bollinger Canyon Road and Crow Canyon Road in unincorporated San Ramon	//arch 2018	Under review

# Voters overwhelmingly approve reduction in size of East Contra Costa Fire board

By <u>Aaron Davis</u> | <u>aarondavis@bayareanewsgroup.com</u> | Bay Area News Group PUBLISHED: March 13, 2018 at 1:33 pm | UPDATED: March 14, 2018 at 5:09 am

BRENTWOOD — Voters in the East Contra Costa Fire Protection District chose to reduce the soon-to-be elected board from nine members down to five in a recent mail-in ballot.

Although the results are still unofficial, 91 percent of votes had been counted on Tuesday afternoon and over 90 percent of those votes were in favor of reducing the number of directors on the East Contra Costa Fire Protection District's Board of Directors.

More than 12,000 voters from Bethel Island in the north through Oakley and Brentwood down to Tassajara in the south cast their ballots.

ECCFPD Fire Chief Brian Helmick wrote an argument in favor of reducing the board's size, saying that it would make the process more efficient, but more importantly, better-informed.

"It's a numbers issue and the reduction, I believe, will help with communications and in turn will help get consensus on things," Helmick said. "The work load for the office of the fire chief is overwhelming to some extent and there are many competing interests of time and it's a hard challenge for me to communicate effectively and keep nine individuals up-to-speed."

In November of 2016, a little over 62 percent of East County voters decided that they wanted to elect their own board members, rather than have members appointed for them by elected officials. Currently, the Contra Costa Board of Supervisors appoints two members, the Brentwood City Council appoints four members and the Oakley City Council appoints three members.

"I was a supporter and fan of (reducing the size of the district) from the beginning," said ECCFPD board member Erick Stonebarger. "Take it away from the city councils and board of supervisors so the district has a direct say and hopefully that will encourage them to have more participation in how the district is run. There's a real significant challenge there and it won't be easy to overcome."

On Nov. 6, voters will elect five at-large members to the board of directors. The filing period for candidates starts on July 16 and ends on Aug. 10. To learn more about filing candidacy papers, visit www.cocovote.us/run-for-office-or-file-a-measure/run-for-office/

The newly elected board will need to draw lots to decide which three elected officials will serve four-year terms and which two will serve two-year terms.

Overall, the largest turnout by percentage came from voters in the Deer Ridge area, with over half of registered voters in Brentwood precinct 128 making their voice heard. Both the Deer Ridge and Shadow Lakes areas saw voter turnout above 40 percent.

## **The Sacramento Bee**

# Why your water provider is fighting California's ban on watering sidewalks

By Dale Kasler And Ryan Sabalow

dkasler@sacbee.com

March 15, 2018 12:46 PM

Updated 2 hours 52 minutes ago

It seemed like the sort of thing any drought-wary Californian could support.

The state's water cops were poised last month to pass a set of rules prohibiting what most everyone agrees are wasteful water uses –like letting water from a hose without a nozzle flow into a storm drain.

But no change in California water policy ever comes easily. The State Water Resources Control Board's proposal to impose permanent conservation rules – such as prohibiting hosing down driveways, watering lawns less than two days after it rains and washing a car without attaching a shut-off nozzle to the hose – ran into a cascade of opposition. Leery of ceding any power to the state, practically every major water agency in California, from Sacramento to San Diego, stepped up to complain the water board was overstepping its legal authority.

The board postponed its vote.

The controversy comes at a delicate time. Eleven months after Gov. Jerry Brown declared an end to the drought, water usage is starting to creep back up in California: Urban consumption increased 5 percent last year as mandatory conservation restrictions were lifted, although usage was still 16 percent below the 2013 baseline figures used by the state water board.

Now, with California experiencing a dry winter and the possibility of another drought, Californians' stomach for conservation is about to be tested again. The state water board plans to resurrect its proposal in April. Separately, the Legislature is working on a pair of bills that in some respects would go even further in governing how much water Californians are allowed to use.

Designed to make conservation "a California way of life," the legislation would impose a long-lasting, comprehensive framework on water usage – drought or no drought. AB 1668 and SB 606 would establish overall standards for indoor and outdoor water consumption. Local water agencies would have plenty of input on how the standards are set, but if they miss the targets they could get fined thousands of dollars.

The idea is to get Californians to gradually consume less water.

"There's a lot of things we can do to be more efficient, and that's the goal of this," said Assemblywoman Laura Friedman, D-Glendale, author of AB 1668. "It's very important considering that we're going now into another drought, it looks like."

State officials are convinced that Californians are committed to saving water. During the drought, when mandatory cutbacks were imposed, the most frequent complaint from the general public was about neighbors over-watering their lawns and flouting the rules, said Felicia Marcus, chairwoman of the state water board.

"The average Californian wants to conserve and wants everybody else to conserve, and wants it to be as fair as possible," Marcus said. A Field Poll in 2016, when the drought was still severe, showed that 74 percent of Californians said curtailing water use was "very important."

Nonetheless, local water agencies are constantly on guard against efforts at the state level to restrict local water usage. They fought the cutbacks Brown mandated in 2015, during the worst of the drought. It cost them millions in revenue; and most water agencies in the Sacramento area said it was unfair that they had to slash use by 36 percent even though the region's actual water supplies were in fairly good shape.

"Most agencies didn't have a need to take a 36 percent cut," said John Woodling of the Sacramento Regional Water Authority, which represents area water agencies. "They had more water supply available than that. That was really state top-down rationing."

So perhaps a blowup over the state water board's proposal was inevitable. Marcus' agency is proposing to permanently ban certain practices that were temporarily forbidden during the drought. Hotels and motels would have to remind guests, in writing, that they can reuse their towels and sheets. Cities wouldn't be allowed to water grassy medians, with certain exceptions. Homeowners couldn't water their lawns so heavily that the water runs into the sidewalk or street.

The board says it has ample legal authority – granted by the state's Constitution – to impose restrictions on the "waste and unreasonable use" of water. Nonetheless, the proposal was tabled after local water agencies protested. The agencies didn't disagree with the proposals themselves but said the board was going too far in defining what's considered an "unreasonable use" of water. That phrase is a crucial element in California's complicated system of water rights.

"You're impacting water rights plain and simple," Sacramento attorney Rob Donlan, representing several local water agencies, told the board in February.

Jeffrey Mount, a water-policy analyst at the Public Policy Institute of California, said the water districts fear one regulation will lead to another. "If the state is going to step in and regulate how long you can hold a garden hose on your driveway, why wouldn't they step in and regulate everything else?"

The state's farm lobby is equally concerned. Farm groups say the water board's proposed rules on urban water usage could eventually lead to regulations on the types of crops farmers can irrigate. "There's the potential they'll make similar decisions encroaching on agriculture," Mike Wade of the California Farm Water Coalition said in an interview.

Marcus said fears of a runaway regulatory train are unfounded. The water board is only prepared to take steps that are in line with societal views on water use.

"It's not like we're saying, 'Don't have a lawn," she said. "Plenty of people have suggested we should ban lawns, but that's not reasonable yet. Someday it might be, but not yet."

So if a simple ban on watering driveways stirs up a fight, how can the Legislature expect to pass an even more ambitious series of conservation measures? The answer lies in the local control that AB 1668 and SB 606 allow water districts to keep.

After going nowhere in the Legislature last year, the bills have been revised to give local water agencies a greater say in establishing the usage targets they'll have to meet.

"We felt it was extremely important to go bottom-up instead of top-down," said Sen. Bob Hertzberg, D-Los Angeles, co-author of SB 606. "We're going to respect these (local) districts."

The drought emergency mandates required local districts to slash usage by as much as 36 percent, depending on historical consumption patterns. The legislation takes a different approach.

For indoor use, the legislation would set a single statewide target for local districts to meet: 55 gallons a day per person, gradually declining to 50 gallons by 2030.

For outdoor use, the targets would be set by the state in consultation with the local districts. The Department of Water Resources would set targets for each district based on data supplied by the district on climate, landscape sizes, available water supplies and other factors. Agencies that have broadened their supply portfolio through recycling or other means would have greater leeway to use their water even in dry conditions.

The Sacramento region, where lawns are big and summers are hot, traditionally has been one of the heaviest water users in the state. Last June, for instance, the average city of Sacramento resident used a total of 144 gallons of water a day, according to the water board. The figure was 76 gallons for Los Angeles and 47 for San Francisco.

The plan proposed by the Legislature, by acknowledging differences in climate and other factors, could give Sacramentans greater leeway to continue keeping their lawns green. Woodling, of the Sacramento water authority, said area water agencies are becoming more comfortable with the legislation.

The state's largest water agency is already on board.

"It's recognizing the unique circumstances of each agency," said Deven Upadhyay of the influential Metropolitan Water District of Southern California, which is supporting the legislation. "As many of us are looking at making investments in things like recycled water, some in seawater desalination, some in storage, you want to know you're going to be able to utilize those supplies as you go into drought. That's why you invest in those things."

Failure to meet the targets would leave districts open to financial penalties, but fines wouldn't kick in until 2027. "It's a very gentle glide path to start moving people to these efficiency standards," Hertzberg said.

Environmental groups tend to favor very strict regulations on water use, but some are on board with this relatively moderate piece of legislation. Tracy Quinn, of the Natural Resources Defense Council, said the bills strike the right balance between conservation and local flexibility.

"It is a much more equitable way of ensuring long-term reliability of our supplies," she said.

## **East Bay Times**

# **Opinion:** East County tragedy – two auto accidents within a half-hour



Two people were transported to local hospitals following a crash on Byron Highway near Orwood Road on Thursday morning. (Photo provided by the East Contra Costa Fire Protection District.)

By Bryan Scott | March 17, 2018 at 8:40 am

An auto accident was reported at 4:05 pm on Feb. 13 in Oakley. It was a two-car accident, with one person injured who was subsequently transported to a hospital. The accident occurred at the intersection of East Cypress Road and Bethel Island Road, in Oakley.

It took nearly 16 minutes for help to arrive.

The reason for the lengthy response time is that all resources of the East Contra Costa Fire Protection District, the agency that provides emergency medical and fire services for the area, had responded to another auto accident that was reported at 3:38 pm, 27 minutes earlier.

This prior accident was in Brentwood, at the intersection of Sycamore Avenue and Brentwood Boulevard. All three stations responded to the accident, and four victims were flown by air to area hospitals.

Help for the Oakley accident came from a neighboring fire district, Contra Costa County Fire Protection District (ConFire), as well as the county-contracted ambulance service provider. The two Confire stations nearest to the Oakley accident are in Antioch at 315 W. 10th St. and 196 Bluerock Drive.

According to Google Maps, the stations are 10.3 and 11.2 miles away from the accident site, respectively, with normal driving time estimated at 21 and 20 minutes. Arriving in 15:58 minutes means that flashing lights and a siren take about 20 percent off the normal driving time.

The nearest ECCFPD fire station to the Oakley accident is at 540 Ohara Ave. in Oakley. According to Google Maps, it is just 4.2 miles from the accident scene, eight minutes normal driving time by car. With a siren and flashing lights first reponders might arrive, from the closer fire station, in six minutes and 24 seconds.

The Monthly Operational Report issued by ECCFPD doesn't list the severity of the injuries suffered in either accident. An ECCFPD Facebook posting says that four victims of the Brentwood accident were transported to hospital by helicopters, shown in a picture the agency posted.

Consider this: The human heart beats about 70 times per-minute, and pumps about 5 to 7 liters of blood per minute. It has been estimated that blood makes up 7 percent of a body's weight, so for a 150-180-lb person there will be 4.7 to 5.5 liters of blood in the body. Those of us with larger proportions will have more.

In a severe accident a cut to a major artery by glass or a piece of metal can cause blood to be pumped from the body, and rapid death. Less-severe trauma to the body's circulatory system would, of course, take longer to cause death. But without immediate aid to staunch the loss of blood, a traffic accident victim has only minutes to live. It doesn't take long to lose four or five liters of blood.

State-mandated funding for ECCFPD is less than \$94 per person, while areas in Central County have funding for the same emergency medical and fire services at \$449 and \$370 per person, according to the county's Local Agency Formation Commission. This funding allocation rate was set four decades ago, before East County experienced heavy residential growth.

Response times throughout the ECCFPD service area exceed municipal and industry goals by a wide amount, and the 115,000 residents are in danger because of this underfunding practice.

The County's Grand Jury has issued several reports on the situation, a government task force has studied it, and the inadequate service has been noted by consultants, the media, and on a Vasco Road billboard that was erected by concerned residents.

Oakley City Manager Bryan Montgomery has obstructed efforts to get property tax funding shifted to ECCFPD, so that ECCFPD can do a better job of protecting Oakley's 40,000-and-growing population.

Like many top government managers, Montgomery wants to protect his agency's budget. This is a noble goal, but he is doing so at the expense of Oakley residents' safety.

Bryan Scott is co-chair of East County Voters for Equal Protection, a non-partisan citizen's action committee striving to improve funding for the ECCFPD. He can be reached at scott.bryan@comcast.net, or 925-418-4428. The group's Facebook page is https://www.facebook.com/EastCountyVoters/.



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Published March 21st, 2018

# ConFire beefs up ambulance service with ALS interfacility transport capability

By Nick Marnell

The Contra Costa County Fire Protection District added a new service as part of its contract as ambulance provider in most of Contra Costa County when it began offering its patients advanced life support interfacility transport service. The service is provided for patients who do not meet critical care transportation requirements but who need more than basic life support.

ConFire and the Moraga-Orinda Fire District transport patients who call 911 to hospital emergency rooms, if necessary. That does not change. What has changed is that ConFire, through its American Medical Response ambulance subcontractor, can also provide transport between hospitals, or from another medical facility to a hospital, for a Lafayette patient who needs advanced life support care and observation. Examples of advanced life support include administering continuous positive airway pressure for patients with breathing problems and thoracostomy, inserting a thin plastic tube into the pleural space between the lungs and the chest wall to remove excess fluid or air.

"We have been working on this for the past 15 months with AMR and our local emergency medical services agency," said ConFire Assistant Chief Terence Carey. The county LEMSA is Contra Costa Health Services, whose medical director must approve the medical facilities for transport.

ConFire deploys up to 40 ambulances daily, all staffed with a paramedic and an emergency medical technician. The ambulances are stationed dynamically, and Carey said that if the demand for the interfacility transport is high, the district may have to add even more resources.

"MOFD does not have a similar program and I do not believe it is feasible in our service area," said Fire Chief Dave Winnacker. MOFD currently staffs a single dedicated ambulance from Station 41 in Moraga with a second cross-staffed ambulance responding from Station 45 in Orinda. The chief explained that, because of the limited size of the system, taking a unit out of service for non-emergency transport would significantly degrade the district's ability to respond to emergencies and would result in delays for both response and transport.

ConFire began its ALS-interfacility ambulance transport service March 6.

Reach the reporter at: nick@lamorindaweekly.com

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Published March 21st, 2018

# Fire chiefs want extra staffing up front to fight major wildfires

By Nick Marnell



ConFire Chief Jeff Carman testifies in Sacramento. Photo provided

The state mutual aid system is unable to keep up with the unprecedented demands caused by larger and more frequent fires that have devastated California in recent years, according to Contra Costa County Fire Protection District Chief Jeff Carman.

Speaking at a Feb. 27 hearing in Sacramento, Carman, as president of the California Metropolitan Fire Chiefs Association, asked a senate committee for \$100 million to beef up the California mutual aid system, an interagency agreement to provide emergency assistance when requested. The funds would go toward increased staffing of overloaded dispatch centers, upfront deployment of resources during predictable weather events and an upgrade to the cumbersome state tracking system with newer, quicker software.

"We're operating under a 50-year-old system. Things have changed in the last 50 years, and before, we

depended on mutual aid to get us mutual aid in the first 12 to 24 hours. Now we need them in the first minutes to hours," Carman said.

The chief said that at the start of the Napa and the Southern California wildfires, ConFire had resources ready to go, but the district was unable to send crews or engines for hours because it had not received an official order. "That was as frustrating as you can imagine," Carman told the committee. "The system became overwhelmed."

Carman often kidded that each year, he would predict the worst fire season ever. But he wasn't joking in Sacramento. "How long are we going to call these fires unprecedented, when we continue to have them year after year after year? Soon they will become the norm," the chief said.

Under Carman's proposal, local agencies would put together strike teams in advance of major, predictable weather events, rather than wait for resources to be assembled and deployed after a fire starts. Should a major wildfire roar over the Lafayette Ridge into Upper Happy Valley, or jump Bear Creek Road into north Orinda, local agency strike teams would be able to deploy instantly, without overwhelming the dispatch and ordering systems. Fire chiefs would be able to pay the local strike teams without relying on local funding, which doesn't exist, according to ConFire Deputy Chief Lewis Broschard, the system's operational area coordinator.

The \$100 million to pay for this upfront staffing would come through the state cap and trade program, which charges penalties to companies that exceed allowable greenhouse gas emissions. Carman drew a connection between cap and trade and wildfires in that the amount of carbon dioxide released into the atmosphere from the Napa and Southern California fires equals what every car in California emits in two years. The sooner a fire is put out, the fewer pollutants in the air.

In 2017, Cal Fire received \$200 million from the greenhouse gas funds through the Governor's Office of Emergency Services, which manages the state mutual aid system. Local districts received \$25 million. But most of the mutual aid comes from local agencies, like ConFire and the Moraga-Orinda Fire District, which regularly send out engine companies in response to mutual aid requests. Carman said that state officials were unaware of how little money trickles down to the local agencies.

But hope appears on the horizon, as Carman said that Gov. Jerry Brown wants to meet with local fire officials. "So after eight years of totally ignoring local government fire agencies, and after two years of giving us a fraction of our ask, we at least have his attention," Carman said.

Reach the reporter at: nick@lamorindaweekly.com

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Published March 21st, 2018

# Lafayette officials react to the approval of Fire Station 16

By Nick Marnell

When the Contra Costa County Fire Protection District board of directors unanimously authorized the execution of a \$3.4 million contract for the rebuild of Lafayette Fire Station 16, there may not have been a more relieved human being in the county than Fire Chief Jeff Carman.

"The hurdles we had to jump through to get to where we are today were ridiculous in my opinion, but Chief (Lewis) Broschard had the perseverance and tenacity to stick with it and bring this to fruition," Carman said. Not the least of the hurdles was convincing the city of Lafayette that the fire district was deserving of its business in the first place, after the county closed Fire Station 16 in 2012. Many a meeting of the city's emergency services task force - which did a top-to-bottom assessment of the delivery of fire and emergency medical service in the city - devolved into accusations that Carman was stonewalling the station rebuild in order to save the county the money.

Then surfaced the option of Fire Station 46, a joint venture between ConFire and the Moraga-Orinda Fire District to combine stations 16 and 43 into one fire station at the Orinda-Lafayette border. But the project never got off the ground, mostly due to philosophical differences between the two agencies. "It took a lot of thought to make the decision to back away from that concept, and the decision to do this on our own was not an easy one," Carman said.

"I always felt that a new Station 16 would be the only way to go," said former Lafayette fire commissioner Bill Granados.

Slowly, the tables began to turn in ConFire's favor. "I was mayor when Chief Carman sat down with me and the city manager, and told us that the joint station on the Orinda border was not going to work, but the fire district had the commitment and the money to reopen Station 16. He was as good as his word," said former Lafayette emergency services task force co-chair Brandt Andersson. "It took longer than we'd hoped, as it nearly always does, but I always felt confident that Station 16 would be rebuilt."

The firefighters union did not support the combined station and heralded the March 13 action by the board. "It is great to see that the plans to rebuild and staff Station 16 have finally cleared all hurdles and are moving forward," said Local 1230 President Vince Wells. "This will be a significant improvement of service in the area."

Former emergency task force co-chair Traci Reilly concurred. "When it's all said and done, most people will not remember how many hours were spent discussing and debating the merits of rebuilding Station 16, because in the near future we will once again have an operational fire station in the west end of Lafayette," Reilly said.

"It has been a long road with many a winding turn," said Peter Clark, who relentlessly pushed the fire district to action. "I and the other task force members have been frustrated by the leisurely pace of progress toward better response times in western Lafayette - arguably the highest fire danger zone in the county. So (the March 13) vote is cause for serious celebration."

Lafayette Mayor Don Tatzin and Vice Mayor Cam Burks both termed the board's approval a milestone, with Tatzin expressing cautious optimism. "Let's hope that construction proceeds quickly and without any alarms," he said.

ConFire director Candace Andersen, who had smiled from ear-to-ear as she made the motion for the approval of the fire station contract, sounded as excited as the No. 16 seed UMBC Retrievers who upset No. 1 Virginia in the NCAA Tournament. "Stating that I am delighted to see us reach this point would be an understatement," Andersen said. "We did it!"

Carman finally had a chance to exhale. "The relationship between the fire district and the city of Lafayette (and the emergency services task force) was pretty contentious when I first got here, but they too eventually gave us a chance and the relationship that has formed between us now is strong and trusting, which is important to me. Right to this point some people still questioned whether we would follow through, and I hope our actions have proven we are truly a partner in the public's safety."

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#### **The Santa Rosa Press Democrat**

# Santa Rosa estimates fix of contaminated Fountaingrove water system could take 2 years



THE PRESS DEMOCRAT | March 27, 2018, 10:37PM

It may take Santa Rosa more than two years to fully replace the water system in an area of Fountaingrove where the drinking water was contaminated by benzene following the fires last year, a timeline some residents say is unacceptable and will prevent them from rebuilding.

In the most detailed explanation yet of the unfolding water crisis, city officials outlined in a public meeting how they believe the water system serving 350 home sites in the devastated neighborhood became contaminated with a cancer-causing hydrocarbon, and just how complicated, costly and time-consuming its replacement may be.

The contamination problem has been known since November, and the city has been open in recent months that its investigation into the source was zeroing in on melting plastic pipes and other components of the water system.

But Tuesday's joint meeting of the City Council and the Board of Public Utilities was the first time residents learned that the fix was still a long way off, likely well past the time when their insurance payments for replacement housing will run out.

Carol Ellen, 70, said she and her partner had already spent \$60,000 in various architectural fees and other costs preparing to rebuild, only to learn recently from the city that it might not be possible.

"We are ready to begin building in May. Now, what do we do?" Ellen said. "Where does our water come from?"

John Stratton, a Fountaingrove resident and engineer at Keysight Technologies said he relied on the city's earlier "worst-case scenario" that a full replacement might take a year. He moved forward with rebuilding plans, spending thousands of dollars on architectural drawings and other costs.

"We were committed to rebuild last week," said Stratton. "What I see here today, it might be the commitment is to move out of state."

City officials said the water-system work would have to be done while other contractors were busy rebuilding homes in the area, complicating the overhaul. But Stratton said city officials were kidding themselves.

"Based on what I've heard today, you're not going to be having a whole lot of it, because people are not going to be rebuilding," he said.

City water officials, led by Ben Horenstein, director of Santa Rosa Water, outlined in detail how the city responded to the discovery of benzene in the system, leading to an investigation that has identified where it came from and how it got into the system.

Emma Walton, a water refuse engineer, explained that benzene, a hydrocarbon and a human carcinogen typically associated with gasoline, can leech out of plastics when heated to high temperatures. She said the city undertook the investigation into the source of the benzene in a "methodical and scientific manner," that has considered a variety of possible sources. These included whether an underground fuel tank and contaminated soil may have permeated through the plastic pipes, an idea that was rejected.

The investigation came to focus instead on the plastic components in the water delivery system itself. Samples of burned pipes and gaskets from the valves and water meters were taken and analyzed by a forensic chemist. Tests that showed that when burned materials were soaked in clean water, the water came away contaminated with benzene and other hydrocarbons.

One city photograph of the inside of a piece of an affected water main from the area showed a dark sooty material that chemist Kent Patton of Apex Laboratories said indicated that smoke and ash and soot from the burned home sites made it into the water mains.

The "dominant question" for the team, Horenstein explained, has been why this area of Fountaingrove got contamination in the water mains when others did not. Altogether, 1,420 homes in the Fountaingrove area were destroyed in the fires.

The contamination penetrated mains throughout a city-identified 184-acre area. There are 350 homesites in that zone and 13 homes that remain standing, and residents there are advised not to drink or bathe in the hot water.

One of those homes is owned by Jerry Buhrz, who isn't living in the home presently in part because of the water contamination.

"You can't shower in it. You can't brush your teeth with it. You can't drink it," said Buhrz, 75, who estimates that only about half of his neighbors plan to rebuild.

There have been about 50 locations outside the zone, including in Coffey Park, where tests of service lines to home — not water mains — have turned up traces of benzene, but those are of far less concern to water officials.

Horenstein stressed that while several areas of the city suffered similarly intense fires, only the Fountaingrove area "uniquely" endured an acute drop in pressure that could have caused the contaminants to be sucked back into the mains.

While officials didn't delve into it in the meeting, Horenstein has previously said one of the city's tanks in Fountaingrove was empty at the time of the fire since it was undergoing seismic upgrades. The city's water pumps lost power amid the firestorm, contributing to a loss of pressure in the system, which firefighters noted to their dismay during the Oct. 8 and Oct. 9 firefight.

Backflow prevention devices, which might have prevented such contamination of the mains, were not required at homes in the area and typically not installed, explained Jennifer Burke, the city's deputy director of water and engineering resources.

She stressed that the city is taking 170 water samples per day and plans to test each and every one of the more than 3,000 service lines to homes burned in the city.

The city has taken extensive efforts to flush the lines clean and in some cases scrub them with "pigs" that act like large circular sponges to scrub the interior of the pipes. But while they helped, the contamination eventually returned, suggesting the contaminants has been absorbed into the system and were leeching out, officials said.

This has led the city to conclude that it needs to replace the entire system in the advisory zone, but only the service lines in other parts of the city where needed.

Just how large an undertaking the system replacement would be became clearer when water officials told the Board of Public Utilities recently that the costs, because of the complexity of the project, had soared to \$43 million from early estimates of less than half that. Horenstein cautioned against putting too much credence in either the \$43 million figure or the two-year estimate. He put the cost at between \$30 million and \$40 million, and said it was "premature" to even float a timeframe, but felt compelled to do so because of the intense public interest.

Nevertheless, Lori Urbanek, the city's supervising engineer, said in the best-case scenario, the project could be completed in two years from the time that the decision is made to move forward. That includes about three months to get the contractors lined up.

To speed construction, Urbanek explained the city is looking at a number of options, including doing a design-build process instead of traditional bidding, phasing construction and offering incentives to contractors to move quickly.

But there are lots of issues that the city can't control, such as the location other utilities in the area. To drive that point home, she showed a photo of an unearthed Pacific Gas & Electric gas line right on top of a waterline, which she said was "unexpected." That was just one location, she said. "There are miles of what we don't know about yet," she said.

Water officials said they would need six to eight weeks to formulate a plan to bring back to the council.

Scott Adams, who lost his home, told the council that two years "maybe, kinda, sorta" was unacceptable.

"We're living in an 800-square-foot apartment on Santa Rosa Avenue, and I can tell you we're not happy campers," Adams said. "Two years is too long to be out of a house."

You can reach Staff Writer Kevin McCallum at 521-5207 or kevin.mccallum@pressdemocrat.com. On Twitter @srcitybeat.

#### **Los Angeles Times**

## Southern California might foot the bill for delta tunnels project — with no promise of reimbursement

By Bettina Boxall
Mar 28, 2018 | 5:00 AM

Southern California's biggest water agency is considering picking up most of the bill for overhauling the state's waterworks without any guarantee that it will eventually recoup its additional, multibillion-dollar investment.

At a board workshop Tuesday, officials of the Metropolitan Water District of Southern California outlined ways in which the agency could finance the construction of two giant water tunnels under the Sacramento-San Joaquin Delta.

Underlying the plan is an assumption that the San Joaquin Valley agricultural districts that have refused to share in the upfront costs of the mammoth construction project would be willing to buy into it when the project is finished.

But those big irrigation districts have yet to commit to future water purchases, leaving open the possibility that the MWD — and by extension ratepayers from Los Angeles to San Diego — will be stuck with a roughly \$11 billion bill for the project known as California WaterFix.

The MWD's board voted last fall to invest \$4.3 billion in the twin tunnel project, which proponents say is necessary to sustain water deliveries to San Joaquin Valley agriculture and Southland cities.

But after valley growers said they couldn't afford the project, the state decided to press ahead with a less costly, one-tunnel version financed by the MWD and the other, largely urban districts that get delta supplies from the State Water Project.

Not long after the state's February announcement, some MWD board members floated an idea to keep alive the two-tunnel version, which they believe would be more beneficial. They proposed that the MWD pick up agriculture's unfunded portion, which amounts to roughly a third of the project's total \$17-billion cost.

Under the scenario outlined by MWD staff Tuesday, the agency would recover that extra investment by selling tunnel capacity to agricultural irrigation districts when WaterFix is built.

The supposition is that once supplies start flowing through the tunnels, the project will be more attractive to growers who by then will also be facing new limits on groundwater pumping they traditionally rely on to carry them through droughts.

"Their problem is cash flow" during the years of construction, MWD Assistant General Manager Roger Patterson told the board.

He added that the MWD is hoping those districts will soon sign purchase agreements that bind them to future buy-ins.

But it's unlikely growers will do that before the board votes on whether it should more than double its investment in WaterFix.

The staff is planning to offer two options for a board vote next month: Add \$1 billion more to the MWD's 2017 funding commitment and move ahead with one tunnel, or throw roughly \$5.5 billion more into the WaterFix pot and build two tunnels. The latter would push the agency's total financing to nearly \$11 billion.

If the MWD is unable to eventually sell that extra project share, WaterFix would add nearly \$60 a year to household water costs in the agency's service area, according to staff calculations. Paying for one tunnel would increase annual household bills by half that amount.

Financing WaterFix to the tune of \$11 billion would also have twice the effect on the agency's overall budget, increasing it by 2.2% a year, compared with 1.1% for one tunnel.

Board members peppered the staff with questions about contract details and how the MWD's investment would be protected.

The most skeptical members were from Los Angeles and the San Diego County Water Authority. Mayor Eric Garcetti, who appoints L.A.'s representatives, last year said he supported one — but not two — delta tunnels.

Board Vice Chairman John Murray Jr. of Los Angeles noted that city policy calls for L.A. to reduce its use of imported water and boost local supplies, such as recycled water. Others wondered if paying so much for WaterFix would decrease investments in developing alternative sources.

MWD officials have said that Southern California needs to both maintain its delta imports and develop regional supplies, adding that the agency will continue to subsidize local programs.

In public comments, opponents repeated arguments against the tunnels. MWD's billions would be better spent developing regional water sources, they said. The project will drive up water rates. And they accused MWD of cherry picking data to exaggerate projected tunnel deliveries.

Murray also noted that some water experts say a second tunnel is not worth the extra cost since one tunnel would provide many of the same benefits as two. The project is intended to lessen the ecological harm of massive withdrawals from the delta's southern portion by partially supplying delta pumps with tunnel water diverted from the Sacramento River in the delta's northern reach.

Patterson disagreed that one tunnel was enough. "I don't think one does the job of two," he said after the workshop.

Two tunnels, he said, would provide more flexibility in operating the big government projects that export water from the delta, would be able to capture more water during storm flows and would do more to lessen the harmful environmental effects of the delta operations.

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#### **East Bay Times**

#### Lafayette: Five quit city's Planning Commission over new conflict of interest policy

Five members of the Lafayette Planning Commission have resigned over the city's adoption of a new, revised conflict of interest policy. The policy demands that commissioners resign if they have a professional conflict of interest. (Google Street View)

By <u>Jon Kawamoto | jkawamoto@bayareanewsgroup.com</u> | Bay Area News Group PUBLISHED: April 2, 2018 at 8:56 am | UPDATED: April 2, 2018 at 3:45 pm

LAFAYETTE — Five planning commissioners have immediately resigned following the Lafayette City Council's approval of a revised conflict of interest policy, which in turn has forced the cancellation Monday night of a regular Planning Commission meeting.

The council adopted the new policy 3-2 at its March 26 meeting for members on its Planning Commission and Design Review Commission. The previous policy permitted commissioners with professional conflicts of interest to recuse themselves from discussions and decisions, but the new policy demands that they resign from the commission, according to Lafayette City Manager Steven Falk on the city's website.

Instead, the City Council will hold a special meeting at 7 p.m. Monday to discuss how to move forward. The options include: whether the council should quickly appoint a new Planning Commission, whether the council should sit as the Planning Commission in the interim or whether the Design Review Commission should also serve as the Planning Commission on an interim or permanent basis.

The five who resigned are: Planning Commission Chair Peter Gutzwiller, and Commissioners Jeanne Ateljevich, Patricia Curtin, Thomas Chastain and Will Lovitt.

"It is a real shame that the council's action effectively eliminates a large swath of current (and future) insight, market knowledge, and Lafayette history from its commissions," Gutzwiller wrote in his resignation letter dated March 27. "We certainly do not want to imply improper action or malintent by those who have provided their service to the city with only good intentions, but it does feel like my colleagues and I have been found guilty of crimes we didn't commit."

Curtin, in her resignation letter also dated March 27, called the new policy "ill-conceived."

She wrote: "I am truly shocked that our leaders believe one is guilty before proven innocent. This is not a rule I can stand by; it is a rule that runs counter to our democracy. I am equally

sickened that the council had the audacity to exempt themselves from this rule. In doing so, they have created a false hierarchy I want no part of and is not healthy for our city or any city."

Chastain said: "It is sad when a town's democratic body votes to disenfranchise a class of its citizens. ... While prejudice is experienced by many in our society, this is new for me and unexpected within my own community."

The new policy bans anyone on the Planning Commission or the Design Review Commission from: seeking compensation from any client or customer in dealings with the city or any city employee "or by participating indirectly in or providing advice or consultation on any such appearance" to influence "any administrative or legislative action or proceeding"; using the position as commissioner to solicit business or advertisements; and authorize or encourage any firms to perform any act in violation of the policy.

In addition, the new policy states that any commissioner may not "accept any business that is inconsistent with this policy for a period of one year following termination of membership on the commission."

The policy takes effect 60 days from the March 26 adoption.

Council member Ivor Samson, who has been working on the new conflict of interest policy with Vice Mayor Cameron Burks since this past fall, said the policy isn't related to any particular case involving conflict of interest.

"There is a perception in the community that there isn't a level playing field and that is a bad thing because it creates a lack of trust in government," Samson said, noting that he's been concerned about any potential conflicts of interest since he was appointed to the council in December 2016. He added that the perception "create an appearance of impropriety."

He said he hoped that the new policy would lead to the "public at large having more faith in our municipal institutions" and said his intent was to create a "process as objective and as conflict-free as possible."

Mayor Don Tatzin, who cast one of the two "no" votes, said that the revised conflict of interest policy is "unlike any other policy in the state."

"It forces people to resign from the (Planning) Commission even though they might not have any involvement" with an issue or project, Tatzin said. He said collectively that the city has lost about 70 years of experience because of the resignations and he expressed concerns about the city's ability to recruit qualified, capable residents to serve on the Planning Commission in the future.

Tatzin added that none of the five commissioners who resigned had been accused of having a conflict under the previous policy.

#### **East Bay Times**

## Lafayette: Council agrees to act as Planning Commission in wake of resignations



Lafayette City Council members agreed Monday night to act as both the council and as the Planning Commission. The council's decision came after five planning commissioners resigned in reaction to a new conflict of interest policy. (Jon Kawamoto/Bay Area News Group)

By <u>Jon Kawamoto | jkawamoto@bayareanewsgroup.com |</u> Bay Area News Group PUBLISHED: April 2, 2018 at 9:48 pm | UPDATED: April 3, 2018 at 3:54 am

LAFAYETTE — The Lafayette City Council, meeting in an emergency special session Monday night, decided to act as both the council and the Planning Commission on an interim basis in the wake of five resignations from the commission.

In addition, the council also agreed to temporarily reduce the size of the Planning Commission from seven to five commissioners. This would allow the appointment of a single new member to create a quorum and to hold meetings until new planning commissioners are appointed.

The council made both moves in light of the March 26 adoption of a revised conflict of interest policy for planning commissioners and design review commissioners. The old policy allowed commissioners with conflicts of interest to recuse themselves from discussions and decisions, but the new policy demands that they resign from the commission.

Immediately after the council adopted the new policy, five planning commissioners resigned from the seven-member board, effectively shutting down the panel. The city had scheduled a Planning Commission meeting Monday night.

#### **East Bay Times**

### Stronger together: The Bay Area's newly linked water lifelines



A pump station that can transfer water between the East Bay Municipal Utility District and the San Francisco Public Utilities Commission during an emergency is photographed in Hayward, Calif., on Tuesday, April 3, 2018. (Anda Chu/Bay Area News Group)

By <u>Lisa M. Krieger</u> | <u>lkrieger@bayareanewsgroup.com</u> | Bay Area News Group PUBLISHED: April 3, 2018 at 6:10 pm | UPDATED: April 4, 2018 at 4:51 am

The Bay Area's deeply unequal cities, home to mansions and shacks alike, are linked by one thing: thirst.

Banding together, the region's water agencies on Tuesday unveiled the latest upgrades to a vast network that connects six million people and provides mutual aid in a crisis, such as an earthquake or severe drought.

"Interconnection makes all of us more reliable," said Steve Ritchie, assistant general manager of the Hetch Hetchy Regional Water System, operated by the San Francisco Public Utilities Commission. If an earthquake fractures one system, an adjacent system kicks in to keep the faucets running. In a pinch, water could flow from one end to the other of our nine county region — all the way from South San Jose to Oakland, for instance.

Meanwhile, upgrades completed by each agency is building a system that is far more resilient than before. Pipes are designed to bend or twist, not break. Water tanks are sturdy. So are treatment plants. Special hoses could deliver water over a fractured landscape.

Water systems such as Hetch Hetchy have been operating for more than 80 years and were in need of a makeover.

According to the U.S. Geological Survey, there is a greater than 60 percent chance of a major earthquake occurring in the Bay Area in the next 30 years. It may not rupture in the remote Santa Cruz Mountains, like the Loma Prieta earthquake of 1989, but underneath our feet.

A century ago, American individualism created a system in which each municipality had a great deal of autonomy, making regional cooperation challenging. There's still a great deal of independence, with different water agencies getting their water from different sources.

But isolation is no longer good enough for the Bay Area's \$535 billion a year economic engine. The region is among the world's highest concentrations of wealth and a center of innovation. with top universities and home to companies such as Apple, Google Tesla and Facebook.

"Water is the lifeblood of the Bay Area's economy," said Ritchie. "We happen to have all these different water systems that date back decades, even a century. It is one Bay Area now and we have to think regionally to make sure we are all able to serve all of our customers."

At Tuesday's behind-the-scenes tour, the agencies showed how they are combining forces to face the realities of delivering water in an earthquake and drought-prone area:

- In Castro Valley, East Bay MUD's South Reservoir tank is replacing an open reservoir protected with a fragile wood roof. About two-thirds complete, the \$15 million tank will hold 9 million gallons of water. It is a temple of seismic safety, with 18-inch thick concrete walls strengthened by bundles of rebar, to withstand sloshing. A band of steel surrounds the tank. like a belt. Completion is scheduled for December.
- In Hayward, an \$18 million "intertie" of pipes, running through the city of Hayward, connects two East Bay water systems serving a combined 5.1 million people with the Hetch Hetchy system serving 2.6 million people.
- In Fremont, a large bright green above-ground pipeline, managed by the Alameda County Water District, crosses the Hayward Fault. It supplies water to 350,000 Fremont, Newark and Union City residents. There are \$40,000 ball joints on both ends. The pipe, made of ductile iron, sits on special pads that allow it to slide. If the ground breaks, it can extend several feet.

- Also in Fremont, a massive new 60-inch pipeline constructed by the San Francisco Public Utilities Commission connects the seismically-safe new Irvington Tunnel to the new Bay Tunnel. The 3.5-mile Irvington Tunnel is built to withstand a 7.1 earthquake on the Calaveras Fault and a 7.25 earthquake on the Hayward Fault. Inside the tunnel are welded steel pipes, nine feet in diameter. The Bay Tunnel, 100 feet underground and running from from Redwood City to Newark, is also built to be extra sturdy.
- In Milpitas, cobalt blue pipes connect the Santa Clara Valley Water District with the Hetch Hetchy Water System. This "intertie" has been in use in recent weeks, because San Francisco stopped water flow from Yosemite due to construction, and relied on South Bay water, along with water from its local reservoirs.

Through these pipes, water would be sent from the Santa Clara Valley Water District through San Francisco's Hetch Hetchy System, to Alameda County Water District — and delivered to East Bay Municipal Utility District.

Even the largest earthquake would never swallow whole an entire water system as colossal and dispersed as ours, the water experts said. But despite the interconnections, those first hours or days after a giant rupture could be traumatic, and there might be sputters and interrupted local flows.

To be truly safe, their advice: store bottled water.

There is only so much we can do with an earthquake that size," said Bob Shaver, general manager of Alameda County Water District.

"At home, keep two gallons of water per person, per day."

#### Water Education Foundation/Aquafornia

# Statewide Water Bond Measures Could Have Californians Doing a Double-Take in 2018 Two bond measures, worth \$13B, would aid flood preparation, subsidence, Salton Sea and other water needs

California voters may experience a sense of déjà vu this year when they are asked twice in the same year to consider water bonds — one in June, the other headed to the November ballot.

Both tackle a variety of water issues, from helping disadvantaged communities get clean drinking water to making flood management improvements. But they avoid more controversial proposals, such as new surface storage, and they propose to do some very different things to appeal to different constituencies.

Since 2002, California voters have approved more than \$15.5 billion in bonds – voter-approved debt reimbursed with general fund taxes – that have been largely focused on water.

This year California voters will consider whether to approve another \$13 billion in water bonds—the \$4.1 billion California Clean Water & Safe Parks Act (Proposition 68) in June and the \$8.9 billion Water Supply and Water Quality Act of 2018 in November.

<u>Prop. 68</u>, authored by Senate President Pro Tem Kevin de León as SB 5, includes \$1.5 billion for parks, \$1.5 billion for drought contingency/water supply and \$500 million for flood protection. It's the first parks and water bond since 2006, when the \$5.4 billion Prop. 84 was approved.

"It's a jam-packed bond," said Caitrin Chappelle, associate director at the Public Policy Institute of California's Water Policy Center. "It's not just a water bond. It's parks, coastal protection and outdoor access."

Gerald Meral, director of the Natural Heritage Institute's California Water Program, is the author of the November bond known as the <u>Water Supply and Water Quality Act of 2018</u>, which among other things dedicates \$640 million for assisting implementation of the Sustainable Groundwater Management Act (SGMA). He said his proposal, which is currently undergoing signature verification with the Secretary of State's office, is intended to complement Prop. 68, which is broader in scope. Californians, he said, are ready to embrace both measures.

"Typically, in polling usually what polls well is safe drinking water, clean water in rivers and streams and water supply that's resistant to drought," he said. This bond, he said, responds "to all those things in a really big way."

The two bond proposals reflect the disparity that sometimes exists among California stakeholders. Prop. 68, the result of the consensus-driven legislative process, includes funding for parks, coastal protection, outdoor access and natural resource management. Meral's measure is more geared toward the interests of urban and agricultural water suppliers.

"Given the need we have for water management, you couldn't have gotten it on one bond," said Tim Quinn, executive director of the Association of California Water Agencies, which represents both urban and agricultural water agencies. "The legislative bond reflects the constraints of doing something in the Legislature where the focus tends to be coastal, urban Democrat. The November bond shifts a lot of the investments inland [and] was developed through a different process reflecting a different political environment."

Water bonds regularly appear on the ballot (sometimes in June and November) because bond financing is seen as necessary to deal with water issues in a state as large as California. The recent spate of large water bonds can be traced to 1996's Prop. 204, which authorized \$995 million to help restore and improve the Sacramento-San Joaquin Delta and San Francisco Bay ecosystem, boost wastewater treatment, water supply and conservation and help with local flood control and prevention.

"Bonds are used in different ways," said Chappelle with PPIC. "Sometimes they are used to incentivize large infrastructure projects that wouldn't be able to get off the ground without state support and sometimes they are used to motivate new types of projects that local agencies haven't been investing in yet."

Voters last approved a water-related bond in 2014, when they passed Prop. 1, which included \$2.7 billion to fund the public benefits portion of new surface storage projects. Disbursement of the storage funds is subject to the California Water Commission's approval, and the agency has been criticized by some parties for its initial decision not to award funding for the proposed Sites Reservoir in Colusa County and Temperance Flat upstream of Friant Dam near Fresno.

Chappelle said the high bar set by the Water Commission was by design.

"Anyone who read or understood the original language of Prop. 1 probably is not that surprised because they set a pretty rigorous process by which money was going to be passed out," she said. "The fact that it's taking a while is because they are following the letter of the original bond language."

The two bonds of 2018 do not include any money for new surface storage. Among Prop. 68's supporters is the San Diego County Water Authority, which is keenly interested in seeing the state follow through on its commitment to restore the Salton Sea.

"Robust Salton Sea funding in this bond measure is significant for San Diego County because it supports agreements that generate substantial water supplies for our region," Mark Muir, chair of the Water Authority's board of directors, said in a March 22 statement. "The bond would help the state meet its obligations for Salton Sea restoration and allow our region to compete for other funds to further enhance water supply reliability and local watersheds."

The \$750 million allocated in the November bond to deal with subsidence issues in the San Joaquin Valley is crucial because of the need to move water for groundwater replenishment as part of SGMA, Quinn said. Beginning at Millerton Lake east of Fresno, the 36-mile Madera Canal moves water north to augment irrigation capacity in Madera County while the 152-mile Friant-Kern Canal moves water south to Fresno, Tulare and Kern counties.

"Both of these canals have been seriously impacted by subsidence," Quinn said. "The Friant-Kern Canal has lost an amazing 60 percent of its capacity to deliver water. These funds will help raise the canals and restore the ability to deliver replenishment water."

The two bonds together designate more than \$1 billion for the clean drinking water needs of disadvantaged communities, something ACWA endorses. The group would rather see the bonds fund this issue instead of a plan by the Brown administration to establish a tax on drinking water of 95 cents per month to help repair the hundreds of mostly small public water systems with unsafe tap water.

"We want to solve the problem and we want to minimize the desire people have for a tax on drinking water," Quinn said.

Unknown is whether voters will experience bond fatigue with two multibillion-dollar measures facing them in June and November. SB 5 was opposed by the Howard Jarvis Taxpayers Association, which generally opposes the use of large state bonds to finance projects. While not formally opposing SB 5, the Coalition for a Sustainable Delta, a group of south-of-Delta water contractors, last year issued a release saying that SB 5's funding allocation of \$1.5 billion for water "is woefully inadequate."

While voters have a history of supporting water bonds, Chapelle noted that Prop. 1 passed during a protracted drought when water was viewed as one of the most important issues in California. "That is not currently the case anymore," she said. A drought-busting winter in 2017 refilled many of the state's depleted reservoirs and late season snow and rain in 2018 likely prevented the return of an official drought.

Meral said voters have a history of passing two bonds in the same year and that the issue with the Water Commission and storage funding will soon be resolved.

"I think by July they [the Water Commission] will make some awards," he said. "I would be clearly surprised if they didn't."

Quinn, a veteran of California water policy, said times have significantly changed since the days when the primary focus in the state was completion of a major infrastructure project like the State Water Project. The emphasis now is developing sustainable water supplies at the regional level with financial help from the state.

"It turns out that about every four years we pass a new bond that infuses some public dollars, which always leverages a lot more local money and the voters have overwhelmingly supported them," he said. "This is what has kept the wolves away from California's door for 25 years –

public investment stimulating local investment in a different direction of water management and I believe it is now time for another infusion of that public investment."

Comparing Water Bonds (In millions)		
	(June ballot)	
Forest Protection	\$110	\$120
Recycled Water and Desalination	\$80	\$800
Safe Drinking Water (and Wastewater)	\$330	\$750
SGMA Implementation	\$50	\$640
Conservation	\$20	\$365
Flood Management	\$550	\$500
Stormwater	\$100	\$400
Oroville Dam Safety	\$0	\$222
Madera & Friant-Kern Canals Improvements	\$0	\$750
Total for these funding categories	\$1,240	\$4,547
Total bond proposal	\$4,100	\$8,900

The Association of California Water Agencies developed this chart to compare the two statewide bond measures, for the June and November ballots, on key funding areas.

#### **Los Angeles Times**

## Vote on Southern California's investment in delta tunnel project could be a nail-biter

By Bettina Boxall
Apr 09, 2018 | 6:25 PM

With the city of Los Angeles and Orange County on opposite sides, Southern California's role in financing a massive water delivery project is likely to hinge on a few smaller agencies.

In what will be a crucial decision, the board of the Metropolitan Water District of Southern California is expected to vote Tuesday whether to approve nearly \$11 billion in financing to help build two giant water tunnels in the center of the state's waterworks or \$5.2 billion to construct a single tunnel.

Lobbying on the long-planned project continued Monday as Gov. Jerry Brown asked MWD directors to move ahead with both tunnels.

"Tomorrow you have a historic decision to make about the future of California and the basic security of our water supply," wrote Brown, who has made the project a priority of his administration. "I urge the board to support the full project — without delay."

Hours earlier the five MWD board members from Los Angeles signaled they might vote against both options because too many uncertainties hung over the much-debated proposal to revamp the way water supplies are routed through the Sacramento-San Joaquin delta.

Los Angeles has the biggest vote under MWD's system, which weighs the votes of member agencies according to assessed property values in their service areas.

Second to L.A. is the San Diego County Water Authority, which is also expected to oppose the project, along with Santa Monica.

But the agency with the third-largest vote, the Municipal Water District of Orange County, is aggressively pushing the \$11-billion buy-in, which would finance about two-thirds of the full project.

"I think it's very close," said MWD director Brett Barbre, who is president of the Orange County agency. "They just need to get 11% more and they can kill us."

Both sides Monday restated familiar arguments about the project, known as California WaterFix.

The full \$17-billion project calls for construction of a new diversion point on the Sacramento River in the delta's northern reach that would feed two 35-mile tunnels. They would carry

supplies to the big government pumping operations that send water south to San Joaquin Valley farms and Southern California cities.

The project's underlying concept is that by partially supplying the export operations with tunnel water, the huge pumps would draw less water from the delta's southern portion, alleviating the pumping's harmful effects on the delta ecosystem.

When the San Joaquin Valley agricultural districts that were supposed to help pay for the tunnels voted not to participate, the Brown administration said it would initially pursue a smaller, one-tunnel project, to be financed by MWD and the other largely urban districts that get delta supplies from the State Water Project. Under that approach, the state said a second tunnel could be built later.

It didn't take long for WaterFix backers on the MWD board to suggest the agency step up and help fill the funding void to build both tunnels. They argued that agricultural districts would eventually buy some of the tunnel capacity and MWD would recoup its extra investment.

But Westlands Water District and other agricultural districts that depend on delta deliveries have so far declined to sign options or purchase agreements to buy future tunnel supplies.

That has raised the possibility that MWD — and Southern California ratepayers — could be stuck paying for a second tunnel that, according to MWD's analysis, would not send any more water to the Southland than one tunnel.

"Making Southern Californians foot the bill for this project is irresponsible, and unfair to our ratepayers. I would support a one-tunnel solution that protects ratepayers, our local investments and our environment," Los Angeles Mayor Eric Garcetti said Monday in a statement. "MWD's current plan does none of those things, and I cannot support it."

Garcetti appoints L.A.'s five MWD board members, who Monday sent a three-page letter to MWD's general manager, asking him to delay Tuesday's vote — something that is unlikely to happen.

The letter raised a host of concerns about pushing ahead with twin tunnels, arguing that MWD ran the risk of winding up with a largely unused second tunnel that could turn into a stranded asset. The delegation also questioned the wisdom of a \$5.2-billion investment in a single tunnel, which would add roughly a billion dollars to the tunnel funding approved by the MWD board last year.

Asked if that meant the Los Angeles contingent might vote against both options, L.A. director John Murray replied, "It's not impossible."

Twin tunnel backers say the second tunnel would give managers more flexibility in operating the delta pumps, and do more to reduce the harmful effects of pumping operations on native fish.

MWD board Chairman Randy Record said Monday that he supports the \$11-billion buy-in for the full project and thinks it would be worth it even if agriculture never contributes to the project.

In considering his vote, "I have to look at it as though ... we're going to be building the whole thing and we're going to hold that infrastructure for our own use," he said. "I still believe that's the right thing to do."

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#### **Capitol Weekly**

## When it comes to California water, nothing is easy

by TESS TOWNSEND posted 04.09.2018

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Camrosa Water District, a public services provider in Ventura County, gets its water from a combination of groundwater, recycled wastewater, and the State Water Project, which transports water south through the state.

Twenty miles away, another mid-size public water agency also founded around 1960 has a very different portfolio: Las Virgenes Municipal Water District gets virtually all its water from the State Water Project, which is managed by California's Department of Water Resources. Groundwater in the vicinity of the Los Angeles-area provider is too salty and high in iron and manganese to be fit for human consumption, according to Las Virgenes general manager David Pedersen.

In many respects, Camrosa and Las Virgenes are very different. But there are a few important similarities between the agencies.

This combination of the local water agencies' autonomy and their distinct differences reflects the difficulty of imposing a change across California's water systems.

And it's creating a significant hurdle for the proposed Safe and Affordable Drinking Water Fund, an issue that is fueling increased debate in California's water community and in the Capitol.

Camrosa and Las Virgenes are able to dependably serve their customers clean water because they have access to reliable, high-quality sources and the means to treat water as needed. Like other water agencies in the state, they operate independently, relying mostly on revenue from customer fees to cover the costs of delivery, ongoing maintenance and debt servicing. When they get state money, it's usually in the form of a loan for capital improvements, which the district typically has to pay back in full, or in some cases a grant.

"Water is intensely local," said Camrosa Water Resources Manager Ian Prichard. "It requires buried infrastructure, and water itself is very heavy. It necessitates a kind of very local control and management."

First put forward as Senate Bill 623, then later slipped into the governor's 2018-19 budget as a trailer bill, the fund's purpose is to cover an estimated \$140 million each year in improvements and ongoing maintenance in water systems that are out of compliance with water quality standards, a number based on calculations by environmental consulting firm Blue Sky. Funds

could go not just to construction of improvements like new water treatment plants, but <u>also</u> <u>operation and maintenance</u>, which loans and grants are not intended to cover.

Adding \$1 to water bills sounds simple, but when it comes to California's web of water agencies, no change is simple.

Under the legislation, the State Water Resources Control Board — which enforces California's drought rules — would require roughly 1,100, largely public, water agencies serving residential areas, to collect a monthly charge amounting to \$0.95 for most households and more for larger customers including some businesses. The charge would be reflected on roughly 9.4 million water bills, the board said, and only publicly- and privately-run systems billing more than 200 customers would collect it. This revenue would comprise most of the proposed fund, with the remainder of the fund slated to come from charges on agriculture. The bill requires a two-thirds vote in both houses of the Legislature, a threshold required of proposed taxes.

Adding \$1 to water bills sounds simple, but when it comes to California's web of water agencies, no change is simple.

The Association of California Water Agencies (ACWA), which advocates for its member public water providers, is the main opposition to adding the charge.

"To us it's just crazy to turn ... local agencies into tax collectors when this is a state problem and the state already has a tax collection system," said ACWA deputy executive director Cindy Tuck, who oversees government relations for the association.

Camrosa and Las Virgenes are among 142 ACWA member water agencies that have joined the association's <u>coalition</u> opposing the tax. In total, 440 public water agencies are members of ACWA. ACWA member agencies supply 90 percent of water used by households, businesses, agriculture and industry, according to the association. Some members, such as irrigation districts, don't provide drinking water.

<u>Some</u> environmental groups <u>oppose</u> the bill, but on different grounds. <u>Supporting the charge</u> is a coalition of environmental, agriculture and social justice groups, as well as residents of communities that lack access to clean water. To understand why certain agencies think the charge is worth fighting against, it's helpful to understand how water agencies work.

ACWA and opposing member agencies furthermore think putting the charge into effect will make it easier to place even larger state fees and taxes on water bills in the future.

Most California residents get their water from publicly-run water agencies that are led by elected boards of directors, the way public school districts are. Also similar to school districts, said ACWA communications director Heather Engel, these systems deal with unique challenges and needs, based on their particular makeup of water sources and types of customers they serve. Privately-run water agencies, which are fewer in California than those that are publicly-run, do not necessarily have elected boards.

Unlike school districts, board-led public water agencies operate mostly off revenue from customer fees. Those fees go toward systems' operations, improvements and repairs. This model means that the larger a water system is, and the wealthier its customers, the more resources an agency has to meet user needs. It also means agencies that have boards are structured to be especially attuned to the preferences of their customers, who double as their boards' constituents.

Customers are not happy when their rates go up, and retaliation against rate increases disrupts district management.

For example, customers voted three of Camrosa's five board members out of office in the early 1990s over a new tiered billing system that increased rates. The general manager <u>resigned after</u> the election, facing criticism from upset customers and new members of the board. At the time of the board recall, some customers reported their bills tripled, according to the *Los Angeles Times*.

The new proposed charge of about \$1 on most households is of less magnitude, but is still significant in comparison to normal rate increases. A \$1.30 hike in monthly cost is around what customers can reasonably expect each year, said Camrosa's water resources manager Prichard, so another dollar is close to doubling that increase.

Water agencies say the charge would be difficult to administer, too. Adding a new charge to bills can be onerous, said Eastern Municipal Water District Deputy General Manager Debby Cherney.

ACWA and opposing member agencies furthermore think putting the charge into effect will make it easier to place even larger state fees and taxes on water bills in the future.

Charlie Caspary, who has been on the board of Las Virgenes for 16 years, said limiting price increases is a duty his district has to its ratepayers. Advocating against something like the proposed charge is central to the Las Virgenes board's mission. The board's Legislative Policy Principles, which essentially comprise its platform, states the board will oppose collecting a state or federal tax or fee from ratepayers, and would oppose "proposals for a 'one-size-fits-all' statewide approach that would disproportionately affect the District's ratepayers."

"We have an elected board, and our districts' rates are among the lowest of all adjoining water agencies in our area, and our staff works extremely hard to be efficient and to spend the customers' money wisely," Caspary said. "Our customers, if they're not happy, do not have a choice. They cannot get another water service provider. We have to bend over backwards to serve them and provide for their needs."

Water agencies say the charge would be difficult to administer, too. Adding a new charge to bills can be onerous, said Eastern Municipal Water District Deputy General Manager Debby Cherney. She estimates the charge would cost her district at least \$150,000, and says that the bill's proposed funding wouldn't fully cover the costs to the district of putting the program into effect.

The 67-year-old district is one of the state's largest, serving 555 square miles and 816,000 people in Riverside County, and according to Cherney has an annual budget of at least \$350 million. Her estimate of implementation costs accounts for adding a new line item to bills, programming

customer income data into billing software, implementing measures to protect the new data and determining what to do about fees owed by customers who don't pay their whole bills.

Cherney's estimate also includes the expense of determining which customers are exempt from the charge. The proposed legislation stipulates households making less than 200 percent of the federal poverty level would not have to pay the extra money. Water agencies don't typically collect income information.

"That immediately brings up to me the potential for fraud within the system," said Cherney, who is a CPA. She concludes that the level of difficulty in implementing the charge will vary by district, in part based on how old their billing systems are, how large their IT departments are and whether tech support is on site or outsourced. Her district's billing system is 25 years old, she said. An agency with a newer or more standardized system will have an easier time making changes to billing.

The charge creates additional work for water agencies, and may upset customers. On top of this, opposing agencies feel it goes against a core principle of independence in water management.

When water agencies find themselves needing more water or water of better quality, they determine on their own how to do that and find the money to do so. Some that have had success with this level of autonomy see managerial failure as the reason other systems struggle, and see the tax as a proposal to throw money at a problem without forcing reform.

ACWA has proposed that instead of adding a new charge, general fund dollars should be apportioned to improvements and maintenance in systems out of compliance with water quality standards.

The state water board identified 331 <u>community water systems</u> in California out of compliance with water quality standards as of November, serving about 500,000 state residents. A new state regulation restricting the permissible level of <u>carcinogen 1,2,3-trichloropropane (TCP)</u>, which became effective in January, means the number of systems out of compliance and impacted state residents is actually higher. The November calculation also does not account for contamination of private wells and small systems regulated by counties. Ultimately, there isn't sufficient data to come up with an exact total of systems or users affected by contamination, the Legislative Analyst's Office states in comments on the trailer bill in the governor's budget.

The circumstances of contaminated water systems are challenging. Many water systems suffering from quality problems are located in rural areas, serving low-income customers who are commonly immigrant farmworkers. Repairs can time-consuming, frequently needed, and too expensive for these small systems to build or even maintain, Water Deeply Managing Editor Tara Lohan has reported extensively. An example of repairs gone wrong is the Fresno County town Lanare, which Water Deeply reports couldn't afford to maintain a \$1.16 million arsenic treatment plant paid for with a federal grant. So even in cases where solutions are in sight, lack of reliable funding can stand in the way.

ACWA has proposed that instead of adding a new charge, general fund dollars should be apportioned to improvements and maintenance in systems out of compliance with water quality standards. This would simplify administration of the fund, said ACWA government relations lead Tuck.

"If the state implements this, it would just be one agency that's responsible and they already know everybody's income because of state income tax," she said.

The problem with this proposal is that general fund money isn't secure the way a dedicated fee or tax is, say advocates of the charge.

During financial crises, general fund programs are the first to face cuts by the Legislature. Plus, programs supported by the fund must go back to the Legislature year after year to make the case that they need funding, so even in flush years funding isn't necessarily certain. That's problematic for a program that pays for improvements to drinking water systems, efforts that will need years of stable funding before the legislature can see results, said Jennifer Clary, a water policy and legislative analyst for environmental advocacy group Clean Water Action.

The idea of adding a state fee or tax to water bills isn't a new one, and has been floated in academic settings, sometimes as a "public goods fee" or charge. Some compare it to the California Alternate Rates for Energy (CARE) program that subsidizes the bills of the program's participating low-income energy customers with revenue from a surcharge on the bills of other customers. Placing a state charge like this on water bills would be a first, said state water board chair Felicia Marcus, and she thinks it's a workable solution at solving a gap in access to safe and clean water.

Laurel Firestone, co-executive director of grassroots advocacy organization Community Water Center, described the reaction of ACWA and opposing water agencies to the bill as "knee jerk."

"It's sort of like how people have a kind of set of principles that they just sort of cloak themselves in, and I think for the water sector, they have cloaked themselves in 'We will oppose state fees,'" she said. "And I think that's rather than constructively looking at it as, 'Let's solve state problems.' It's become more of a knee jerk reaction."

CWC Policy Director Jonathan Nelson similarly framed clean water access as an issue that impacts customers of all water systems. People traveling through California or relocating from one part of the state to another should be able to drink water wherever they find themselves without worrying about contamination, he said. Plus, the gap in access that his organization believes the charge will solve is positioned to worsen as climate change exacerbates California's volatile water situation. And systems currently out of compliance with water standards won't be the only ones facing challenges.

"Just because you have safe drinking water today doesn't mean you have safe drinking water tomorrow," he said.