

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

July 11, 2018

Board of Supervisors Chambers
Martinez, CA

1. Chair Mike McGill called the meeting to order at 1:30 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 Alternate Diane Burgis.

Special District Members Mike McGill and Igor Skaredoff and Alternate Stan Caldwell.

City Members Rob Schroder and Don Tatzin.

Public Members Don Blubaugh and Alternate Charles Lewis.

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

3. Approval of the Agenda

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

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

4. Public Comments

There were no public comments.

5. Approval of June 13, 2018 Meeting Minutes

Upon motion of Tatzin, second by Andersen, the June 13, 2018 meeting minutes were approved by a unanimous vote of 7-0.

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

6. LAFCO 17-09 - West County Wastewater District (WCWD) Annexation 317 (Sunborne Nursery)

The Executive Officer provided brief background on this request to annex two parcels located at 2206 Central Street in unincorporated North Richmond to provide municipal wastewater service for a new 72,000 sq. ft. greenhouse and an existing caretaker's unit, and noting that the annexation will fill in an island.

Chair McGill opened the public hearing. There were no speakers, so the Chair closed the hearing.

Upon motion of Blubaugh, second by Tatzin, Commissioners unanimously, by a 7-0 vote, certified that it reviewed and considered the information contained in the CEQA documents; approved the proposal known as West County Wastewater District Annexation 317 (Sunborne Nursery), with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is uninhabited, has 100% landowner consent; waived the protest proceeding, and directed staff to complete the proceeding.

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

7. LAFCO 18-01 - West County Wastewater District (WCWD) Annexation 318

The Executive Officer provided brief background on this proposal to annex one parcel, located at 5917 Hillside Drive in unincorporated El Sobrante, to WCWD. The property is currently vacant; the landowner plans to build one single family residential unit.

Chair McGill opened the public hearing. There were no speakers, so the Chair closed the hearing.

Upon motion of Blubaugh, second by Burgis, Commissioners unanimously, by a 7-0 vote, determined that the project is exempt pursuant to CEQA Guidelines Section 15303(a); approved the proposal known as West County Wastewater District Annexation 318, with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is uninhabited, has 100% landowner consent; waived the protest proceeding, and directed staff to complete the proceeding.

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

8. LAFCO 18-05 - Chang Property - Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) Sphere of Influence (SOI) Amendments

The Executive Officer provided brief background on this proposal to expand the SOIs of CCCSD and EBMUD by approximately 67+ acres, including two parcels and one partial parcel. The subject area is located at the intersection of Bollinger Canyon Road and Crow Canyon Road. The landowner has also submitted a corresponding application to annex the same area to the City of San Ramon, CCCSD and EBMUD, which is currently pending. In order to process the SOI and boundary change applications, Contra Costa LAFCO requested and received approved from Alameda LAFCO, as Alameda County is the principal county for EBMUD.

The purpose of the SOI proposal is to allow for the eventual annexation and extension of municipal services to the Chang Property Development Project on a 60.56+ acre portion of the 195+ acre parcel. The development will include 43 single-family large lot homes, 18 accessory dwelling units, a tot lot, neighborhood park, trail connections, and other amenities. The remaining 131+ acres of the Chang parcel will remain outside the proposal area and be permanently preserved for continued open space, agricultural and scenic uses.

Commissioner Tatzin asked if, when the related reorganization proposal comes to the Commissioners, there will be an agricultural impact analysis. Staff assured him that that impacts to ag land will be discussed in the staff report.

Commissioner Tatzin also observed that two adjacent areas seem to be outside of the EBMUD/CCCSD SOIs: 1) A portion of Crow Canyon Road south of the area to be annexed (not in either SOI); and 2) a sliver south of that road that is in EBMUD's SOI but not CCCSD's.

Russ Leavitt, representing CCCSD, responded that CCCSD has no need to annex either of these areas; there is an embankment along Crow Canyon Road that will never need wastewater service, and the strip south of that is a creek that will also never need wastewater service. Commissioner Tatzin noted that he is not suggesting that this be addressed at this time, but that it should be looked at for possible future action.

Further discussion ensued regarding the acreage being preserved as permanent open space; the dedication of a public access trail easement to the East Bay Regional Park District (EBRPD) for a potential future trail; and that the parcels owned by Mast and Panetta are not part of the acreage set aside for open space.

The Chair asked Staff if a motion could be made to include the Crow Canyon Road area, currently not included, in the EBMUD and CCCSD SOIs. Legal Counsel Anderson suggested that there would be an option of continuing the matter.

Staff noted that as the areas in question were not included as part of the public hearing notice, the matter would have to be continued if Commissioners wished to include them in this action.

Commissioner Lewis asked if he missed a condition in the resolution about the open space easement; Staff responded that the SOI resolution is not recorded; however, if the Commission approves the reorganization, that resolution will include a condition relating to the permanent easement, and that the LAFCO resolution approving the reorganization will not be recorded until the easement has been recorded.

Commissioner Andersen noted that the Crow Canyon Road area is in fact landscaped, so there is water there from somewhere.

Chair McGill opened the public hearing.

David Bowlby, representing applicant Chang, stated that this has been a long journey already, and if the Commissioners are going to try to add the Crow Canyon Road area, he would ask that LAFCO move as quickly as possible.

Commissioner Tatzin asked Mr. Bowlby how a continuance on this decision would affect the project. Staff noted as well that this Commission has a policy to not consider SOI actions and reorganizations in the same meeting.

Nadia Costa, representing applicant Chang, noted that such a continuance would potentially delay their project by some months. They would also likely need to do an addendum to the CEQA document, which would create a further delay.

Further discussion ensued regarding waiving the Commission's policy and/or conditioning approval of the reorganization upon receipt of another application to annex Crow Canyon Road to EBMUD and CCCSD.

Cindy Yee, City of San Ramon, confirmed that Crow Canyon Road is in the City of San Ramon all the way to the County boundary.

Chair McGill closed the public hearing.

Commissioners and Staff discussed options available and the ramifications of continuing this action; acting on this proposal and waiving LAFCO policy in the next meeting when the reorganization is brought forward in order to address changes in the SOIs as discussed; conditioning approval of the reorganization on another application being brought forward to annex the utilities to the Crow Canyon Road area and the small area south of Crow Canyon Road; or directing Staff to work with all parties to the application to determine the feasibility of including these areas to this current set of proposals.

Upon motion of Blubaugh, second by Schroder, the Commissioners, by a 7-0 unanimous vote, approved the proposed expansion of EBMUD's and CCCSD's SOIs, determined that EBRPD's CEQA document is acceptable for LAFCO's use, and directed Staff to work with the City and districts to look into the feasibility of a) adding these areas to this current proposal or b) asking the agencies to return at a later date with a new set of proposals for the areas.

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

9. Response to Contra Costa Grand Jury Report No. 1802

The Executive Officer presented a draft response to Contra Costa Grand Jury Report No. 1802, received in April and titled "*Los Medanos Community Healthcare District*," which recommends that LAFCO consider dissolving Los Medanos Community Healthcare District (LMCHD). LAFCO staff has drafted responses to the five findings and one recommendation required of LAFCO.

Commissioner Andersen noted that the County Board of Supervisors took action on July 10 amending the County's November 2017 application to LAFCO requesting dissolution of LMCHD and outlining an expanded grant program to benefit the residents of the area served by the District.

Chair McGill stated that this is not a public hearing, but Commissioners will hear comments from the public.

Dr. J. Vern Cromartie, LMCHD Board President, reported that the Grand Jury report does not reflect changes made by LMCHD: 1) reduction of administrative costs to 25% from the 2017-18 budget to the 2018-19 budget; 2) revisions/updates to the District's health profile, which previously had relied heavily on the County's 2010 indicators report; and 3) LMCHD's major initiatives and related grant programs. He encouraged Commissioners to approve LAFCO's response as written.

Craig D. Collins, CPA for LMCHD, commented on the financial steps the District has taken in response to the LAFCO MSR and the Grand Jury report. Its 2018-19 budget has actually reduced administrative costs to 24.32%, based on a reduction in staffing, travel, equipment, and other services. Mr. Collins also commented on the District's cash assets and interest earnings.

Commissioner Skaredoff asked when the reduced budget would be in effect; Mr. Collins answered that it went into effect on July 1, 2018.

Gary Bell, Colantuono, Highsmith & Whatley, attorney for LMCHD, noted disconnects between the Grand Jury's findings and the facts of what LMCHD has been doing: 1) updates on both the website and data and measurable outcomes on programs were in progress when the Grand Jury wrote its report, and all items can now be found on the website; 2) regarding measuring outcomes, the District requires two reports from grant recipients with detailed information; 3) the District, contrary to the Grand Jury's report, collaborates with the County as well as with other County Health divisions.

Upon motion of Tatzin, second by Blubaugh, Commissioners unanimously, by a 7-0 vote, approved LAFCO's response to Grand Jury Report No. 1802 as written, and directed staff to forward the response prior to July 25, 2018.

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

10. Response to Contra Costa Grand Jury Report No. 1808

The Executive Officer presented a draft response to Contra Costa Grand Jury Report No. 1808, received on June 7 and titled "*Joint Powers Authorities*," which focuses on financial type JPAs and includes a number of findings relating to oversight, transparency and financial accountability as summarized in the staff report. LAFCO staff has drafted responses to one finding and one recommendation as required.

Upon motion of Tatzin, second by Blubaugh, Commissioners unanimously, by a 7-0 vote, approved LAFCO's response to Grand Jury Report No. 1808 as written, and directed staff to forward the response prior to September 11, 2018.

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

11. Correspondence from CCCERA

There were no comments on this item.

12. Commissioner Comments and Announcements

Commissioner Tatzin announced that he has made the decision to not run again for his seat on the Lafayette City Council, so his last official LAFCO meeting will be November 14, 2018.

Commissioner McGill reported that he attended a meeting of the CALAFCO Ad Hoc Finance Committee on July 9 and will have another of those meetings on August 3. He also will attend the CALAFCO Board meeting by phone on July 20. Also, he has signed Contra Costa LAFCO's nomination for his seat on the CALAFCO Board.

13. Staff Announcements

The Executive Officer reported that the CALAFCO omnibus bill was signed by Governor Brown. Also, the guest speaker for the July 16 meeting of Contra Costa Special Districts Association will be State Senator Steve Glazer who authored SB 522 - West Contra Costa Healthcare District bill.

The meeting adjourned at 2:30 p.m.

Final Minutes Approved by the Commission August 8, 2018.

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

NOES:

ABSTAIN:

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

By



Executive Officer