

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

September 12, 2018 (Agenda)

September 12, 2018
Agenda Item 8

LAFCO 17-11

Dissolution of the Los Medanos Community Healthcare District

APPLICANT

Contra Costa County Resolution 2017/384 (Attachment 1) adopted November 7, 2017

**ACREAGE &
LOCATION**

The Los Medanos Community Healthcare District (LMCHD) encompasses the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, unincorporated Bay Point and surrounding unincorporated areas, and serves a community of over 97,000 residents within 90.5± square miles (Attachment 2).

SUMMARY

The LMCHD was formed in 1948 by a vote of local residents to build and operate a community hospital. LMCHD operated the Los Medanos Community Hospital until 1994, when the hospital closed due to financial difficulties and the District was forced to declare bankruptcy. LMCHD has since recovered, and the bankruptcy debt was largely repaid five years ahead of schedule. Since 1998, the District has leased the hospital building to Contra Costa County, which houses the County's largest health clinic – the *Pittsburg Health Center (PHC)*, with over 100,000 patient visits per year.

Today, the District no longer operates a healthcare facility and presently provides community-based healthcare services to its residents through sponsoring and funding programs and activities related to health, wellness and prevention. LMCHD serves a largely disadvantaged community of over 97,000 people encompassing the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, unincorporated Bay Point and surrounding unincorporated areas. The District has a directly elected board composed of five members. The Board typically meets monthly with special meetings as needed. In addition, the Board currently has six subcommittees that include either two or five Board members as follows: Community Garden (2), Community Outreach (2), Finance (5), Grants & Policies (5), Programs & Activities (2), and Real Estate, Administration & Legal (2). The Committees meet as needed.

In November 2017, the County filed an application with LAFCO to dissolve LMCHD and name the County as successor agency, meaning that LMCHD would stop operating and its existence would be terminated. The County's principal reasons for the proposed dissolution are summarized below:

1. The District was formed in 1948 to operate the Los Medanos Community Hospital, but the District has not been a direct provider of healthcare services since declaring bankruptcy in 1994. Instead, the District provides financial support to third parties that provide programs and activities related to health, wellness and disease prevention. In fiscal year 2016, approximately 25% of the District's revenue was provided to third parties; the balance of the District's revenue was spent on program and general administration and operating expenses.
2. The County is the primary provider of healthcare services to low-income persons in the County, including those within the LMCHD's boundary. The County operates a robust indigent healthcare delivery system comprised of a hospital and a satellite health clinic system. The County currently operates the PHC through a lease with LMCHD. The PHC offers a multitude of health related services.
3. LMCHD owns the property where the PHC is located. The County leases the property from the District under a 20-year lease that expired July 31, 2018. We understand that the County and District currently have a month-to-month lease arrangement. Under the terms of the lease, the County has paid rent in the amount of \$100,000 per year since August 1, 1998. Pursuant to a 1998 settlement agreement between LMCHD and the State Office of Health Planning and Development, all of the rent payments made by the County are passed through to the State.
4. In keeping with the County's commitment to providing quality healthcare services in safe, modern facilities, the County has made significant capital improvements in excess of \$24 million to the PHC during the term of the lease.

BACKGROUND

A Little About Healthcare Districts - In 1945, the Legislature enacted the Local Hospital District Law (later renamed the *Local Health Care District Law* – Health & Safety Code Section 32000 et seq.). The legislation was in response to California's severe shortage of hospital beds near the end of World War II. The Local Hospital District Law provided communities an opportunity to create new governmental agencies – independent of local and county jurisdictions – that have the power to impose taxes and charge for services, enter into contracts, purchase properties, issue debt, and hire staff.

In 1994, SB 1169 (Maddy) was enacted which renamed hospital districts “healthcare districts,” better reflecting the focus of healthcare services outside of hospital settings. The powers and duties granted to healthcare districts have remained largely unchanged, while demographics of areas served by these districts, access and provision of healthcare services, and districts themselves have vastly changed. Today, there are 79 healthcare districts, 34 of which operate hospitals. Healthcare districts operate in rural, suburban and urban communities.

Healthcare district law establishes the powers that local healthcare districts may exercise, which include operating healthcare facilities including hospitals, clinics, skilled nursing facilities, adult day health centers, nurses' training schools, and child care facilities; providing ambulance services within and outside of the district; operating programs that provide chemical dependency services, health education, wellness and prevention, rehabilitation, and aftercare; carrying out activities through corporations, joint ventures, and partnerships; establishing and participating in managed care; contracting with and making grants to provider groups and clinics in the community; and other activities that support good physical and mental health.

Most healthcare districts receive a share of local property taxes; some levy special parcel taxes, and some charge for services. Some healthcare districts generate revenues from district resources, such as property lease income; and some districts receive grants from public and private sources.

There has been recent attention in Sacramento regarding special districts, including healthcare districts, with regard to fiscal management, accountability and transparency, and the provision of direct services.

In 2012, the Assembly Committee on Accountability and Administrative Review conducted several hearings regarding healthcare districts, and focused specifically on healthcare districts that do not operate hospitals, but were maintaining reserve balances in the tens of millions of dollars. Also in 2012, the Legislative Analyst's Office (LAO) produced a report entitled, "Overview of Health Care Districts" in response to several healthcare districts that have declared bankruptcy since 2000 [see discussion below (“***Other Reports***”)].

In March 2017, the Assembly Local Government Committee held an oversight hearing on “The Evolution of Healthcare Districts” featuring a number of case studies, including the Mt. Diablo Healthcare District (MDHCD) reorganization, which is now a subsidiary district to the City of Concord (Concord Pleasant Hill HCD).

Also in 2017, the Little Hoover Commission (LHC) released a report entitled “Special Districts: Improving Oversight & Transparency,” which included recommendations to strengthen oversight of California's independent special districts. The report recommended that the State “eliminate unnecessary hurdles for district dissolutions and consolidations to improve service delivery, expand transparency by requiring every district to have a website with basic information, and standardize current reporting requirements on revenues, expenditures and reserves.”

The LHC report also focused on healthcare districts, including those that no longer operate hospitals. The LHC found that the statutory language that governs healthcare districts should be updated to reflect “the shift from hospital-based healthcare to modern preventative care models.” The report also recommended updating the outdated principal act that governs these districts. [See discussion below (“***Other Reports***”)].

1999 Proposal to Dissolve LMCHD – In 1999, an application to dissolve LMCHD was submitted to Contra Costa LAFCO by a petition of registered voters. A petition has a minimum 10% threshold (i.e., registered voter, landowners). As stated in the application, the reasons for the proposed dissolution were that the District no longer operates an acute care hospital, is not expected to operate such a facility in the near future, and that property taxes were being collected for the purpose of providing direct hospital and healthcare services but such services were not being provided.

Following several months of public hearings, in September 2000, the Commission denied the proposal to dissolve LMCHD. Commissioners expressed concern about confusion and inaccuracy in the petition regarding dissolution and potential tax relief to the taxpayers; the District's ongoing debt; and that dissolution was premature given the District's upcoming contested election. The Commission indicated its intent to revisit dissolution of LMCHD in 2004 in conjunction with the healthcare Municipal Services Review (MSR).

LAFCO Municipal Service Reviews (MSRs) – To date, Contra Costa LAFCO has completed three MSRs covering healthcare services – in 2004, 2007 and 2018 as discussed below. LAFCO MSRs are available online at <http://contracostalafco.org/agencies/municipal-service-reviews/>.

In accordance with the MSRs, the Commission adopts required determinations and updates the SOIs for the cities and districts. The determinations cover various issues including growth and population, location and characteristics of disadvantaged unincorporated communities (DUCs), service and infrastructure needs and capacity, financial ability of agencies to provide services, opportunities for collaboration, and accountability and efficiencies.

The first round **2004 MSR** series was an abbreviated format prepared by Commission subcommittees that focused on the statutory determinations. The 2004 MSR included the following determinations for LMCHD:

- The District has generally adequate infrastructure in terms of services provided by other agencies. It cannot provide healthcare services to its residents beyond those afforded by current levels of grant funding.
- Expected growth in the next 20 years will increase the need for healthcare services. The District's budget will increase with increased tax revenue, and a higher share of the District's revenue will be available for health care programs after the existing debt is retired.
- The District met its obligations to repay bonds, and expects to soon retire additional debt, which will release more funds for other uses. The District is a passive landlord of a facility leased by the County and cannot expect to receive more funds in the future.
- The District operates with part-time staff; relatively large expenses are for legal services, records storage, and other administrative costs. The District uses funds to provide healthcare programs and expects to increase the share of funds used for this purpose in the future. The District has not explored sharing costs with other healthcare districts or other entities. There is no information regarding how much, if any, could be saved as a result of such cost sharing.
- The District uses space in the facility it leases to the County.
- The District is conducting a survey of its constituency to determine if they believe it should be dissolved; the results are not yet available.
- The District's financial records received a "clean" audit opinion. Administrative costs comprise a large share of the District's revenue.
- The District conducts its meetings in public with proper notice. It has a website that includes meeting dates. A review of meeting minutes shows that attendance at District meetings is generally limited.

The **2007 MSR** was a comprehensive review covering the three healthcare districts. The 2007 MSR found that *each of the districts experienced significant financial constraints, with LMCHD and West Contra Costa Healthcare District (WCCHD) going through bankruptcy and MDHCD dealing with major legal expenses.*

The 2007 MSR noted that *LMCHD collaborates with other agencies through sharing facilities with Contra Costa Health Services, and providing funding support for programs at the Bay Point Health Center and Los Medanos College.* Regarding local accountability and governance, the MSR noted that *all three of the healthcare districts encourage public participation by making district information and documents available on their website and holding meetings that are open and accessible to the public. Recent elections have been contested; this is evidence of public interest in healthcare district management, policies, and operations.*

The 2007 MSR identified several governance options for LMCHD including consolidation, formation of a subsidiary district, dissolution and status quo. The MSR consultants recommended that LAFCO retain the existing coterminous sphere of influence (SOI) for LMCHD, and re-evaluate the costs/benefits of a consolidation with MDHCD with the next MSR. Following completion of the 2007 MSR, LAFCO retained the existing SOI for LMCHD, signaling no anticipated change in the District's service boundary.

The **2018 MSR** covered the three healthcare districts and focused on: 1) updating information presented in the 2007 healthcare services MSR, 2) assessing the ability of healthcare service providers to maintain relevance and meet the changing healthcare landscape, and 3) identifying opportunities for coordination and collaboration among healthcare service providers in Contra Costa County.

The MSR noted that as population increases, healthcare needs are likely to grow along with pressure for increased access to healthcare and preventative health programs. Healthcare districts can provide needed funding to help address these issues, including helping reduce demands on emergency room care and costly treatment of chronic conditions.

Demographic changes will also influence future healthcare needs. An aging population will create increasing demand for geriatric care. Disadvantaged communities, areas with incomes less than 80% of State median income, exist within all three Contra Costa healthcare districts and generally correlate with medically underserved State designations. Analysis of healthcare needs highlights healthcare inequities in these communities.

The 2018 MSR also included a number of determinations including the following pertaining to LMCHD:

- LMCHD relies largely on relatively stable and growing property tax revenues to fund grants.
- LMCHD has adopted goals for improving health in its community, and requires grant recipients to document how grant-funded programs will address health needs and the number of residents served. The LMCHD reporting of persons served does not appear to clearly distinguish total persons served by a program, vs. the portion or share reasonably attributable to LMCHD grant funding. LMCHD prioritizes funding of programs addressing issues of access to health services which would benefit underserved communities, generally consistent with MSR findings related to disadvantaged communities.
- LMCHD has relatively high overhead/administrative costs which indicates a less efficient use of available funds for healthcare. The overhead ratio could be lower in future years depending on changes to future lease revenues on PHC.
- LMCHD continues to repay bankruptcy debts. After State obligations are repaid in 2026, the County lease pass-through payments to the State, currently \$100,000 annually, will be available for healthcare purposes in addition to additional rent, if any, from the County at that point in time.

- LMCHD collaborates to some extent with existing health providers, particularly those receiving grants and support from the district. Broader collaboration with the County, non-profit hospitals, and other healthcare districts is less evident. LMCHD should utilize health needs assessments or State data to target health needs.
- LMCHD participates in events of the Statewide Association of California Healthcare Districts.
- LMCHD has an extensive Strategic Plan, which needs to be updated.
- LMCHD generally follows best practices for transparency; however, the website needs updating.

The 2018 MSR identified various governance options for LMCHD, not all of which are viable. Options include maintaining the status quo, dissolution, reorganization by creating a new County Service Area (CSA) to continue service, reorganization as a subsidiary district to a city, consolidation with another HCD, consolidation with CSA EM-1, and special legislation (appointed board).

The Commission held two public hearings on the 2018 Healthcare Services MSR – in December 2017 and January 2018. During these hearings, LAFCO received verbal and written comments from over 50 individuals and community organizations praising the work and services of LMCHD and the benefits of decision making at the local level, and opposing dissolution of the District.

Following the public hearings, the Commission retained the existing SOI for LMCHD, signaling no anticipated change in the agency's service boundary. The Commission also required the District to provide an update on issues identified in the MSR in December 2018.

Grand Jury Reports – Since 1998, the Contra Costa County Grand Jury issued several reports covering LMCHD, including the 1998, 2003, 2010 and 2018 reports as discussed below.

The **1998 report** (No. 9806 – “Los Medanos Community Hospital District”) noted that *“due to the cumulative pressures of inept management, changing healthcare systems, heavy borrowing without voter approval, loss of market share, and misguided leadership, the District filed for protection in the U.S. Bankruptcy Court.”*

The 1998 report also noted the District's failure to maintain financial records and adopt budgets, and a lack of internal financial controls; failure to direct district operations (i.e., lack of written procedures, excessive legal expenses); and failure to advance the public interest (i.e., lack of transparency). The Grand Jury recommended dissolution of the District.

The **2003 Grand Jury report** (No. 0309 – “Where have All the Hospitals Gone?”) covered all three healthcare districts: LMCHD, MDHCD and WCCHD. The report noted that all three districts were forced to lease or merge their hospitals due to bankruptcy or threat of financial insolvency; none of these districts provides direct hospital, physician, nurse, or emergency medical services; the majority of the districts' annual revenues is used to pay administrative and operating expenses (i.e., legal, accounting, elections, board stipends, salaries/benefits, bond repayment); and in recent years, after obligations were paid, remaining funds were used to award community grants to local health programs and to build up financial reserves.

The 2003 Grand Jury report concluded that 1) the three districts should not continue in their present form; 2) even though these districts do not directly provide healthcare services, they have publicly tried to justify their continued existence by claiming they are needed healthcare providers under local control; 3) instead of being directly involved in managing and overseeing healthcare programs, the district boards function as real estate trusts, bond/bankruptcy administrators and grant allocators; 4) following dissolution, Contra Costa County Health Services Department can oversee each healthcare district's grant allocations; and 5) following dissolution, the County Auditor/Controller and Treasurer can assume administration and management of the financial obligations of each district.

Further, the Grand Jury recommended that the County and LAFCO initiate steps to dissolve the three healthcare districts; that for the purpose of winding up the affairs of the districts, the County be named as the successor agency; and that all taxes collected after dissolution of the three healthcare districts be directed to existing healthcare programs in the communities in which the monies originated.

The **2009-10 report** (No. 1009 “Lost Medanos Community Healthcare District: Awash in a Sea of Inefficiency”) noted that the LMCHD pursues its goals in an inefficient manner; spends half its revenue on administrative costs, thus providing minimal outcomes relative to identified priority health needs; awards numerous small grants, thus preventing LMCHD from making a substantial impact on priority healthcare needs in the community; and minimizes collaboration and participation with other healthcare consortia.

The Grand Jury concluded that “*LMCHD should live up to its mission and focus on awarding grants based on identifiable healthcare needs in its jurisdiction. Community Health Indicators for Contra Costa County clearly delineate this information every three years; and it is imperative that the District track the expenditure of funds granted and measure the outcomes to determine future funding efforts. Fewer dollars must be directed from superfluous projects such as the costly Community Garden. The taxpayers of Bay Point, Pittsburg, and portions of Clayton, Antioch and Clyde deserve more for their money!*”

The Grand Jury report also included various findings and recommendations aimed at improving the District’s grant allocation program and strategic planning efforts, reducing administrative costs, and collaborating with other healthcare agencies.

The **2018 report** (No. 1802 - “Los Medanos Community Healthcare District”) included the following findings: 1) LMCHD does not provide any hospital, physician, or emergency medical services. Instead, LMCHD funds grants to third party agencies that provide healthcare programs and activities related to health, wellness, and disease prevention; and 2) LMCHD grant program administrative expenses are high compared to the amount spent on grants. For example, in FY 2016-17, LMCHD spent 40% of its revenue on grants and 36% administering those grants, with the remaining 24% going to reserves. LMCHD’s FY 2017-18 budget allocates 42% for grant programs, and 51% for grant program administration. Prior years administrative expenditures were similarly distributed. Typically, comparable local governmental administrative entities devote 10-20% to administrative expenses.

Based on these findings, the Grand Jury recommended that LAFCO consider dissolving LMCHD. The Grand Jury also recommended that the grants for healthcare programs currently funded by LMCHD be maintained by a successor agency, noting that these healthcare programs are important to the community, and that any savings from the dissolution could be applied to improvement and expansion of healthcare programs.

Other Reports – In recent years, the State has issued various reports dealing with healthcare districts.

In 2012, the LAO released the “Overview of Health Care Districts” which provides a summary of the authority, governance, powers, operations, funding and challenges of healthcare districts. The report speaks to the evolution and uniqueness of healthcare districts, funding and local challenges.

The 2017 LHC “Special Districts: Improving Oversight & Transparency” includes recommended measures to strengthen oversight of California’s independent special districts. The LHC also focused specifically on healthcare districts, including those that no longer operate hospitals. In sum, the report:

- explored concerns about the relevance of healthcare districts
- documented successful examples where healthcare districts successfully shifted their focus from direct healthcare services and hospital operations to preventive care health services

- cited research from the Centers for Disease Control showing that "70% of chronic illnesses are preventable, and healthcare cost savings associated with keeping people healthy and out of hospitals are substantial"
- emphasized the importance of coordination between counties and healthcare districts to avoid redundancies and to increase collaboration
- recommended that the statutory language that governs healthcare districts be updated to reflect "the shift from hospital-based healthcare to modern preventative care models"

The hearings conducted by the LHC led to the enactment of Health and Safety Code Section 32139. This statute requires that administrative practices be adopted by healthcare districts including "transparency" and website content. The legislation also requires healthcare districts to adopt annual policies for providing assistance or grant funding including: (1) a nexus between the allocation of assistance and grant funding with healthcare and the mission of the district; and (2) a process for the district to ensure allocated grant funding is spent consistently with the grant application and the mission and purpose of the district.

DISCUSSION

County's Application to Dissolve LMCHD – On November 7, 2017, the Contra Costa County Board of Supervisors (BOS) adopted Resolution 2017/384 requesting that Contra Costa LAFCO initiate proceeding for dissolution of LMCHD. The purpose of the County's proposal is summarized on page 1 of this staff report. On November 14, 2017, the County submitted an application to LAFCO to dissolve the District. On August 16, 2018, County staff provided LAFCO with the final amended application (Cent 3over letter, Attachment 3) based on the following actions taken by the BOS on July 10, 2018, all of which are contingent upon dissolution of LMCHD by LAFCO:

- Adopted Resolution 2018/218 (Attachment 4) authorizing County staff to submit to LAFCO an amended application and plan for service.
- Adopted Resolution 2018/436 (Attachment 5) establishing the *Los Medanos Health Advisory Committee* to develop and implement the Los Medanos Area Health Plan Grant Program which will identify disparities within the boundary of the District and make recommendations for funding health-related services through the grant program. The County's resolution provides details regarding the committee's purpose and duties, membership, terms of office, operation and procedural rules. As proposed, the Committee will include five members appointed by the BOS, including one member nominated by the City of Pittsburg, one member nominated, respectively by, the Bay Point Municipal Advisory Council (MAC), the County Public Health Division, and the County Behavioral Health Division, and one at-large member from the LMCHD community appointed by the County's Internal Operations Committee.
- Adopted Resolution 2018/228 (Attachment 6) determining the property tax exchange for the area currently served by LMCHD upon dissolution of the District.
- Directed the County Auditor-Controller to establish the Los Medanos Community Healthcare revenue fund, a special revenue fund with the County Treasury, to segregate the property tax revenue received by the County.
- Authorized the County Administrator, or designee, to remit a settlement payment from the County to California's Office of Statewide Health Planning and Development (OSHPD) to resolve the outstanding balance of the District's bankruptcy debt (Attachment 7).

LAFCO Factors for Consideration - Government Code (GC) §56668 sets forth factors that the Commission must consider in evaluating any change of organization, including dissolution. In the Commission's review and evaluation, no single factor is determinative. In reaching a decision, each is to be evaluated within

the context of the overall proposal. These factors are analyzed in Attachment 8. In addition, other factors are discussed below.

Tax Rates, Assessed Value, Assets and Liabilities - The subject area includes numerous tax rate areas. The assessed value for the proposal area is \$8,763,294,804 based on the 2017-18 roll.

In FY 2017-18, LMCHD received \$912,256 in annual property tax revenue. The District's FY 2018-19 budget projects \$998,379 in annual revenue, which includes \$917,983 in property tax, \$67,396 in Redevelopment Property Tax Trust Fund (RPTTF) monies, \$11,400 in interest income, and \$1,600 in miscellaneous income.

Following dissolution, and upon the County becoming successor agency, the District's share of the 1% property tax, along with other assets, would transfer to the County pursuant to LAFCO's terms and conditions. The County's property tax agreement is specific to "base tax and annual increment" pursuant to the Revenue & Taxation Code §99, and does not address redevelopment funds, which account for approximately 7% of the District's total revenue. Should the Commission approve dissolution of LMCHD, staff recommends that LAFCO include a condition specifying that the RPTTF monies currently going to LMCHD be transferred to the County, and that the County use these funds to support the provision of healthcare services in the LMCHD community.

Regarding assets, as noted in the 2018 LAFCO MSR, the District's assets totaled \$4.2 million at the end of June 30, 2016. About half of the total assets, or \$2.47 million, consists of the depreciated capital asset value of the former hospital building and its land value. Unrestricted assets total \$1.67 million.

Regarding District employees, LMCHD currently has two employees (Executive Assistant and Administrative Assistant), and hires contract personnel as needed. County staff indicates that in developing a transition budget for the District, the County anticipates District employees would remain through December 31, 2018 to assist the County with the transition of records, contracts, bank accounts, etc. After that, the County would explore opportunities for District employees to fill appropriate County vacancies if interested and if they meet the education, experience and background requirements.

Regarding liabilities, as noted in the 2018 LAFCO MSR, the District's total liabilities of \$1,096,512 primarily consist of the remaining principal balance due of \$948,651 on its obligation to OSHPD arising from the District's bankruptcy. The District's current amortization schedule indicates that the principal balance remaining as of August 2017 was \$768,463. OSHPD's original bankruptcy claim secured by the rents from the former hospital building was \$1.4 million, which was addressed in the agreement with LMCHD to assigned rental payments from the former hospital facility. The payment obligations are as follows:

08/01/1998 – 07/31/2018	\$100,000 per year
08/01/2018 – 07/31/2020	\$500,000 per year, minimum, regardless of the amount of rent actually paid/collected
08/01/2020 – 01/31/2026	all rental income, if any

Interest accrues on OSHPD obligation outstanding principal balances at an interest rate of 6.5% annually.

Designation of Successor Agency and Plan for Service - The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (GC §56000 et seq.) provides that should LAFCO dissolve a district, it shall identify the effective date of dissolution, designate a successor agency to wind up the affairs of the district, and may apply other terms and conditions pursuant to GC §§57450-57463 and §§56885 – 56890. GC §§57450-57463, relating to the "effect of dissolution," provide specific provisions for determining a successor agency (i.e., city, county, district). Also, §§56886-56890, relating to "terms and conditions," provide LAFCO with authority to designate a successor agency. The "terms and conditions" imposed by LAFCO shall prevail in the event of a conflict with other general provisions contained in Part 5 of the CKH.

The LMCHD encompasses the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, unincorporated Bay Point and surrounding unincorporated areas. In its application to LAFCO to dissolve the LMCHD, the County requests that LAFCO name the County as successor as the County operates a robust indigent healthcare delivery system composed of a hospital and a satellite health clinic system; is the primary provider of healthcare services to low-income persons in the County, including those within the LMCHD's boundary; and currently operates the PHC through a lease with LMCHD.

Upon the effective date of dissolution, the County would have control over all of the moneys and funds, including cash on hand and moneys due but uncollected, and all property, real or personal, of the dissolved LMCHD. The County, and its officers and legislative body, will have the same powers as the dissolved district relating to real and personal property, assets and obligations, and legal authority (i.e., settle claims, sue or be sued), and other authority pursuant to statute.

In conjunction with the application, the County submitted a number of supporting documents, all of which are available through the LAFCO office. Included with the County's application is a "Justification for Proposal" (Attachment 9) which provides background and information relating to the District's role in the community, the County's role in the community, and information about the PHC. The County also submitted a report on the PHC which includes a summary of patient visits and type of care provided (2017), and a report on the Contra Costa Regional Medical Center & Health Centers 2015-2020 Strategic Plan.

As required by statute, the County submitted a "Plan for Providing Services" (Attachment 10) which includes two components: 1) the continuation of healthcare services the County provides in the LMCHD community, and 2) implementation of a grant program to replace the District's existing grant program.

The County's "Plan for Providing Services" provides that the County would continue the provision of healthcare services in the LMCHD community, including operating and maintaining the Pittsburg Health Center. Also, the County would implement a grant program to replace the LMCHD's existing grant program and increase grant funding. The County indicates it would honor existing contracts the District has with community-based organizations during the transition period.

As noted above, the County created the *Los Medanos Health Advisory Committee* which, if activated, will develop an area health plan to identify major health disparities that impact residents within the LMCHD community. This will enable the Committee to establish priorities for addressing community health and wellness needs. The plan will serve as a basis for seeking community partners, awarding grants and evaluating outcomes. The plan will be updated not less than every five years. However, the County has not indicated if it anticipates continuing the programs the District currently offers, such as the community garden.

As noted in the County's Plan for Service, the County expects that funding made available for health and wellness programs in the community will increase under the County's direction because the County will have lower administrative costs (see table below). Also, the County anticipates additional revenue through "match funding" from the federal government, which is not reflected in the table below.

Summary - Approved District Budgets and Projected County Budget

Accounts	District		County
	FY 2017/18 <u>Approved Budget</u>	FY 2018/19 <u>Approved Budget</u>	FY 2019-20 <u>Projected Budget</u>
Sources:			
Total Revenue	\$991,758 100%	\$998,379 100%	\$1,024,940 100%
Uses:			
Program Expenditures	411,875 42%	727,528 73%	869,337 85%
Administrative Expenditures	509,698 51%	267,174 27%	104,356 10%
Transfers/Reserve Contributions	58,135 6%	15,676 2%	51,247 5%
TOTAL EXPENDITURES	979,708	1,010,378	1,024,940
NET COST	(12,050)	11,999	0

Also, the County has negotiated a settlement of the District's outstanding debt with OSHPD, which resulted from OSHPD's role in the District's 1994 bankruptcy. According to OSHPD, the District currently owes OSHPD \$2.2 million. As a result of negotiations between the County and OSHPD, OSHPD has agreed to settle the District's debt for \$1.38 million, only if LAFCO approves the County's application to dissolve the District. Following payment in full, OSHPD will release its liens on the District's real and personal property. These numbers do not reflect the \$500,000 payment due by the District to OSHPD in August 2018.

Public Comments – One of the factors the Commission must consider is comments from affected and other local agencies and from landowner or owners, voters, and residents of the affected territory.

As of this writing, LAFCO has received no comments from affected or other local agencies.

LAFCO has received comment letters (Attachment 11) from the following community groups and individuals supporting the continuance of LMCHD and opposing dissolution: *Larry Sly, Executive Director - Food Bank of Contra Costa & Solano, Raymond Conner (UC Master Gardner), Itika Greene – BS, RN, NP, MPH, Janette Kennedy, Development Director – Loaves and Fishes of Contra Costa, Deborah Polk, Vice President - REadingADvantage, Inc. (READ), Johann Vethavanam, Sports & Fitness for Kids, and Mary Ziegler, Member, Pittsburg Fifty Plus Club.*

Comments expressed in the letters are summarized below:

- ✚ LMCHD provides funding for needed programs to support healthy lifestyles for low-income people
- ✚ LMCHD, through partnerships with the community, has helped to improve health outcomes and close health disparities to an at-risk community.
- ✚ LMCHD has made significant improvements at LAFCO's request – reduced its administrative costs to 25%, updated its health profile data, website and strategic plan, and agreed to extend the County lease of the PHC
- ✚ LMCHD serves an underserved community and helps fill the void the County is unable to fill; the County alone cannot match what LMCHD provides with the assistance of its many community partners
- ✚ Without the continued financial support from LMCHD, programs like READ would be unable to reach families in the Pittsburg and Bay Point Communities

- ✚ LMCHD has done a great job of taking care of disadvantaged people in Contra Costa County. Funding of youth programs like *Sports & Fitness for Kids* helps keep kids healthy and safe and off the streets and out of trouble. The Board of Supervisors (BOS) has a lot on its plate taking care of a growing population. There is no guarantee that the BOS will have time to hand out grants to organizations that help the needy; and there is no guarantee that the BOS will not sell the clinic building to a developer, which will hurt low income people in the area.
- ✚ LMCHD has been a significant partner in helping the aging population through funding programs that enhance cognitive ability, offer physical activity and support a social network to stave off isolation.

Commission Proceedings – A dissolution may be initiated by an affected local agency, a petition of landowner or registered voters, or by LAFCO; and must be consistent with a recommendation or conclusions of a study prepared pursuant to GC §§56378, 56425, or 56430. Sections 56378, 56425, and 56430 require LAFCO to study existing agencies, make determinations regarding SOIs and conduct MSRs.

In January 2018, LAFCO completed an MSR that included LMCHD. In conjunction with the MSR, LAFCO retained the existing SOI for LMCHD. Should the Commission wish to dissolve the LMCHD, it is recommended that the Commission first adopt a zero SOI for the LMCHD, signaling a future change of organization. The Commission's existing policy provides that SOIs generally will not be amended concurrently with an action on the related change of organization or reorganization. Consequently, the Commission would also need to waive its policy to proceed with the SOI amendment and subsequent dissolution, if the Commission desires to proceed with dissolution.

Also, before LAFCO can dissolve a district, LAFCO must hold a public hearing on the proposed dissolution. In conjunction with today's hearing, LAFCO published a display ad in the *Contra Costa Times* (all editions), as required by statute.

Should dissolution of LMCHD be approved by LAFCO, and should any affected landowner or registered voter object to the dissolution, LAFCO must conduct a protest hearing to allow landowners and voters within the district boundary an opportunity to protest the dissolution. The protest hearing cannot be conducted less than 30 days after the Commission's approval of the dissolution. The Commission has delegated authority to conduct the protest hearing to the LAFCO Executive Officer. As of this writing, LAFCO has received objections from landowners and voters within the District who benefit from the District's grants and programs. Therefore, should the Commission approve the dissolution on September 12, 2018, LAFCO staff will conduct a noticed protest hearing in October 2018 and report the results of the protest hearing in November 2018.

Environmental Impact of the Proposal – As Lead Agency, the County finds the proposal to dissolve LMCHD is a jurisdictional change and has no physical effects on land use or the environment. The County finds the project exempt pursuant to the California Environmental Quality Act (CEQA) section 15061(b)(3). The LAFCO Environmental Coordinator reviewed the document and finds it adequate for LAFCO purposes.

CONCLUSION

At the State level, there have been numerous reports and committee hearings regarding the role of healthcare districts, and recognition that healthcare districts have evolved from operating hospitals, to providing and funding preventative healthcare, noting the importance of these services. There are also concerns regarding lack of collaboration and potential for redundancies with County services, fiscal challenges, lack of transparency; and that healthcare districts should improve both the nexus between allocation of funds and the mission of the

districts, and the process for ensuring that grant funding is spent consistently with the grant application and the mission and purpose of healthcare districts.

At the local level, as noted in the Contra Costa Grand Jury reports, LMCHD has struggled with fiscal, administrative/management and service issues. The Grand Jury also notes challenges and deficiencies of local healthcare districts relating to lack of direct services and high administrative costs; lack of strategic planning and collaboration; and a disconnect in identifying health needs, funding programs that address these needs, and measuring outcomes.

Contra Costa LAFCO has also studied healthcare districts in three MSR. The MSR make recommendations for improvements and features best practices by local agencies. The MSR also emphasize the increased need for healthcare services to reduce the demand on emergency rooms and prevent chronic illness, and that local healthcare districts can help meet these needs. The MSR also provide an opportunity to initiate changes of organization (e.g., consolidation, dissolution). The reorganization of the former MDHCD was discussed in the 2007 MSR. In 2012, LAFCO reorganized the MDHCD following a LAFCO initiated study and an application from the City of Concord. The 2018 MSR includes various governance options for the three healthcare districts, including dissolution. In conjunction with the 2018 MSR, LAFCO held two public hearings on the healthcare services MSR in December 2017 and January 2018. Following the hearings, the Commission voted to retain the existing SOI for LMCHD.

In conclusion, one of the fundamental goals of LAFCO is to ensure the efficient and effective provision of municipal services in an accountable manner. Staff has presented information and data required for the Commission to evaluate the proposal and make findings. Staff has presented options below, including approving the dissolution and denying the dissolution. Staff has also provided the actions necessary to pursue these options with conditions of approval as detailed in the report and draft resolutions.

OPTIONS FOR COMMISSION ACTION

Option 1

If the Commission determines, based on the staff report and testimony presented at the hearing, that LMCHD should be dissolved, then staff recommends that the Commission:

1. Find that the project is Categorically Exempt pursuant to the California Environmental Quality Act (CEQA) Section 15061(b)(3) based on the determination that there is no possibility that dissolution of LMCHD may have a significant effect on the environment, consistent with the determination of Contra Costa County; and
2. Waive the Commission's policy which indicates that SOIs generally will not be amended concurrently with an action on the related change of organization or reorganization, and adopt LAFCO Resolution 17-13A (Attachment 12) approving a zero SOI for LMCHD and setting forth determinations; and
3. Adopt LAFCO Resolution 17-13B (Attachment 13) approving dissolution of the LMCHD and setting forth the Commission's terms, conditions, findings and determinations; and
4. Assign the following distinctive short-term designation to the proposal and description of the affected territory:

DISSOLUTION OF THE LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT

5. Designate Contra Costa County as successor agency to the LMCHD; and
6. Find that the subject territory is inhabited, and the proposal is subject to protest proceedings to be conducted no less than 30 days following the Commission's approval of the proposal.

- Option 2** If the Commission determines, based on the staff report and testimony presented at the hearing, that the dissolution of LMCHD be disapproved, then staff recommends that the Commission:
1. Disapprove the proposed dissolution and adopt LAFCO Resolution 17-13C (Attachment 14); and
 2. Require LMCHD to provide LAFCO with annual updates beginning December 2018 through December 2022, or as otherwise determined by LAFCO. The annual updates should address budget, grants, services and programs, administration, strategic planning, and status of lease negotiations with Contra Costa County.

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

RECOMMENDED ACTIONS: Take action as desired and provide direction to staff.

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

Attachments:

1. Contra Costa County Resolution 2017/384 Initiating Proceedings
2. Map of LMCHD
3. August 15, 2018 Letter from Contra Costa County Transmitting Amended Application
4. Contra Costa County Resolution 2018-218 Submitting Amended Application
5. Contra Costa County Resolution 2018/436 Establishing the *Los Medanos Health Advisory Committee*
6. Contra Costa County Resolution 2018/228 Determining Property Tax Exchange
7. Letter from OSHPD Regarding Debt Repayment
8. Factors for Consideration (GC §56668)
9. Contra Costa County's Justification for Proposal
10. Contra Costa County's Plan for Providing Services
11. Letters from Affected and Interested Parties
12. Draft LAFCO Resolution No. 17-13A Adopting a Zero SOI
13. Draft LAFCO Resolution No. 17-13B Approving Dissolution
14. Draft LAFCO Resolution No. 17-13C Disapproving Dissolution

c: Distribution

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 11/07/2017 by the following vote:

AYE: 5 **John Gioia**
 Candace Andersen
 Diane Burgis
 Karen Mitchoff
 Federal D. Glover

NO:

ABSENT:

ABSTAIN:

RECUSE:



Resolution No. 2017/384

**A RESOLUTION OF APPLICATION
BY THE COUNTY COSTA COUNTY BOARD OF SUPERVISORS
REQUESTING THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
TO INITIATE PROCEEDINGS FOR THE
DISSOLUTION OF THE LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT**

RESOLVED by the Board of Supervisors of the County of Contra Costa that:

- A. The Board of Supervisors of the County of Contra Costa (the "County") desires to initiate proceedings pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code for the dissolution of the Los Medanos Community Healthcare District (the "District").
- B. The District's boundaries encompass the Pittsburg/Bay Point area as well as unincorporated portions of Clayton, Ciyde, Antioch and Concord. A map of the District is attached as Exhibit A and incorporated by reference.

C. The principal reasons for the proposed dissolution of the District are as follows:

1. The District was formed in 1945 to operate the Los Medanos Community Hospital, but the District has not been a direct provider of healthcare services since declaring bankruptcy in 1994. Instead, the District provides financial support to third parties that provide programs and activities related to health, wellness and disease prevention. In fiscal year 2016, approximately 25% of the District's revenue was provided to third parties; the balance of the District's revenue was used to pay for program administration, general administration and operating expenses.
2. The County is the primary provider of healthcare services to low-income persons residing in Contra Costa County, including within the District's boundaries. The County operates a robust indigent healthcare delivery system comprised of a hospital and a satellite health clinic system. A 130,900-square-foot County health clinic known as the Pittsburg Health Center (the "Health Center") is located within the District's boundaries at 2311 Loveridge Road, Pittsburg, California. The Health Center is the former Los Medanos Community Hospital. The services provided by the County at the Health Center include, but are not limited to, family health services, women's health services, primary health care, pediatrics, neurology, cancer treatment, immunizations, ophthalmology, mental health services, health care for the homeless and dental services.
3. The District owns the real property where the Health Center is located. The County leases the property from the District under a 20-year lease that expires July 31, 2018. Under the terms of the lease, the County has paid rent in the amount of \$100,000 per year since August 1, 1998. Pursuant to a settlement agreement between the District and the State Office of Health Planning and Development (the "State") dated September 10, 1998, all of the rent payments made by the County are paid to the State.
4. In keeping with the County's commitment to providing quality healthcare services in safe, modern facilities, the County has made significant capital improvements to the Health Center during the term of the lease. Since 1998, the County has paid in excess of \$24 million for capital improvements to the Health Center.

D. The County requests that the dissolution of the District be taken pursuant to Government Code section 56654, which authorizes the legislative body of an affected local agency to propose a change of organization by adopting a resolution of application.

E. The County further requests that, under the Contra Costa Local Agency Formation Commission's conditioning powers

under Government Code section 56886, the dissolution of the District be subject to the following terms and conditions: All of the assets, rights and responsibilities of the District are to be transferred to the County as the successor to the District.

NOW, THEREFORE, BE IT RESOLVED that this Resolution of Application is hereby approved and adopted by the Board of Supervisors of the County of Contra Costa. The Contra Costa Local Agency Formation Commission is hereby requested to take proceedings for the dissolution of the Los Medanos Community Healthcare District, according to the terms and conditions stated above and in the manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

Contact: Timothy Ewell, (925) 335-1036

ATTESTED November 7, 2017

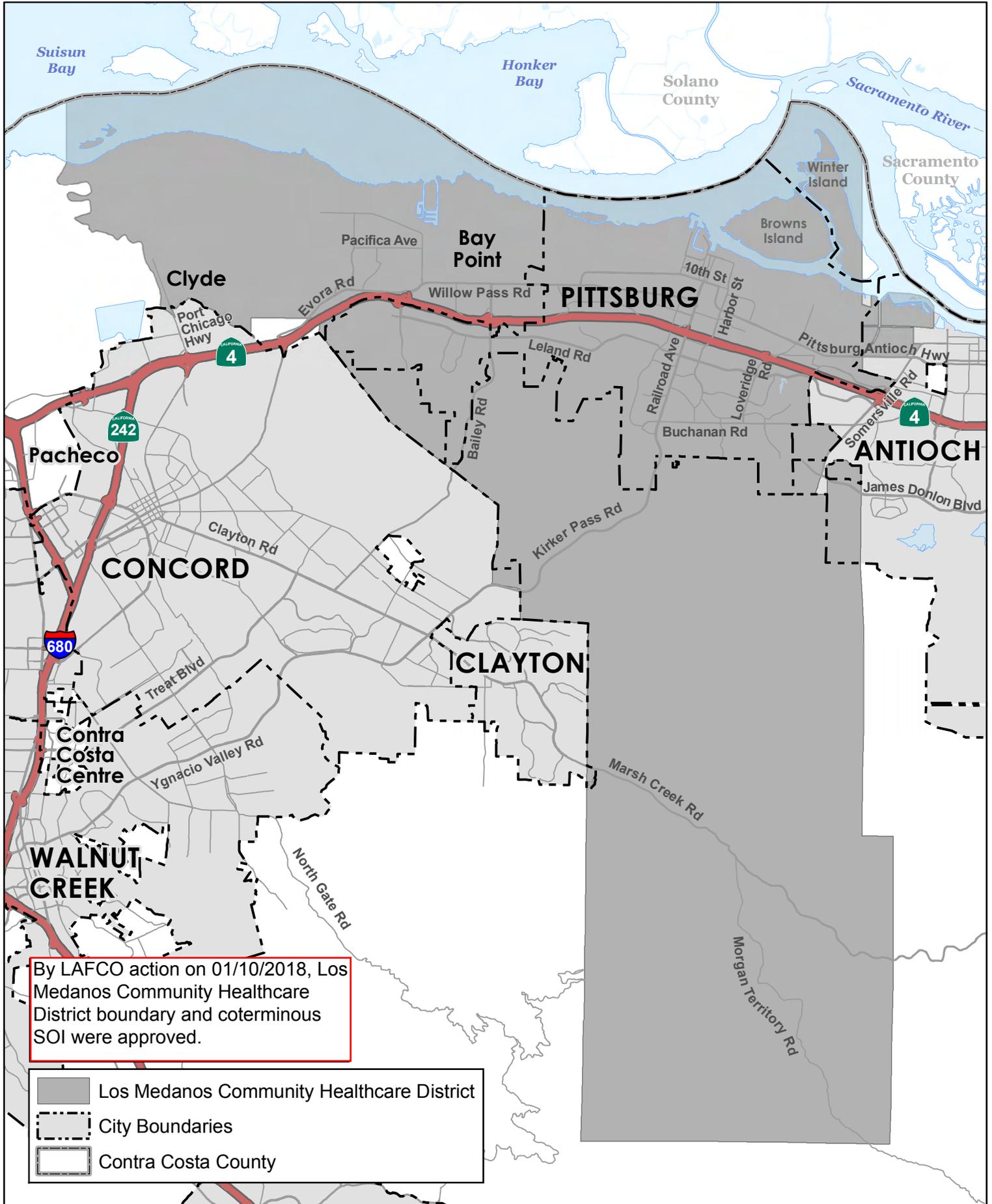
David J. Tava, County Administrator and Clerk of the Board of Supervisors

By: Jane McHuen, Deputy



cc: Lou Ann Texeira, Contra Costa LAFCO, Hon. Robert R. Campbell, Auditor-Controller

Los Medanos Community Healthcare District and Coterminous SOI



By LAFCO action on 01/10/2018, Los Medanos Community Healthcare District boundary and coterminous SOI were approved.

-  Los Medanos Community Healthcare District
-  City Boundaries
-  Contra Costa County



County Administrator

County Administration Building
651 Pine Street, 10th Floor
Martinez, California 94553-1229
(925) 335-1080
(925) 335-1098 FAX

David J. Twa
County Administrator

Contra Costa County



Attachment 3
Board of Supervisors

John M. Gioia
1st District

Candace Andersen
2nd District

Diane Burgis
3rd District

Karen Mitchoff
4th District

Federal D. Glover
5th District

August 15, 2018

Via Hand Delivery

The Honorable Michael R. McGill
Chair, Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, California 94553

RE: Proposed Dissolution of the Los Medanos Community Healthcare District

Dear Mr. McGill,

Contra Costa County submits this amended proposal to dissolve the Los Medanos Community Healthcare District (the District) under the provisions of the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 (commencing with Government Code § 56000 *et seq.*). The attached proposal amends the County's initial proposal to dissolve the District filed with LAFCO on November 14, 2017.

The County is filing this amended proposal to provide LAFCO with more detailed information on how the County will assume the functions of the District if LAFCO votes to dissolve the District.

- This proposal describes how the County, as the successor agency to the District, will operate a grant program for the benefit of the District's residents. This proposal explains that the grant program will fund health programs in the District's territory and provides details on how the County will administer its grant program.
- This proposal explains how the County will track the tax increment to ensure that it continues to benefit District residents.
- This proposal describes how the County will handle the remaining debt that the District owes the California Office of Statewide Health Planning and Development (OSHPD). The County has negotiated a settlement agreement with OSHPD that will enable the County to repay the District's outstanding debt in full once the District is dissolved.
- This proposal describes the County's compliance with Revenue and Taxation Code section 99 *et seq.*, related to the process of allocating property tax revenue when there is a jurisdictional change.

Attached to this letter is a revised Questionnaire for Annexation, Detachments and Reorganization, along with (i) a revised Attachment A, which responds to Question No. 4 (reasons for the proposal), (ii) a revised Attachment B, which responds to Question No. 15 (the plan for providing services), and (iii) a revised Attachment C, which responds to Question No. 21.C. (accompanying staff reports and supporting documents attached to the proposal).

Hon. Michael R. McGill
August 15, 2018
Page 2 of 2

The County is pleased to submit this amended proposal for the dissolution of the Los Medanos Community Healthcare District to LAFCO for consideration. If you require any additional information, please do not hesitate to contact me by phone at (925) 335-1036 or by email at timothy.ewell@cao.cccounty.us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Timothy M. Ewell". The signature is fluid and cursive, with the first name "Timothy" and last name "Ewell" being the most prominent parts.

TIMOTHY M. EWELL
Chief Assistant County Administrator
Contra Costa County

Enclosures

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 07/10/2018 by the following vote:

		John Gioia
		Candace Andersen
AYE:	<input type="text" value="5"/>	Diane Burgis
		Karen Mitchoff
		Federal D. Glover
NO:	<input type="text" value="/"/>	
ABSENT:	<input type="text" value="/"/>	
ABSTAIN:	<input type="text" value="/"/>	
RECUSE:	<input type="text" value="/"/>	



Resolution No. 2018/218

**A RESOLUTION OF AMENDED APPLICATION
BY THE CONTRA COSTA COUNTY BOARD OF SUPERVISORS
TO THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
RELATED TO PROCEEDINGS FOR THE
DISSOLUTION OF THE LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT**

RESOLVED by the Board of Supervisors of the County of Contra Costa that:

WHEREAS, on November 14, 2017, the Board of Supervisors of the County of Contra Costa (the "County") initiated proceedings pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code for the dissolution of the Los Medanos Community Healthcare District (the "District"). A map of the District is attached as Attachment A and incorporated by reference (the "Subject Territory").

WHEREAS, The Board of Supervisors of the County desires to amend its November 2017 application to the Contra Costa Local Agency Formation Commission ("LAFCO") for the following reasons:

1. To provide information to LAFCO regarding the grant program that the County will implement for the benefit of the District's residents upon the dissolution of the District;
2. To provide information to LAFCO regarding the County's compliance with the requirements of Revenue and Taxation Code section 99 *et seq.*;
3. To provide information to LAFCO regarding the steps the County is taking to ensure that, upon the dissolution of the District, the tax increment generated within the Subject Territory for health-related purposes is used for the benefit of the residents of the Subject Territory for health-related purposes;
4. To provide information to LAFCO regarding the manner in which the County intends, upon the dissolution of the District, to address the District's outstanding debt to the California Office of Statewide Health Planning and Development ("OSHPD").

NOW, THEREFORE, BE IT RESOLVED that this Resolution of Amended Application is hereby approved and adopted by the Board of Supervisors of the County of Contra Costa. The Contra Costa Local Agency Formation Commission is hereby requested to dissolve the Los Medanos Community Healthcare District according to the terms and conditions stated Attachment B and in the manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

Contact: Timothy M. Ewell, (925) 335-1036

ATTESTED: July 10, 2018

David J. Twa, County Administrator and Clerk of the Board

By: *June McHuen*
June McHuen, Deputy



cc: Hon. Robert R. Campbell, Auditor-Controller, Hon. Michael R. McGill, Chair, Local Agency Formation Commission

RESOLUTION NO. 2018/218

Terms and Conditions

The County requests that under LAFCO's conditioning powers under Government Code section 56886, the dissolution of the District be subject to the following terms and conditions:

1. Successor Agency. Upon and after the date of recording in the official records of Contra Costa County of LAFCO's final and complete approval of the District's dissolution and the County's assumption of the District's duties and obligations, including the time for appeal of such approval(s) (the "Effective Date"), the County shall be the successor to the District. All of the assets, rights and responsibilities of the District are to be transferred to the County as the successor to the District.
2. Grant Program. From and after the Effective Date, the County shall develop and conduct a grant program within the Subject Territory that is focused on comprehensive health-related services. The grant program is to be funded by the *ad valorem* property tax revenue received by the County as a result of the dissolution of the District and any other funds made available to the grant program. In conducting the grant program within the Subject Territory, the County Board of Supervisors will rely on evidence-based research and input from the Los Medanos Health Advisory Committee, discussed below.
3. Formation of the Los Medanos Health Advisory Committee. Prior to the Effective Date, the County Board of Supervisors shall (i) form a Los Medanos Health Advisory Committee that reports directly to the County Board of Supervisors to identify major health disparities that impact residents within the Subject Territory and to make recommendations to the County Board of Supervisors for funding grants that are used within the Subject Territory for programs that are known, on the basis of established research, to improve health, and (ii) appoint five members to the Los Medanos Health Advisory Committee effective upon the Effective Date.
4. Property Tax Transfer. Before LAFCO issues the Certificate of Completion for the dissolution of the District, the County Board of Supervisors shall commence and complete a property tax transfer process, as outlined in Section 99 *et seq.* of the Revenue and Taxation Code, to transfer the District's health-related *ad valorem* property tax revenues to the County.
5. Creation of Special Fund in the County Treasury. Prior to the Effective Date, the County Board of Supervisors shall direct the Auditor-Controller to establish a new special fund in the County Treasury to track the receipt and disbursement of the *ad valorem* property tax revenues received by the County pursuant to the property tax transfer process discussed above. All such tax revenues shall be collected or collectible by the County for the exclusive use of funding a comprehensive health-related grant program within the Subject Territory and shall not be available for other County purposes.

ATTACHMENT B

6. Transfer by Operation of Law. As of the Effective Date, the County shall have ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of the District.

7. Transfer in “As-Is” Condition. The County shall accept all real and personal property, books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, and all other assets and obligations transferred from the District in “as-is” condition, without any payment or repair obligations from the District. All incidental liabilities, such as accounts payable, and contract obligations shall be transferred to the County as of the Effective Date.

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

Adopted this Resolution on July 10, 2018 by the following vote:

AYES: Gioia, Andersen, Burgis, Mitchoff, Glover

NOES: None

ABSENT: None

ABSTAIN: None



SUBJECT: Resolution Establishing the) Resolution No. 2018/436
Los Medanos Health Advisory Committee)

WHEREAS, the Board of Supervisors of the County of Contra Costa (the "County") has submitted an application to the Contra Costa Local Agency Formation Commission ("LAFCO") for the dissolution of the Los Medanos Community Healthcare District (the "District") pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code;

WHEREAS, the Board of Supervisors of the County (the "Board of Supervisors") desires to promote the health and well-being of the people who live within the boundaries indicated on the map attached as Attachment A and incorporated herein by reference (the "Subject Territory");

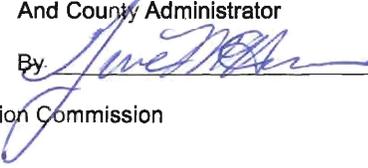
WHEREAS, contingent upon the dissolution of the District by LAFCO, the Board of Supervisors desires to create a grant program to provide comprehensive health-related services to residents of the Subject Territory (the "Los Medanos Area Health Plan Grant Program");

WHEREAS, contingent upon the dissolution of the District by LAFCO, the Board of Supervisors desires to create an advisory committee to make recommendations to the Board of Supervisors to enable the development and implementation of the Los Medanos Area Health Plan Grant Program.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown

ATTESTED: July 10, 2018

DAVID J. TWA, Clerk of the Board of Supervisors
And County Administrator

By  Deputy

cc: Hon. Robert R. Campbell, Auditor-Controller
Hon. Michael R. McGill, Chair, Local Agency Formation Commission



RESOLUTION NO. 2018/436

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors as follows:

1. Establishment of the Los Medanos Health Advisory Committee.

Contingent upon the dissolution of the District by LAFCO pursuant to the application submitted to LAFCO by the County in November 2017, as amended, the Los Medanos Health Advisory Committee (the "Committee") is established.

2. Territorial Area.

The area the Committee will serve is the Subject Territory.

3. Membership.

The Committee will consist of five (5) members, who are to be selected and appointed by the Board of Supervisors, as follows: (i) one nominated by the City of Pittsburg; (ii) one nominated by the Bay Point Municipal Advisory Committee; (iii) one nominated by the County's Public Health Division, (iv) one nominated by the County's Behavioral Health Division; and (v) one At-Large member, residing or working within the Subject Territory, nominated by the County's Internal Operations Committee.

4. Term of Office.

The initial term of office of the members will be (i) two years for the members appointed upon the recommendation of the City of Pittsburg, the County's Public Health Division and the County's Internal Operations Committee, and (ii) three years for the members appointed upon the recommendation of the Bay Point Municipal Advisory Committee and the County's Behavioral Health Division. Following their initial terms, each seat will have a three-year term.

If a vacancy occurs, a replacement will be selected and appointed by the Board of Supervisors upon the nomination of the entity that nominated the prior holder of the seat. The newly-appointed member will serve the remainder of the term of the prior holder of the seat.

Upon the expiration of a member's term, the member is eligible to be reappointed by the Board of Supervisors.

5. Removal from Office.

Each appointed member of the Committee serves at the pleasure of the Board of Supervisors and may be removed, at will, by a majority vote of the Board of Supervisors.

6. Committee Purpose and Duties.

The Committee will advise the Board of Supervisors on the development and implementation of the Los Medanos Area Health Plan Grant Program and shall:

- Develop an area health plan that identifies the major health disparities that impact residents of the Subject Territory, and priorities for improving health outcomes. The plan will be presented to the Board of Supervisors for review and will not be final unless adopted by the Board of Supervisors. The Committee may engage an outside consultant to assist in developing the plan. The Committee shall submit an updated plan for approval by the Board of Supervisors no less than every five years.
- Solicit proposals from service providers interested in participating the Los Medanos Area Health Plan Grant Program and capable of addressing the priorities outlined in the adopted plan. Funding for grants will be provided from (i) a special fund established by the Auditor-Controller, at the direction of the Board of Supervisors, that is used to segregate the property tax revenue received by the County as a result of the dissolution of the District, and (ii) any other funds made available to the grant program.
- Monitor the efficacy of the programs to which grants are made.
- Report to the Board of Supervisors no less than once per year on the execution of the adopted plan, the grants provided under the grant program, the results achieved through the adopted plan and the grant program, and other matters that relate to the Committee's purpose and duties.

7. Quorum and Vote Necessary for Action.

A quorum is a majority vote of the total number of authorized positions on the Committee, not a majority of the total number of filled positions. The Committee may only take action by a majority vote of the total number of authorized positions, not by a majority vote of the quorum. (With 5 authorized positions, a quorum is 3 members; 3 affirmative votes are necessary for action.)

8. Compensation.

Committee members will serve without compensation of any kind, and the Board of Supervisors will not provide funds for the payment of Committee meeting stipends.

9. Administrative Support.

Administrative support will be provided to the Committee by the County's Health Services Department.

10. Committee Funds.

Any funds transferred to or received by the County as a result of the dissolution of the District may only be used for the benefit of the residents of the Subject Territory.

11. Committee Operation and Procedural Rules.

Within the parameters of this Resolution, the Committee may organize itself and operate as it determines but shall hold regular meetings, at intervals to be established by the Committee, at an established time and place. The Committee may develop bylaws for the operation of the Committee, but such bylaws must be approved by the Board of Supervisors to be effective. The Committee meetings are to be conducted in accordance with the provisions of the Brown Act (Government Code sections 54950 et seq.), including the pre-meeting posting of meeting calendar notices, and the County Better Government Ordinance (County Ordinance Code, Division 25). In addition, the Committee must fully comply with the Board of Supervisors' policy concerning conflict of interest and open meetings (Resolution No. 2002/375), and the Board's policy governing appointments to boards, committees, and commissions (Resolution No. 2002/377), as applicable.

PASSED AND ADOPTED by the Board of Supervisors at a regular meeting held on July 10, 2018.

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

Adopted this Resolution on July 10, 2018 by the following vote:

AYES: Gioia, Andersen, Burgis, Mitchoff, Glover

NOES: None

ABSENT: None

ABSTAIN: None



SUBJECT: In the Matter of Approving the) Resolution No. 2018/228
Property Tax Exchange Pertaining to the)
Dissolution of the Los Medanos Community)
Healthcare District)

WHEREAS, Section 99(b)(5) of the California Revenue and Taxation Code provides that in the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues; and

WHEREAS, prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation; and

WHEREAS, on March 28, 2018, County staff sent letters to each special district that is a taxing entity in the area served by the District (the "Subject Territory," shown on map in Attachment 1) notifying them of the pending negotiation regarding the exchange of property tax revenues in connection with the dissolution of the District, and each has had adequate opportunity to comment on the exchange of proper tax revenues (a sample letter is attached

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown

ATTESTED: July 10, 2018

DAVID J. TWA, Clerk of the Board of Supervisors
 And County Administrator

By  Dept



cc: Hon. Robert R. Campbell, Auditor-Controller
 Hon. Michael R. McGill, Chair, Local Agency Formation Commission

RESOLUTION NO. 2018/228

as Attachment 2, and a list of the taxing entities, including contacts and addresses on record with the Auditor-Controller, is attached as Attachment 3);

WHEREAS, although the District was formed in 1945 to operate the Los Medanos Community Hospital, the District has not been a direct provider of healthcare services since declaring bankruptcy in 1994, and, instead, provides financial support to third parties; and

WHEREAS, according to the Contra Costa County Civil Grand Jury, the cost of administering the District's grant program is high compared to the amount spent on grants, when, for example, in fiscal year 2017/18, the District budget allocates approximately 42% of the District's revenue to community programs and 51% to general administration; and

WHEREAS, the County is the primary provider of healthcare services to low-income persons residing in Contra Costa County, including within the District's boundaries; and

WHEREAS, the County intends to develop and conduct a grant program within the Subject Territory that is focused on comprehensive health-related services and that is funded by tax revenue received by the County pursuant to this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Contra Costa County finds that the above recitals are true and correct; and

HEREBY DETERMINES that the property tax exchange for the Subject Territory upon the dissolution of the District shall be in accordance with the following for the fiscal year in which the State Board of Equalization makes the tax rate area change for this jurisdictional change, and each year thereafter:

All of the District's share of the base tax and the annual tax increment in the Subject Territory shall be allocated to Contra Costa County by allocating the base tax that would otherwise be allocated to the District, and the annual tax increment that would otherwise be allocated to the District, to Contra Costa County. The resulting new tax increment allocation factors for the Subject Territory will be used to allocate the annual tax increment for the effective year of the dissolution as well as in the future years.

County Administrator

County Administration Building
651 Pine Street, 10th Floor
Martinez, California 94553-1229
(925) 335-1080
(925) 335-1098 FAX

David J. Twa
County Administrator

Contra Costa County



Board of Supervisors

John M. Gioia
1st District

Candace Andersen
2nd District

Diane Burgis
3rd District

Karen Mitchoff
4th District

Federal D. Glover
5th District

March 28, 2018

Via U.S. Mail

The Contra Costa Local Agency Formation Commission (LAFCo) has received an application entitled "Dissolution of the Los Medanos Community Healthcare District" proposing that the Los Medanos Community Healthcare District be dissolved (LAFCO 17-13).

After receiving LAFCO 17-13, LAFCo's Executive Officer gave notice of the filing to the County Assessor and the County Auditor, in accordance with Revenue and Taxation Code section 99(b). The notice specified each local agency whose service area or responsibility will be altered by the proposed jurisdictional change. On March 16, 2018, the County Auditor sent a letter to affected agencies, including yours, which provides information regarding property tax revenue estimated to be subject to a negotiated exchange if LAFCO 17-13 is approved.

Revenue and Taxation Code section 99(b)(5) requires the County to negotiate any exchange of property tax revenues on behalf of the district(s) affected by a jurisdictional change. Specifically, the Revenue and Taxation Code provides:

"In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. Prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation."

We do not anticipate that the negotiations will result in a significant change in the allocation for most special districts.

Please accept this letter as notification of the pending consultation and as providing you with an adequate opportunity to comment on the negotiation. If you wish to comment, we would appreciate your written comments by April 26, 2018, but no later than May 26, 2018.

Best regards,

TIMOTHY M. EWELL
Chief Assistant County Administrator
Contra Costa County

cc: Lou Ann Texeira, LAFCo Executive Officer

OSHPD Office of Statewide Health Planning and Development

Cal-Mortgage Loan Insurance Division
2020 West El Camino Avenue, Suite 1231
Sacramento, CA 95833
(916) 319-8800
(916) 445-2837 Fax
cminsure@oshpd.ca.gov
www.oshpd.ca.gov/calmort

July 10, 2018

Timothy M. Ewell
Chief Assistant County Administrator
Contra Costa County
651 Pine St., 10th Floor
Martinez, CA 94553

RE: Settlement of Debt by Contra Costa County
Pending Proposed Dissolution of the Los Medanos Community Healthcare District

Dear Mr. Ewell:

On behalf of Contra Costa County (County), you contacted our office and expressed that, subject to approval of the County's application to the Contra Costa County Local Agency Formation Commission (LAFCO) for the dissolution of the Los Medanos Community Healthcare District (District), the County desires to settle the outstanding debt owed to the Office of Statewide Health Planning & Development (OSHPD) by the District for a payment of \$1,383,956.

OSHPD agrees to accept \$1,383,956 as payment to settle the District's outstanding debt and execute a full reconveyance of the District's real and personal properties subject to the following conditions:

1. LAFCO approves the County's application for the dissolution of the District; and
2. OSHPD receives payment of \$1,383,956, inclusive of any payments received from the District to date in 2018.

This offer will expire at 5:00 p.m. on December 31, 2018, unless extended by OSHPD at the request of the County.

If you have any questions, please contact Lauren Hadley at (916) 319-8819 or electronically at lauren.hadley@oshpd.ca.gov.

Very truly yours,


Jeremy P. Marion
Deputy Director

cc: Kathleen M. Andrus, Deputy County Counsel, Office of the County Counsel
Ryan Buckley, Attorney, OSHPD
Mabel Chan, Supervisor, OSHPD, Cal-Mortgage
Lauren Hadley, Account Manager, OSHPD, Cal-Mortgage

**Dissolution of Los Medanos Community Healthcare District
Factors for Consideration (California Government Code §56668)**

FACTOR	COMMENTS
(a) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.	The subject area includes the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, unincorporated Bay Point and surrounding unincorporated areas, and serves a community of over 97,000 residents (42,000 voters) within 90.5± square miles. Land uses and topography are mixed and the area is primarily built out. There is likelihood of growth in the area.
(b) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion; and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. “Services,” as used in this subdivision, refers to governmental services whether or not the services are services that would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.	There is an ongoing need for healthcare services and programs. The County, as successor, would have responsibility for the extension of these services, and is capable of assuming this role.
(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.	Based on the County’s proposal and indication it will continue to provide services to the LMCHD community, it is not anticipated that dissolution of the District would affect adjacent areas or the local government structure of the County.
(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Section 56377. (<i>Note: Section 56377 encourages preservation of agricultural and open space lands</i>)	The dissolution would have no effect on development or on policies and priorities in Section 56377.
(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.	The dissolution would have no effect on agricultural lands.
(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.	The parcels that comprise the subject territory have specific boundary lines that are certain and identifiable.
(g) A regional transportation plan adopted pursuant to Section 65080.	N/A
(h) The proposal's consistency with city or county general and specific plans.	The dissolution will have no effect on City or County General Plans.

FACTOR	COMMENTS
(i) The sphere of influence (SOI) of any local agency which may be applicable to the proposal being reviewed.	The dissolution will have no effect on the SOIs of any local agency.
(j) The comments of any affected local agency or other public agency.	As of this writing, no comments were received from any affected local or public agency.
(k) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.	As successor, the County would receive the District's assets, which include property, residuals and other tax allocations.
(l) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.	N/A
(m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.	N/A
(n) Any information or comments from the landowner or owners, voters, and residents of the affected territory.	A display ad was published in the <i>Contra Costa Times</i> (all editions). As of this writing, LAFCO has received seven letters and emails opposing the dissolution (Attachment 11). Refer to staff report for a summary of comments.
(o) Any information relating to existing land use designations.	The City and County General Plan and zoning designations include various residential, commercial, industrial, public/semi-public, park & recreation, open space, agricultural, landfill and other uses. No changes to the present or planned land uses will result from this change of organization.
(p) The extent to which the proposal will promote environmental justice. As used in this subdivision, "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 dissolution will have no effect on environmental justice or to the fair treatment of people of all races, cultures and incomes.
56668.5. The commission may, but is not required to, 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. This section does not grant any new powers or authority to the commission or any other body to establish regional growth goals and policies independent of the powers granted by other laws.	Dissolution of the LMCHD is a governance change and will not affect or be affected by Plan Bay Area, and will not impact any Priority Development Areas (PDAs) or Priority Conservation Areas (PCAs).

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Amended Application for the Dissolution of the Los Medanos Community Healthcare District

Attachment A Justification of Proposal

Introduction

The Los Medanos Community Healthcare District, originally known as the Los Medanos Community Hospital District, was established in 1946 to operate the Los Medanos Community Hospital. In 1994, the District declared bankruptcy, closed the hospital, and stopped providing direct services to the public. The District now operates a grant program, but spends the majority of its budgeted funds on administrative costs. Contra Costa County, by contrast, provides numerous effective healthcare and wellness services directly to the residents of the area served by the District. Since 1994, the County has operated the Pittsburg Health Clinic at the former hospital and made \$24 million in improvements to the building.

The County is proposing the dissolution of the District to continue and expand the quality health services that the County already provides to residents of the District. As explained more fully in this document, the dissolution of the District is justified for the following reasons:

- The County proposes to replace the District's grant program with a new grant program that will fund more health-related programs more efficiently. The District's existing grant program is burdened by high overhead costs. The County's proposal would reduce administrative costs significantly, freeing up more funds to spend on effective health-related grant programs.
- Under the County's proposal, grant funds will be directed to community-based organizations based on input from the community. The County has created a Los Medanos Health Advisory Committee that will make recommendations for grant funding to the Board of Supervisors. The committee will be comprised of appointments made by the Board of Supervisors, based on recommendations from the City of Pittsburg, the Bay Point Municipal Advisory Committee, the County's Public Health Division, the County's Behavioral Health Division and the Board's Internal Operations Committee.
- The County has the financial resources to maintain and expand the Pittsburg Health Center.
- The County has the financial resources to continue and expand the effective health-related programs that already serve District residents.
- The dissolution of the District has been contemplated since the District's bankruptcy in 1994 and was recommended most recently by the 2017-2018

Contra Costa County Grand Jury, in Report 1802, following similar recommendations from three prior grand juries.

Background

District's Role in the Community

When the District declared bankruptcy in 1994, it closed its hospital and ceased being a direct provider of healthcare services. Contra Costa County and the California Office of Statewide Health Planning and Development (OSHPD) assisted the District in restructuring its debt, allowing the District to exit bankruptcy. Under the bankruptcy reorganization plan, (i) OSHPD repaid the District's outstanding debt and became a creditor of the District, and (ii) the County reopened what had been the District's hospital, creating the Pittsburg Health Center, and became a long-term tenant of the District. For the last twenty years, lease payments from the County have been used to reduce the District's debt to OSHPD. In addition to paying \$100,000 per year in rent directly to OSHPD, the County has paid approximately \$24 million for capital improvements to the building since 1998. Together, these payments equate to annual rent payments by the County equal to approximately \$1.3 million.

After emerging from bankruptcy, the District changed its name to become a "healthcare" district. As a healthcare district, its stated mission is to "advance solutions to health disparities." The Centers for Disease Control and Prevention defines health disparities as "preventable differences in the burden of disease, injury, violence, or opportunities to achieve optimal health that are experienced by socially disadvantaged populations."¹ In pursuing its current mission, the District provides grants to third parties in support of various programs that those third parties have designed and implemented within the District. It also operates a community garden, a student eyeglass program and a summer internship program for local youth.

Some of the programs supported by the District are targeting issues that health professionals recognize as having an impact on a community's health, such as hunger and the supply of fresh fruit and vegetables.² Other programs supported by the District appear to be more tangentially related to solving health disparities, such as a cheer leading clinic, youth basketball, ombudsman services, and spiritual guidance.³

The criteria used by the District to select the programs it supports is unclear. It is also unclear how closely the District monitors the programs it supports to determine how and where grant funds are used or how effective the programs are in terms of reducing health disparities. In March 2018, the County submitted a Public Records Act request to the District, requesting a copy of all writings from 2013 to the present that (i) mention or evaluate how recipients of grant

¹ CDC. Community Health and Program Services (CHAPS): Health Disparities Among Racial/Ethnic Populations. Atlanta: U.S. Department of Health and Human Services; 2008.

² For example, the District supports the Food Bank of Contra Costa and Solano, Fresh Approach, Healthy Hearts Institute, La Clinica de la Raza, Loaves and Fishes, and Meals on Wheels. (See Minutes of Regular Board Meeting of March 12, 2018, (pp. 21 of 89) showing the District's check register for January 2018.) (Attached as Exhibit 1).

³ For example, the District supports All Star Cheer Reaction, Ombudsman Services of Contra Costa, and Souljahs House. (See Minutes of Regular Board Meeting of March 12, 2018, (pp. 21 of 89) showing the District's check register for January 2018.) (Attached as Exhibit 1).

funds are selected, including any scoring criteria, (ii) identify the amounts awarded to each recipient and any criteria for drawing down and using grant funds, or (iii) pertain to the nexus between the programs to which grant funds have been awarded and the District's mission. The Public Records Act request also requested a copy of all agenda for meetings of the District's Board of Directors at which the solicitation, award or use of grant funds was discussed and all related documents presented to the District's Board of Directors from 2013 to the present. A copy of the Public Records Act request and the District's response, in its entirety, are attached as Exhibit 2 and Exhibit 3.

The District's response to the Public Records Act request, received April 24, 2018, includes a copy of the District's "Funding for Health Grant Program Guidelines."⁴ The Guidelines are not dated. Nowhere in the District's response to the Public Records Act request is there any indication that the process laid out in the Guidelines is followed, as no forms completed by applicants were included in the District's response.

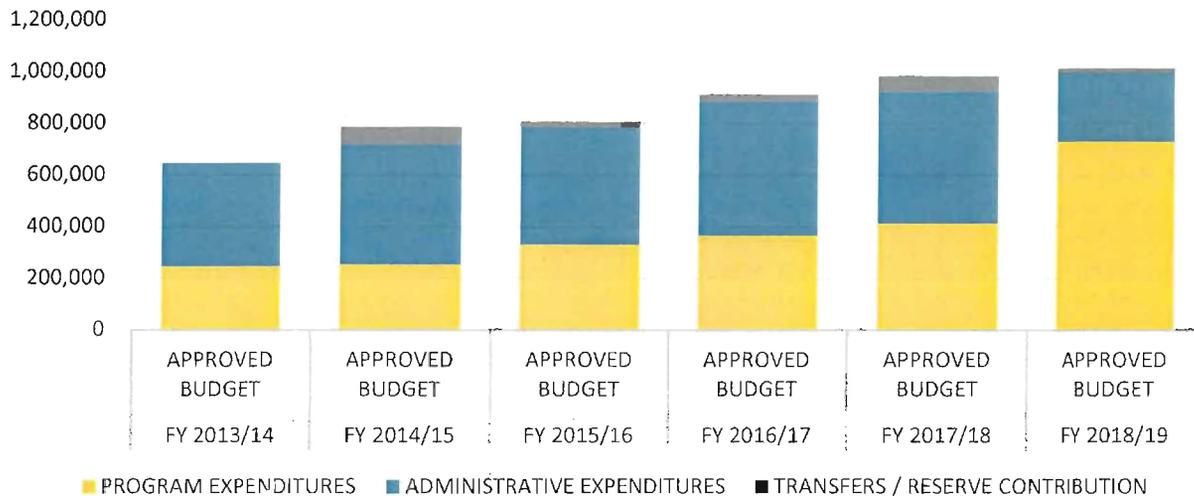
The documents included in the District's response suggest that the District uses a scoring system when considering proposals.⁵ But no documents were supplied to indicate the basis of the scores given by the District Board members or how the scores were used to determine whether an award was given, or what role, if any, the score played in determining the size of an award. No documents were provided that address the County's question regarding the nexus between the programs supported by the District and the District's mission.

District Costs

While the District's effectiveness in combatting health disparities is uncertain, the inefficiency of its operation is evident. In its approved budgets for fiscal year 2014 through fiscal year 2018, the District budgeted between 33% and 42% of its revenue to its grant program. Most of the remaining funds were directed to administrative expenses. In other words, for the last five years the District has consistently spent between 51% and 61% of its revenue on administrative expenses, with the balance going to reserves. A spreadsheet that shows the District's budgeted revenues and expenditures for the last five years is attached as Exhibit 4. A graph depicting the District's budgeted use of funds for the last six years is shown below.

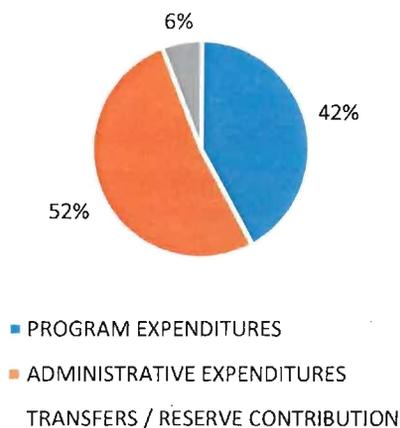
⁴ Part I of the Guidelines sets forth the date by which proposals must be submitted, the District's goals and the duration of grants. Part II of the Guidelines set forth the mechanics of applying for a grant. Part III includes the forms that applicants are to use when applying.

⁵ The response to the Public Records Act request included a "score card" for grant programs in 2013 (the fall program), 2014 (the fall program), 2016 (the fall program, although the headings are illegible) and 2018 (the fall and summer programs).



Government watchdog agencies have expressed concern over the size of the District’s overhead expenses relative to its program expenditures. For example, in its April 2018 report advocating for the dissolution of the District, the Contra Costa County Civil Grand Jury noted that the District’s approved budget for fiscal year 2017/18 allocated \$411,875, or 42%, of revenue to community health programs, and allocated \$509,698, or 52%, of revenue to general administration, as shown in the chart below:

FY 2017/18 LMCHD Approved Budget



The Grand Jury’s report further noted that comparable local governmental entities typically devote only 10-20% to administrative expenses.”⁶ The 2017/2018 Grand Jury recommended dissolution of the District.

⁶ Contra Costa County Grand Jury Report 1802, Los Medanos Community Healthcare District. (pp. 1) (Attached as Exhibit 5.)

Similarly, in an August 2017 report on special districts statewide, the Little Hoover Commission noted the District's administrative and operating expenses, stating in relevant part:

*"...three grand juries over a decade criticized Pittsburg-based Los Medanos Community Healthcare District in Contra Costa County, which reportedly spent half of its 2010-2011 revenue on [a] community and health program and half on 'administrative and operating expenses, including stipends for the board of directors, travel and election fees and a board retreat'."*⁷

County's Role in the Community

The County is the largest provider of indigent healthcare services in the County and is mandated to provide those services pursuant to state law. The County-operated Pittsburg Health Center, which is the District's former hospital, has expanded to become the largest clinic in the County health system. In 2017, members of the community made more than 217,000 distinct patient visits to the Pittsburg Health Center. The Center provides a wide variety of primary and specialty clinical services, mental health services and public health services to members of the community, including:⁸

- Prenatal and newborn care
- Cancer and palliative care
- Care for patients with pain and addiction
- Dental Services
- Optometry Services
- Nutritional Services
- Laboratory Services
- Radiology Services

But the services provided by the County to the residents of the District's territory are not limited to the medical services provided at the Pittsburg Health Center. The County, like an increasing number of healthcare providers, offers a variety of services and programs that aim to improve outcomes by reducing health disparities.

Over the last several years, the County's efforts to reduce health disparities has been spurred by the recognition that the effect of satisfying certain basic needs, including shelter, food, transportation, and electricity in the home, is so profound that it often matches or exceeds the influence of medications. The importance of addressing these needs is reflected in the Contra Costa Regional Medical Center & Health Centers 2015-2020 Strategic Plan adopted and implemented by the County's Health Services

⁷ Special Districts: Improving Oversight and Transparency. Little Hoover Commission, August 2017 (pp. 44) (Attached as Exhibit 6.)

⁸ A summary of the number of patient visits and the type of care provided by the County at the Pittsburg Health Center in 2017 is attached as Exhibit 7.

Department in 2015.⁹ The County’s commitment to reducing health disparities is further reflected in an article published on the Health Services Department’s website in 2016.¹⁰

Both the Strategic Plan and the 2016 article highlight an increased emphasize on the importance of taking a broader view of what it takes to be healthy when striving to achieve optimum health outcomes. Some of the programs and partnerships the County has established to address patients’ critical social needs are described below.

- *Food Programs*

According to health professionals, food security is a health issue. For that reason, the County partners with a number of non-profit organizations that have food delivery programs. Those partnerships include Meals on Wheels, which provides food to the elderly, and the Food Bank of Contra Costa & Solano, which distributes food bags directly from the County’s health centers. And because Medi-Cal and Cal-Fresh (also known as food stamps) have similar eligibility thresholds, the County works directly with the State to make sure patients who qualify for one program are also signed up for the other. The County has also modified its health intake protocol at the County’s health centers to include food security screening questions. And some physicians are piloting a program under which they write “prescriptions” for food, as a way to help patients understand how important healthy eating is. Of course, the prescriptions have no effect at a pharmacy, but the County’s health professionals have learned that some people take these “prescriptions” to the food bank and ask for healthier items.

- *Partnership with Health Leads USA*

Health Leads is a national organization that for more than twenty years has worked with leading healthcare organizations to create sustainable, high-impact and cost-effective social needs interventions by connecting patients to the community-based resources they need to be healthy – from food to transportation to healthcare benefits. In 2014, the County initiated its use of Health Leads volunteers at the West County Health Center in San Pablo. When the program began, student volunteers from local universities, colleges, and high schools from Health Leads staffed an advocates’ desk at the West County Health Center, ready to help anyone who needs to fill out a Cal-Fresh application, paperwork for subsidized child care or housing, or a Pacific Gas & Electric form for a discount on their energy bill. While the student volunteers remain engaged in serving our communities, given the success of the program, the County now trains its community health workers and other staff to use Health Leads’ tools so they can be applied elsewhere in the County’s systems. And the Health Leads program has been expanded to include all of the County’s major clinical hubs, including the

⁹ The Contra Costa Regional Medical Center & Health Centers 2015-2020 Strategic Plan is attached at [Exhibit 8](#).

¹⁰ [Message from the CEO: Going Beyond the Exam Room to Meet Our Patients’ Needs](#), Contra Costa Health Services August 2017. (Attached as [Exhibit 9](#).)

Pittsburg Health Center. Through these efforts, thousands of patients have been connected to urgently-needed local resources.

- *Whole Person Care Program*

The County's whole person care program, known as Community Connect, is co-funded by the County and the Federal government. Under the program, the County assigns a unique risk score to each patient to identify those most in need of a multifaceted support system. To date, the County has enrolled over 14,000 of the County's most vulnerable patients into the Community Connect program. The support provided to participants includes case management, medical and mental health, transportation assistance, social and legal services. The County's case managers and public health nurses drive out and meet with patients wherever they live, including on the street, in shelters, or at board and care or skilled nursing facilities. Other public health nurses specialize in supporting new mothers, babies and foster children. The program also provides special transitional services for patients leaving detention facilities.

- *School-Based Health Clinics*

The County operates school-based health clinics throughout the County. In East County, the Pittsburg Unified School District, the Antioch Unified School District, and the Liberty Union High School District all work closely with the County to increase on-campus access to medical, dental, mental health and preventative services for students. The availability of services varies by site, but generally includes comprehensive well child exams, physicals and sports clearance, hearing and vision screening, immunizations, treatment of minor infections and illnesses, dental examinations, cleanings and treatments, pre-screening and referrals for mental health and other behavioral health services, and reproductive healthcare.

- *Community Events*

The County participates in annual health fairs throughout the County. These community events allow the County to stay connected to the community and help the County promote healthy living and to screen for diabetes, high blood pressure, breast cancer and other medical conditions.

The County's group medical visits program allows patients to connect with other patients who are similarly situated and to find community – a vital human need. The program includes pregnancy and parenting groups, diabetes groups, chronic pain groups, pediatric obesity and addiction medicine groups. The County's behavioral health services division conducts a variety of groups for patients, and families of patients, suffering from mental health disorders and substance abuse.

The County has partnered with the East Bay Regional Park system to create a “walk with a doc” program, to build community connections while promoting a healthy lifestyle.

Pittsburg Health Center: An Important Community Resource

Since the County established the Pittsburg Health Center in 1998 at the District’s former hospital, the facility has flourished – becoming the largest clinic in the County’s health system. Over the years, the County has invested approximately \$24 million in capital improvements in the facility. Those improvements have enabled the County to offer a broad array of health services, from primary adult and pediatric care to specialty services, in one central East County location. There is no question that the site is an important community and healthcare resource. Given the facility’s presence in the community, its stellar location and the opportunity for further expansion onsite, the County envisions that the clinic’s role as a major healthcare delivery site will become even greater if the proposed dissolution is approved. As the owner of the property, the County is much more likely to invest in capital improvements – potentially even new construction – than it could responsibly undertake as a tenant.

Proposal for Dissolution

The County requests that the District be dissolved pursuant to Government Code section 56654, which authorizes the legislative body of an affected local agency to propose a change of organization by adopting a resolution of application.

The County further requests that, under the Contra Costa Local Agency Formation Commission’s conditioning powers under Government Code section 56886, the dissolution of the District be subject to the terms and conditions set forth in Resolution 2018/218,¹¹ adopted by the County Board of Supervisors on July 10, 2018, and as summarized below:

1. Successor Agency. All of the assets, rights and responsibilities of the District are to be transferred to the County as the successor to the District.
2. Grant Program. The County is to develop and conduct a grant program within the area served by the District that is focused on comprehensive health-related services. In conducting the grant program, the County Board of Supervisors is to rely on evidence-based research and input from the Los Medanos Health Advisory Committee, discussed below.
3. Formation of Los Medanos Health Advisory Committee. The County Board of Supervisors is to form the Los Medanos Health Advisory Committee to identify major health disparities that impact residents in the District’s territory and to make recommendations for funding grants that are used within the District’s territory.

¹¹ See Exhibit 1 to Staff Report of July 10, 2018 (Tab E).

4. Property Tax Transfer. The County Board of Supervisors is to complete the property tax transfer process, as outlined in Section 99 *et seq.* of the Revenue and Taxation Code, to transfer the District's health-related ad valorem property tax revenues to the County.¹²
5. Creation of Segregated Fund. The County Board of Supervisors is to direct the Auditor-Controller to establish a separate fund in the County Treasury to track the receipt and disbursement of the ad valorem property tax revenue received by the County pursuant to the property tax transfer process discussed above. All such revenue is to be collected or collectible by the County for the exclusive use of funding a comprehensive health-related grant program within the area served by the District and is not to be used for other County purposes.

This proposal is consistent with the Little Hoover Commission report findings released in August 2017 and the findings described in Contra Costa County Grand Jury Report 1802, entitled "Los Medanos Community Healthcare District," filed in April 2018.¹³ It is also consistent with the findings of prior grand juries and a dissolution governance option presented to LAFCO in its 2007 Healthcare District Municipal Services Review (MSR). More importantly, this proposal is in the best interest of the community being served within the District's territory, because the District's unnecessary and costly overhead would be eliminated. It is also in the best interest of the District's vulnerable population, whose quality of life is profoundly impacted by the caliber and breadth of health-related services available through public sources.

¹² Pursuant to Revenue and Taxation Code 99(b), the County has adopted Resolution 2018/228, which determines the property tax exchange for the area currently served by the District upon the dissolution of the District, satisfying this proposed condition. See Exhibit 3 to Staff Report of July 10, 2018 (Tab E).

¹³ Contra Costa Grand Jury Report 1802 can be found in Exhibit 5.

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

**Amended Application for the Dissolution of the
Los Medanos Community Healthcare District**

**Attachment B
Plan for Providing Services
(Pursuant to Government Code § 56653)**

A. Describe the services to be extended to the territory affected by this proposal.

There are two components to the services the County will extend to the affected territory. First, the County will continue the healthcare services the County has long provided in the affected territory. Second, the County will implement a grant program to replace the grant program operated by the District.

Healthcare Services

The County is the largest provider of indigent healthcare services to the community served by the District. The need for a broad array of healthcare services is critical, and the County is committed to continuing to provide these services in the affected territory.

The County's largest health clinic, the Pittsburg Health Center, is located in the affected territory. The Pittsburg Health Center is integral to the healthcare services currently provided by the County in the District's territory. The clinic's size, which enables the County to offer a wide variety of services in one place, and its central location in East County, make it ideally suited to its current use. In addition to the clinic's size and location, the clinic's campus has ample room for expansion to meet the increasing demand for healthcare and health-related services onsite. These unique qualities, taken together, mean that the Pittsburg Health Center will continue to be an important strategic location for providing health and wellness services in the affected territory.

Grant Program

The County intends to establish and operate a grant program to benefit the residents of the affected territory. The County, however, plans to take a different approach to operating a grant program than the District has taken.

The County has created the Los Medanos Health Advisory Committee. The Committee will become operative if LAFCO approves the dissolution. The Committee will be comprised of five (5) members appointed by the Board of Supervisors, based on recommendations from the City of Pittsburg, the Bay Point Municipal Advisory Committee, the County's Public Health Division, the County's Behavioral Health Division and the Board's Internal Operations Committee. By including both local residents and

healthcare professionals on the Committee, the grant-making process will benefit from input from the community and from established research in combating health disparities.

The first task of the Committee will be to develop an area health plan. The health plan will identify major health disparities that impact residents within the District's boundaries. This will enable the Committee to establish priorities for addressing the community's health and wellness needs. The health plan and the identified priorities will then inform the Committee as it makes recommendations to the Board of Supervisors related to seeking community-based partners, awarding grants and evaluating outcomes. The plan will be updated no less than every five years.

Once the area health plan is adopted by the Board of Supervisors, the Committee will request proposals from service providers. Proposals will be ranked on the basis of how well the proposed service addresses the priorities established by the area health plan. After grants are awarded, the Committee will work with service providers to ensure the proposed programs are launched and receive all necessary support from the County. It is anticipated that the grants will be larger than the grants currently provided by the District and that the term of each grant will span several years. This approach, when combined with feedback from the service provider to the Committee at established intervals, will allow programs to become well established in the community and to be tailored to best serve the community's needs. The Committee will closely monitor each programs' results to ensure goals are met and to ensure grant funds are used in a way that has a meaningful impact on residents' lives.

B. Describe the level and range of the proposed services.

Healthcare Services

For a discussion of the variety of services provided by the County and the volume of patients seen in 2017 in the affected territory, see Attachment A, Justification of Proposal. Also, please see Exhibit 6, which provides a summary of patient visits to the Pittsburg Health Center in 2017. To review the Contra Costa Regional Medical Center & Health Centers 2015-2020 Strategic Plan, which includes increasing efforts to meet patients' social needs, see Exhibit 7. For a further discussion of the County's commitment to addressing the social needs of patients, see Attachment A, Justification of Proposal. Also, please see Exhibit 8, a message from the Chief Executive Officer of the County's Health Services Department.

Grant Program

The grant program to be operated by the County in the District's territory will be funded by the tax increment currently allocated to the District. Although the tax increment will remain the same, the amount available for wellness programs in the community will increase because the County will lower the administrative costs of operating a grant program in the area served by the District.

As shown in the table below, the County is projecting that the administrative costs associated with conducting its grant program in fiscal year 2019/20 will be only 10% of projected tax increment revenue. This assumption reflects the expected (fully-loaded) cost of the person dedicated to monitoring grant program expenditures and outcomes. The table below also shows the District's approved budget for fiscal years 2017/18 and 2018/19 for reference¹ and includes the District's administrative expenses for these fiscal years.

Summary Approved District Budgets and Projected County Budget

Accounts	District		County	
	FY 2017/18	FY 2018/19	FY 2019/20	
SOURCES:	APPROVED BUDGET	APPROVED BUDGET	PROJECTED	
TOTAL REVENUE	991,758 100%	998,379 100%	1,024,940	100%
USES:				
PROGRAM EXPENDITURES	411,875 42%	727,528 73%	869,337	85%
ADMINISTRATIVE EXPENDITURES	509,698 51%	267,174 27%	104,356	10%
TRANSFERS / RESERVE CONTRIBUTION	58,135 6%	15,676 2%	51,247	5%
TOTAL EXPENDITURES	979,708	1,010,378	1,024,940	
NET COST	(12,050)	11,999	0	

This table shows that if the County's lower-cost grant program had been in effect during fiscal year 2017/18, twice as much money would have been available for grants.² The following graph shows the impact of administrative expenses when comparing the District's budget for fiscal year 2017/18 and the County's budget for fiscal year 2019/20.

FY 2017/2018 LMCHD Approved Budget



- PROGRAM EXPENDITURES
- ADMINISTRATIVE EXPENDITURES
- TRANSFERS

FY 2019/2020 County Projected Budget



- PROGRAM EXPENDITURES
- ADMINISTRATIVE EXPENDITURES
- RESERVES

Even under the District's optimistic projections for fiscal year 2018/19, more actual dollars will be available for grants under the County's program. Based on these projections, whether

¹ A more comprehensive version of the table below is shown in Exhibit 4.

² The District budgeted \$411,875 for programs in 2017/18. If the County's lower-cost program had been in effect then, an additional \$410,522 would have been available for programs. ($\$509,698 - (\$991,758 \times .10) = \$410,522$.)

one looks at the District's administrative expenses being in the range that they have historically been projected to be (i.e., 50-60%), or in the range the District is hoping to be able to achieve in fiscal year 2018/19 (i.e., 27%),³ the amount available for grants under the County's proposal is significantly higher.

In addition to increasing available funds through cost savings, the County anticipates that additional funds will be available through "match funding" from the Federal government. The availability of matching funds will depend on the programs funded under County grants. For example, the program known as "Whole Person Care," which serves the most vulnerable residents of the District's territory with home visits and an array of case-manager-coordinated care, receives a dollar-for-dollar match from the Federal government. As the Committee considers funding proposals, one factor it will be able to consider is the availability of match funding to maximize the resources available to the community.

The range of proposed services available as part of the grant program will be driven by the area health plan developed by the Los Medanos Health Advisory Committee and approved by the Board of Supervisors. The area health plan will establish priorities, based on the community's needs and the available programs best suited to address those needs. As discussed above, it is expected that under the new grant program, larger grant commitments will be made for longer periods of time than under the District's grant program. For example, rather than awarding \$10,000 to a service provider in a lump payment during an annual grant cycle, the new program is more likely to award a higher amount over a multi-year contract on a reimbursement basis, with quarterly or semi-annual milestones to enable the provider and the Committee to assess the effectiveness of the program.

C. Indicate when the services can feasibly be provided to the proposal area.

Healthcare Services

Direct healthcare services are currently being provided by the County and are planned to be continuously provided during the LAFCO dissolution process without interruption.

Grant Program

The Board of Supervisors created the Los Medanos Health Advisory Committee, contingent on the dissolution of the District. As outlined in Section A above, after the District is dissolved, the Board of Supervisors will make appointments to the Committee and the Committee will be tasked with developing the area health plan for review and approval by the Board of Supervisors.

If the County's proposal is approved, the County, as the successor to the District, will honor the outstanding service contracts the District has with community-based organizations during the transition period. This will allow services to the community to continue while the Committee is established and begins work on the area health plan, which will determine

³ Whether the District can achieve this reduction in administrative expenses is questionable. The District currently has no executive director and no employee to administer its grant program.

funding priorities. The anticipated time frame for implementing the County's grant program using the priorities identified in the area health plan is fiscal year 2019/2020.

D. Indicate any improvements or upgrading of structures, roads, sewers or water facilities or other conditions that will be required as a result of the proposal.

The District's primary asset, the Pittsburg Health Center, has been substantially upgraded by the County over the course of the County's 20-year lease of the property from the District. However, given the uncertain outcome of this proposal and the fact that the County does not currently have control of the facility under a long-term lease, the County has delayed making significant capital outlays to improve the building over the last year or two. One project that has been deferred is replacement of the elevators in the clinic. The elevator replacement project is expected to cost approximately \$2.1 million.

If this proposal is not approved, it is unclear how the elevator replacement project, or any other major capital project, will be carried out. The County is prepared to move forward with the elevator replacement project upon the approval of this proposal.

E. Indicate how these services will be financed. Include both capital improvements and ongoing maintenance and operation.

Healthcare Services

The County will continue to pay for the cost of providing healthcare services as set forth in its adopted budget.

Grant Program

If the proposal is approved, the new grant program, operated under the guidance of the Los Medanos Health Advisory Committee, will be funded by a transfer to the County of the tax increment money formerly allocated to the District. The transfer of the tax increment money will be effected in conformance with Revenue and Taxation Code section 99 *et seq.*

Through a board order dated July 10, 2018, the Board of Supervisors directed the Auditor-Controller to establish the Los Medanos Community Healthcare revenue fund, a special revenue fund within the County Treasury to track the receipt and disbursement of the tax increment. Through Resolution No. 2018/218, adopted by the Board of Supervisors on July 10, 2018, the Board of Supervisors recommended that approval of the proposal be conditioned on such tax revenues being used exclusively for funding a comprehensive health-related grant program within the District's borders and such tax revenues not being made available for other County purposes.

District's Outstanding Debt

The County has negotiated a settlement of the District's outstanding debt to the California Office of Statewide Health Planning and Development (OSHPD), which resulted from

OSHPD's role in the District's 1994 bankruptcy. Under the terms of the settlement, if the County's proposal is approved, the amount due to OSHPD to repay the debt in full is \$883,956,⁴ assuming the District has paid the \$500,000 that was due to OSHPD on August 1, 2018.

Through a board order dated July 10, 2018, the Board of Supervisors authorized the County Administrator to remit \$883,956 to OSHPD once the District is dissolved. Following its receipt of payment in full, OSHPD will release its liens on the District's real and personal property. This action would, in effect, bring the District's bankruptcy to a close and release all encumbrances on the building.

Elevator Replacement Project

If this proposal is approved, the County will pay for the cost of replacing the elevators in the Pittsburg Health Center, as set forth in the County's budget adopted by the Board of Supervisors.

F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of service.

Healthcare Services

The County is mandated to provide indigent healthcare services within the County and will continue to do so as outlined in Attachment A and in Section (A) of this Attachment B.

Grant Program

The Board of Supervisors has already acted to create the Los Medanos Health Advisory Committee, subject to the approval of this proposal. The first task of the Committee will be to identify priorities for improving health outcomes in the area served by the District. In addition, the Board of Supervisors has already completed the process established by Revenue and Taxation Code 99(b), through which the County agreed to accept the tax increment currently allocated to the District, to be used to fund a grant program to benefit District residents. If the proposal is approved, there is no alternative to providing the grant program described in Sections (A), (B) and (E) of this Attachment B.

Grant recipients will be selected through a request-for-proposal process. The area health plan created by the Los Medanos Health Advisory Committee will serve as the basis for selecting the programs to be pursued and the size of each grant. It is anticipated that grant recipients will include organizations whose programs are known on the basis of established research to improve health.

The County's proposal will reduce the cost of providing health-related services to District residents and improve the efficacy of the grant program.

⁴ Letter agreement between the County and OSHPD, dated July 10, 2018, is attached as Exhibit 10.



MAILING ADDRESS
P.O. Box 6324
Concord, CA 94524
www.foodbankccs.org
Federal Tax ID# 94-2418054

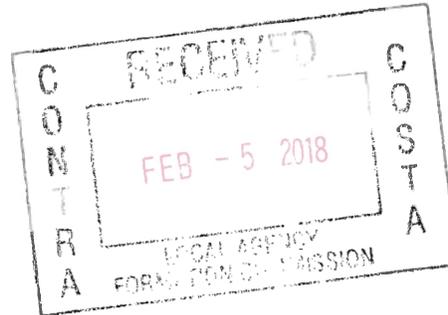
CONCORD LOCATION:
4010 Nelson Avenue
Concord, CA 94520
P: (925) 676-7543
F: (925) 671-7933

FAIRFIELD LOCATION:
2339 Courage Drive, Suite F
Fairfield, CA 94533
P: (707) 421-9777
F: (707) 421-0205



Board of Supervisors
Contra Costa County
651 Pine St.
Martinez, CA 94533

January 31, 2018



Dear Board of Supervisors:

The Food Bank of Contra Costa and Solano strongly opposes the dissolution of the Los Medanos Community Healthcare District (LMCHD).

The LMCHD has been a supporter of the Food Bank and our programs since 2008. This year, the district awarded us a grant of \$10,000 to fund the Community Produce Program in Bay Point and Pittsburg. With the help of this funding, we anticipate serving 450,000 pounds of fresh fruits and vegetables to 3,500 low-income people.

Please consider the impact of the loss of this funding should the Los Medanos Community Healthcare District be dissolved.

Thank you.

Sincerely,

Larry Sly
Executive Director

CC: Los Medanos Community Healthcare District
Local Agency Formation Commission

May 3, 2018



To whom it may concern.

Being a part of the community garden has provided my family of friends and church members with a place to grow our own food, mix with the community of differing ethnicities and get needed outdoor exercise time. The current board addresses the needs that the community has for healthy lifestyles. I do not wish the association with the Los Medanos Community Health Care District to end. It is a benefit to having this community focus.

Raymond Conner (UC Master Gardener)

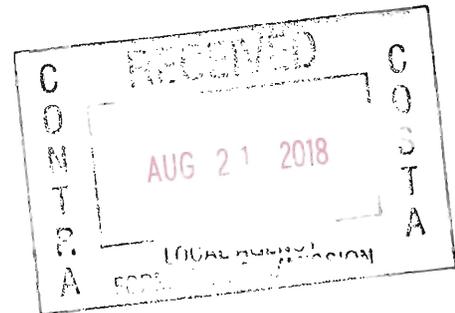
18 Kingswood Drive

925-203-8852

Itika Greene BS, RN, NP, MPH
280 Heron Dr.
Pittsburg, CA. 94565
(925) 431-9015
lgotgreene@comcast.net

August 15, 2018

Chairman Mike McGill
Members of the Commission
651 Pine Street, 6th Floor
Martinez, CA. 94553



Dear Mr. McGill:

I am writing a letter of support for the Los Medanos Community Health Care District (LMCHD). I am an 18- year resident of Pittsburg, a retired public health nurse manager from Contra Costa County Health Services Dept., and for five years I volunteered for several of the nonprofit programs funded by LMCHD.

It is well accepted that access to quality health services is an integral part of a healthy community. In addition, social factors have a far-reaching impact on the health of a community. Addressing social factors and building community capacity are best practice approaches to improving community health and closing the disparities in health.

According to a *Contra Costa County Health Services Community Health Indicators Report, 2010*, Baypoint/Pittsburg rank highest in high school dropout rates, lowest income, and poorer health outcomes compared to most other cities in Contra Costa County. These are all risk factors contributing to higher mortality/morbidity rates, resulting in an expected seven-year shorter lifespan among these residents compared to the residents of more affluent cities in Contra Costa.

I briefly want to share two of my volunteer experiences with LMCHD-funded non-profit programs. One program promoted reading literacy, and the other program addressed improving breastfeeding rates among vulnerable populations. One model educated incarcerated parents on the importance of reading to young children, provided recorded books from parents for their children, worked with guardians of the children to assure daily reading

habits, and provided slots for Head Start Programs. The responses from guardians and parents who participated were overwhelmingly positive. Some participants reported children going to sleep with the recorded books, they shared positive responses to daily reading and the Head Start linkages. A second model supported breastfeeding in the black community and sustainability through church models. Pregnant women were educated on the importance and techniques of breastfeeding and were provided breastfeeding support from peer counselors. Fathers and grandparents participated. Each participating church received technical support, guidance and resources to create a lactation room and to continue the messages and support for congregants. These are just two examples. There are many others.

LMCHD should be recognized as an example of how members of a community, through partnerships, have come together to improve health outcomes, and close health disparities. Do not take away support from an already at-risk community.

I urge the Commission members to have a bigger vision and see the significance and asset of LMCHD. I urge you to support the continuance of LMCHD.

Thank you for your support!

Sincerely,

A handwritten signature in blue ink, appearing to read 'Itika Greene', with a long, sweeping horizontal line extending to the right.

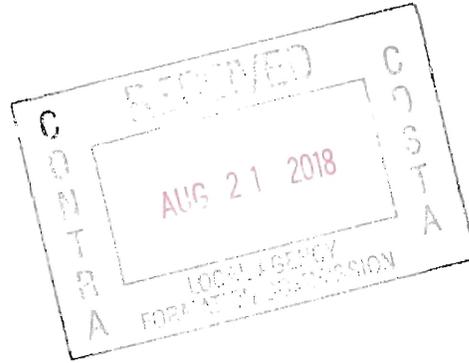
Itika Greene



Loaves and Fishes
OF CONTRA COSTA
Nourishing Lives

August 20, 2018

Chairman Mike McGill
Member of the Commission
LAFCO
651 Pine Street, 6th Floor
Martinez, CA 94553



Dear Chairman McGill:

I'm writing to you to express my grave concern about the proposal to dissolve Los Medanos Community Healthcare District (LMCHD). Loaves and Fishes of Contra Costa (LFCC) is a community partner of LMCHD and serves a hot nutritious meal to anyone who needs it. LFCC serves 650-800 meals a week, 137,000 meals last fiscal year and 452 tons of groceries through our food pantry from our five dining rooms located throughout Contra Costa County. We fill a void that the County is unable to fill for those in need who are trying to make ends meet with the high-cost of living in the Bay Area. LFCC relies on the support of many individuals and organizations for funding, including LMCHD.

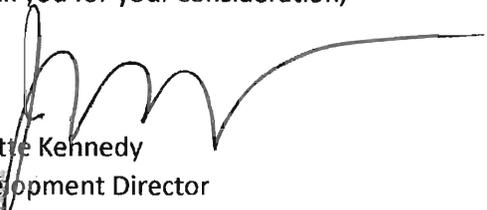
As I understand it, LMCHD has made significant improvements at LAFCO's request: reduced administrative costs to 25%, updated their health profile data, website and strategic plan. Additionally, LMCHD agreed to extend the County's lease of the Pittsburg Health Center.

LMCHD serves the underserved in a community where there are many health disparities. The County alone can not replace what LMCHD provides with the assistance of its many community partners like, LFCC.

For a better understanding of the impact LMCHD and LFCC are making in the community, please see the enclosed client story.

Mr. Chariman, LMCHD has done everything that was asked of it and is a vital resource in a community that needs more services, not less. Please vote to keep LMCHD intact.

Thank you for your consideration,


Janette Kennedy
Development Director
Loaves and Fishes of Contra Costa
janettekennedy@loavesfishescc.org

“The Key is Hope”

Barbara Watkins Client Story

My story starts out in 2010 when I moved from Nashville, TN to live in Pittsburg to live with my God family. In Nashville, I was a retired military person, and also ran a daycare center. I was very active in community activities.

I arrived in Pittsburg and lived with my God Family for a short time, but unknown to me, they decided to move to Colorado and didn't inform me. I was very worried because my income situation was stark and I also had medical issues. I didn't have any family in the Bay Area to ask for help. So, shortly after they moved, I became homeless.

My days consisted of me walking from sunup to sundown, with no destination. One of the most difficult parts of being homeless was the isolation and fear, I prayed constantly to God. During this time I slept on people's porches, and occasionally a kind person would let me sleep in their home. I would sometimes ask strangers for a few dollars to buy food, but I was always hungry. It was a very hard time and there were times when I didn't want to live anymore, but when I prayed, God always gave me hope that things would get better. Daily, I didn't know where I would sleep, what I would eat, or wear.

During a daily walk, I saw the Loaves and Fishes sign in Pittsburg. I went into the dining room and immediately felt welcomed by Debbie, the dining room manager, and the volunteers. I began to eat at the LFCC dining room daily. For the first time, I wasn't hungry all the time. The volunteers were caring and compassionate for the guest's circumstances, and acted to help guests however they could. For the first time since my homeless ordeal began, I felt hopeful, and began to be focused on helping myself get out of my situation. I wanted to give back to Loaves and Fishes, so I began volunteering a few times per week. Volunteering at Loaves helped me to regain my confidence, and self-esteem, after being homeless, hungry, and feeling hopeless. Also, I was able to focus on others, and it allowed me to see the good that Loaves was doing in the community.

Now I am employed full time, have a lovely home to live in, and am active in my church and community. I miss volunteering with Loaves and Fishes, but know that they will always be part of my family of friends.

To close, I want you to know that while I was a client, then a volunteer, Loaves and Fishes was the beginning of my journey out of being homeless and without hope. I want you to know that the key is hope, even when all seems hopeless, you should never stop hoping. Loaves and Fishes helped me to take that first step of hope.





August 22, 2018

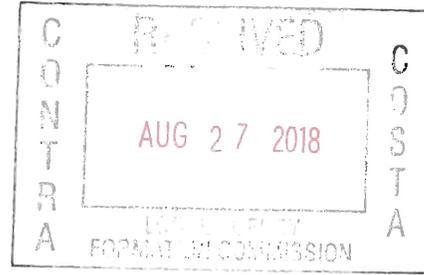
ReadingADvantage, Inc Local Agency Formation Commission
501 (c) (3) nonprofit - Tax ID #46-574221 651 Pine Street
Martinez, CA 94553

FOUNDERS/OFFICERS

Sherry Caraballo Dorfman
Board Chair
Shirley Kalinowski
President/CEO
Deborah Polk
Vice-President/Secretary

DIRECTORS

Balbina Bernal
Steven Bibby
Josette Brennan
Marilyn Condit
Sandi Luce
Caren Lucich
Amy Mockoski
Christina Reich



RE: LMCHD Support Letter

Reading ADvantage Inc., (READ) is a small, volunteer-based non-profit organization with an important message to the health care district community. Our mission is relatively simple; we encourage parents to read to their children twenty minutes per day to improve their chances of success in school and in life. We then provide free books to the children and share that parents no longer have excuses not to read daily. The demand for READ services continues to increase in the Pittsburg and Bay Point communities. Without the continued financial support of Los Medanos Health Care District (LMCHD) READ would have been unable to reach families in these communities.

Community partnerships with WIC, Head Start, Welcome Home Baby, and Public Health Nursing and the Contra Costa Housing Authority have been instrumental in reaching low-income and underserved communities with literacy information. We teach parents about the value of reading to their children from birth (and before) and building home libraries. With the initial LMCHD grant in 2015, READ established two children's libraries in two housing authority developments, one in El Pueblo in Pittsburg and one in Bay Point in DeAnza Gardens. Families are encouraged to visit the library and take books home to supplement their home libraries. According to Susan B. Neuman, PhD. from the University of Michigan's Center for Improvement of Early Reading Achievement, access to books . . . is the single biggest barrier to literacy development in the United States and beyond.

READ volunteers are passionate about the work that we do and appreciate the support provided by LMCHD. The board understands the importance of literacy in reducing health disparities and understands the needs of the Pittsburg and Bay Point communities. Please see the attached document which further addresses the link between literacy and health.

Thank you for your consideration.

Sincerely,

Deborah Polk

READ Vice President



Why READ?

- ♥ 25% of California's student population cannot perform basic reading skills
- ♥ 6 out of 10 households do not buy a single book in a year
- ♥ 46 to 51% Americans live below the poverty line because of illiteracy
- ♥ 1/3 of fourth-graders reach the proficient reading level
- ♥ 50% of the unemployed between the ages of 16 and 21 cannot read well enough to be considered functionally literate
- ♥ 50% of adults cannot read a book written at an eighth grade level
- ♥ 85% of juvenile offenders have problems reading
- ♥ Some prisons determine how many beds they will need by monitoring the reading scores of elementary students
- ♥ 45 million Americans are functionally illiterate
- ♥ Approximately 50% of Americans read so poorly that they are unable to perform simple tasks such as reading prescription drug labels

(Source: National Institute for Literacy, National Center for Adult Literacy, The Literacy Company, U.S. Census Bureau)



QUICK GUIDE TO HEALTH LITERACY

DEFINITION OF HEALTH LITERACY: Choosing a healthy lifestyle, knowing how to seek medical care and taking advantage of preventive measures require that people understand and use health information. The ability to obtain, process and understand health information needed to make informed decisions is known as Health Literacy.

Persons with limited health literacy are:

- More likely to not use preventative services, therefore, entering the health care system sicker
- More likely to have chronic illness and less able to manage the illness
- Increased preventable hospital visits and admissions
- More likely to report that their health is poor
- Increased health care costs due to higher emergency rooms and hospitals rather than using preventative services
- Have stigma/shame that cause many with low literacy to hide their difficulty with reading

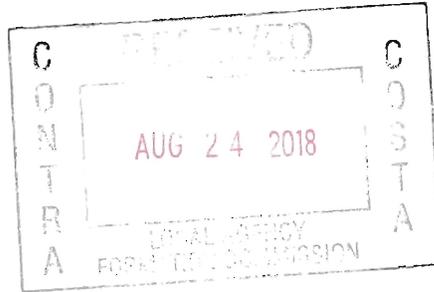
U.S. Department of Health and Human Services



Sports & Fitness for Kids

August 21st, 2018

Chairman Mike McGill
LAFCO
651, Pine Street
Martinez, CA 94553



RE: Dissolution of LMCHD

Sir,

I am writing this letter in response to the Contra Costa County Supervisors attempt to dissolve the LMCHD and take control of its assets.

I would like to state that as a citizen of this county and small business owner that I vehemently oppose this hostile takeover. The county boards of supervisors at present have a lot on their hands taking care of a population of 1.2million people growing at a rate of 9.4%, than worrying about running the LMCHD.

LMCHD has done a great job taking care of the disadvantaged populace of Contra Costa County. Our organization for example has received grants for the past 6 years to run 4 one week summer basketball camps for youth 8-10 years of age. This is done to help disadvantaged youth from low income families to get an opportunity to learn a skill and also the benefits of living healthy. In the past 6 years LMCHD has been instrumental through our organization and The Ambrose Center at Bay Point in providing over 250 youth with nutritious snacks, drinks and all the water they want during the camps. Plus at the end of the camp we have given out over 250 basketballs and medals in addition to tee shirts to these youth. There is so much of demand for programs such as ours, that these children try sign up for the camp 2 and 3 times.

Without LMCHDs generous grants these youth would have spent the summers hanging out on street corners getting into trouble and eating unhealthy foods. Now we see them using the basketballs we give them playing at various city playgrounds. Also we feel with our training these children get an insight into living a healthy and active life style.

There is no guarantee that the Board of Supervisors with all its other commitments will be able to spend time handing out grants to organizations to help the needy. Also there is no guarantee that the Board of Supervisors will not sell the clinic building to a developer which most certainly hurt a lot of the low income people in the area.

In conclusion, sir, I would like to please ask you to vote against the dissolution of LMCHD.

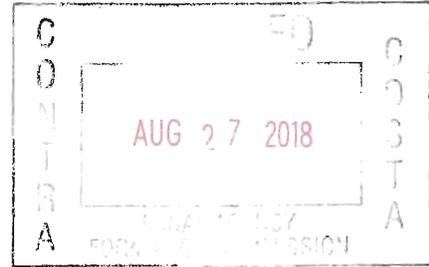
Sincerely,

Johann Vethavanam

A Non Profit Corporation

Mary Ziegler
640 Bailey Road, #168
Pittsburg, CA 94565

August 21, 2018



Mike McGill, Chairman
Contra Costa Local Agency Formation Commission (LAFCO)
651 Pine Street, 6th Floor
Martinez, CA 94535

Re: Possible Dissolution of Los Medanos Community Healthcare District (LMCHD)

Dear Sirs:

I am a member of the Pittsburg Fifty Plus Club, a recipient of an LMCHD grant award last year. As an active member and volunteer of the Club, I am urging you to **decline** Contra Costa County's request to dissolve LMCHD. I urge you to **oppose** relinquishing LMCHD's assets, building and tax revenue generated in the District to the County.

The Pittsburg Fifty Plus Club has over 300 members and operates entirely on the strength and ingenuity of its member volunteers. LMCHD has been a significant partner in the Club's success in working with the aging population in Pittsburg. The LMCHD grant awarded to the Club was applied entirely to fund, implement and operate projects. This grant was essential to the success of our projects. Fundraising and membership dues were our only other means of financing our endeavors.

We strive to offer and encourage our elders, who are a vital part of Pittsburg's community, to participate in physical and mental exercises in group settings. Our objective is to enhance cognitive ability, offer physical activity and introduce them to a social network to stave off isolation.

It is a heartfelt pleasure to see smiles appear on lonely faces suddenly recognizing the lyrics of a song from long ago. Or eyes light up listening to a poem or watching a dance once known but now forgotten. We like to think that perhaps our Sunshine Committee has had some part in easing the loneliness of isolation with a simple card when they are sick or injured, or a telephone call just to say "Hi," or a condolence card when they are grieving. Just so they know they are not alone – someone cares. It's delightful to see the look of satisfaction and pride when they know they have done well in Tai Chi Chih class. Or lifted their voice in song with the Chorale. The hula dancers always bring a smile and chuckle. The joy of performing for these special people fulfills a sense of calm and purpose to be able to help those who need it.

We offer our members a \$4.00 gift card to the once-a-month movie day, and a \$5.00 gift card at the monthly potluck birthday dinner. There is bocce ball to play at John Buckley Park every week, bowling the second week of the month with one free game and free shoe rental. The book club can get rowdy depending on the book of the month.

Our cancer survivors are active participants in the yearly Relay for Life.

And we proudly present three \$1,000 scholastic scholarships to graduating seniors from Pittsburg each spring.

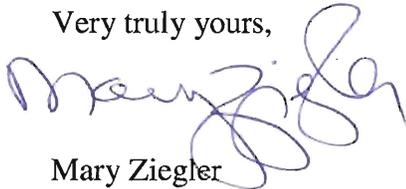
This is how LMCHD helps the Pittsburg Community and the Fifty Plus Club every year. Without LMCHD's help we would trudge onward and continue with our programs and fundraising, but it would undoubtedly have to be severely cut back due to lack of funds.

LMCHD has a long commendable list of organizations it helps by awarding grants. Each well deserved. We are grimly aware, however, there is no guarantee that with LMCHD gone there will be another entity as interested and caring and concerned for the Pittsburg Community and its citizens.

Please help us help Pittsburg. Decline Contra Costa County's request to dissolve LMCHD. Vote to oppose the dissolution.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Mary Ziegler", written over the typed name below.

Mary Ziegler

RESOLUTION NO. 17-13A

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND ADOPTING A ZERO SPHERE OF INFLUENCE FOR
LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT**

WHEREAS, in November 2017, Contra Costa County filed a proposal to dissolve the Los Medanos Community Healthcare District (LMCHD) with Contra Costa Local Agency Formation Commission (LAFCO) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code (GC) §56425; and

WHEREAS, the County's proposal also requests that LAFCO name the County as successor to take over services from LMCHD; and

WHEREAS, a dissolution must be consistent with a recommendation or conclusions of a study, a sphere of influence (SOI) update, or a Municipal Service Review (MSR) prepared pursuant to GC §§56378, 56425, or 56430, respectively; and

WHEREAS, the matter before the Commission is adoption of a zero SOI for the LMCHD signaling a future change of organization (i.e., dissolution); and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of a public hearing by this Commission regarding the SOI action; and

WHEREAS, the SOI update was duly considered at a public meeting on September 12, 2018; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this matter including, but not limited to, the Executive Officer's report and recommendations, the environmental determination, and all testimony and communications received during the public hearing.

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

1. Waive the Commission's policy which provides that SOIs generally will not be amended concurrently with an action on the related change of organization or reorganization, and adopt a zero SOI for LMCHD.
2. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI action is categorically exempt under §15061(b)(3) of the CEQA Guidelines, and direct LAFCO staff to file a Notice of Exemption.
3. Determine that the Commission has considered the criteria set forth in GC §56425(e) as follows:

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

The LMCHD encompasses the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, unincorporated Bay Point and surrounding unincorporated areas, and serves a community of over 97,000 residents within 90.5± square miles. The land uses in the area include residential, commercial, industrial, open space, agricultural land, public/semi-public, office, parks and recreation, and landfill. There is Williamson Act land within the District's boundary and SOI. The District has no land use authority; city and County plans include land use and population growth that may impact the District's services. Healthcare services do not induce or encourage growth, and no changes to the present or planned land uses will result from adopting a zero SOI.

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

LMCHD provides funding to support healthcare services to a largely disadvantaged community. The District does not operate any facilities, and leases its medical facility to Contra Costa County, with over 100,000 patient visits per year. Expected growth in the area will increase the need for healthcare services, including access to healthcare and preventative healthcare programs. Healthcare services are needed to meet increasing service demands. Adopting a zero SOI will not impact the present and probable need for facilities and services in the area.

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

The LMCHD was formed in 1948 to build and operate a community hospital, which the District did until 1994, when the hospital closed due to financial difficulties and LMCHD declared bankruptcy. Since 1998, the District has leased the hospital building to Contra Costa County, which houses the County’s largest health clinic – the *Pittsburg Health Center (PHC)*, with over 100,000 patient visits per year. Today, the District no longer operates a healthcare facility and provides funding to support healthcare services, programs and activities related to health, wellness and prevention.

Reports and studies indicate that over the years, the LMCHD has struggled with fiscal, management and service issues, including high administrative costs; lack of strategic planning and collaboration; and a disconnect in identifying health needs, funding programs that address healthcare needs, and measuring outcomes.

Contra Costa County has filed an application with LAFCO to dissolve the LMCHD and be named the successor agency. The County is the primary provider of healthcare services to low-income people in the County, including those within the LMCHD’s boundary. The County operates a robust indigent healthcare delivery system composed of a hospital and a satellite health clinic system. The County currently operates the PHC through a lease with LMCHD.

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 social and economic communities of interest include the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, the unincorporated community of Bay Point and other unincorporated areas. The District is funded primarily through property taxes; property owners within the District have an economic interest in receiving services from this investment.

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

The LMCHD provides community-based healthcare services to its residents through sponsoring and funding programs and activities related to health, wellness and prevention. The District serves a largely disadvantaged community including the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, and unincorporated areas including Bay Point within 90.5± square miles.

PASSED AND ADOPTED THIS 12th day of September 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: September 12, 2018

Lou Ann Texeira, Executive Officer

RESOLUTION NO. 17-13B**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING DISSOLUTION OF THE
LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT**

WHEREAS, on November 7, 2017, the Contra Costa County (“County”) Board of Supervisors (BOS) adopted Resolution 2017/384 initiating dissolution of Los Medanos Community Healthcare District (LMCHD) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code), and requesting that Contra Costa LAFCO name the County as successor agency; and

WHEREAS, on September 4, 2018, the Executive Officer issued a certificate of filing deeming the County’s application complete; and

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

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

WHEREAS, on September 12, 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 recommendations, the environmental document or determination, SOI and related factors and information; and

WHEREAS, on September 12, 2018, the Commission waived its policy which indicates that Spheres of Influence (SOIs) generally will not be amended concurrently with an action on the related change of organization or reorganization, and adopted Resolution 17-13A adopting a zero SOI for LMCHD signaling a future change of organization for the LMCHD; and

WHEREAS, LMCHD was formed in 1948 to build and operate a community hospital, and operated the Los Medanos Community Hospital until 1994, when the hospital closed due to financial difficulties and the District was forced to declare bankruptcy; and

WHEREAS, since 1998, the District has leased the hospital building to the County which houses the County’s largest health clinic – the *Pittsburg Health Center (PHC)*, with over 100,000 patient visits per year; and

WHEREAS, currently, LMCHD provides community-based healthcare services to its residents through sponsoring and funding programs and activities related to health, wellness and prevention; and

WHEREAS, there are various Grand Jury reports and LAFCO Municipal Service Reviews (MSRs) covering LMCHD that noted that the District is not a direct provider of service, and identified challenges including high administrative costs and ongoing debt, outdated strategic plans and website information, and needed improvements in grant allocations and outcome measurement; and

WHEREAS, the LAFCO MSRs included governance options for LMCHD including dissolution; and

WHEREAS, in its application to dissolve LMCHD, the County has set forth a plan for providing services which includes continuation of grant funding for community programs; and

WHEREAS, LAFCO determines that dissolution of LMCHD and naming Contra Costa County as successor agency is in the best interest of the affected area and the total organization of local governmental agencies within Contra Costa County.

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

1. As determined by Contra Costa County, as Lead Agency, LAFCO finds that the project is Categorically Exempt pursuant to the California Environmental Quality Act (CEQA) Section 15061(b)(3) based on the determination that there is no possibility that dissolution of LMCHD may have a significant effect on the environment, consistent with the determination of Contra Costa County; and
2. The subject proposal is assigned the distinctive short-form designation and description:

DISSOLUTION OF THE LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT

LMCHD encompasses the City of Pittsburg, small portions of the cities of Antioch, Clayton and Concord, unincorporated Bay Point and surrounding unincorporated areas and serves a community of over 97,000 residents within 90.5± square miles within Contra Costa County. 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.

3. Notice of the Commission's hearing regarding this proposal was advertised in the *Contra Costa Times* (all editions).
4. Contra Costa County shall be the successor agency of LMCHD and all assets and liabilities of LMCHD shall be transferred to the County pursuant to Government Code sections 57450-57463.
5. In reviewing this proposal, the Commission has considered each of the factors required by Government Code section 56668.
6. The effective date of the dissolution shall be the date of filing the certificate of completion of the proposal.
7. Approval of the dissolution of LMCHD is subject to the following terms and conditions pursuant to Government Code section 57450-57463 and sections 56885 – 56890:
 - a. Contra Costa County, as applicant, has delivered an executed indemnification agreement between the County and Contra Costa LAFCO providing for the County as applicant to indemnify LAFCO against any expenses arising from any legal actions challenging the Dissolution of the Los Medanos Community Healthcare District.
 - b. The subject territory is inhabited, objections to the dissolution were received by affected landowners and registered voters with the LMCHD boundaries, and the proposal is subject to protest proceedings to be conducted no less than 30 days following the Commission's approval of the proposal.
 - c. In accordance with County Resolution 2018/436, the County shall establish the *Los Medanos Health Advisory Committee* to develop and implement the Los Medanos Area Health Plan Grant Program, which will identify disparities within the boundary of the LMCHD and make recommendations for funding health-related services through the grant program. The County shall ensure that the advisory committee operates in a manner consistent with County Resolution 2018/436 in terms of the committee's purpose and duties, membership, terms of office, operation and procedural rules. The Committee shall, consistent with the County's resolution, include five members appointed by the BOS, including one member nominated by the City of Pittsburg, one member nominated, respectively by, the Bay Point Municipal Advisory Council, the County Public Health Division, and the County Behavioral Health Division, and one at-large member appointed by the County's Internal Operations Committee.
 - d. In accordance with County Resolution 2018/228, the County approved the property tax exchange in accordance with dissolution of LMCHD pursuant to the Revenue & Taxation Code. The property tax exchange shall also include transfer of the Redevelopment Property Tax Trust Fund (RPTTF) monies currently going to LMCHD to Contra Costa County. These funds will be used exclusively for health-related purposes within the LMCHD community.

Contra Costa LAFCO
Resolution No. 17-13B

- e. In accordance with the BOS actions on July 10, 2018, the County Auditor-Controller shall establish the Los Medanos Community Healthcare revenue fund, a special revenue fund with the County Treasury, to segregate the property tax revenue received by the County, and to use the property tax revenue exclusively for health-related purposes within the LMCHD community.
- f. In accordance with the County “Plan for Providing Services,” the County will provide for the continuation of healthcare services in the LMCHD community, including operating and maintaining the Pittsburg Health Center. Also, the County will implement a grant program to replace the LMCHD’s existing grant program and increase grant funding. The County will honor existing contracts the District has with community-based organizations during the transition period.

The County created the *Los Medanos Health Advisory Committee*, which will develop an area health plan to identify major health disparities that impact residents within the LMCHD community. This will enable the Committee to establish priorities for addressing community health and wellness needs. The plan will serve as a basis for seeking community partners, awarding grants and evaluating outcomes. The plan will be updated not less than every five years.

- g. In accordance with the County’s Plan for Services and the BOS actions on July 10, 2018, the County Administrator will remit a settlement payment from the County to California’s Office of Statewide Health Planning and Development (OSHPD) to resolve the outstanding balance of the District’s bankruptcy debt.
- h. The two current LMCHD employees holding the positions of Executive Assistant and Administrative Assistant will have the option to retain their positions through December 31, 2018 to assist the County with the transition of records, contracts, bank accounts, etc. Subsequently, the County will explore opportunities for these two former District employees to fill appropriate County vacancies if interested and if they meet the education, experience and background requirements.
- i. The County will provide LAFCO with annual progress reports through 2025, with the first annual report to be submitted by January 31, 2020. The annual reports shall address the continuation of healthcare services in the LMCHD community, status of the grant program, the status of area health plan, and any other relevant information.

PASSED AND ADOPTED THIS 12th day of September 2018, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

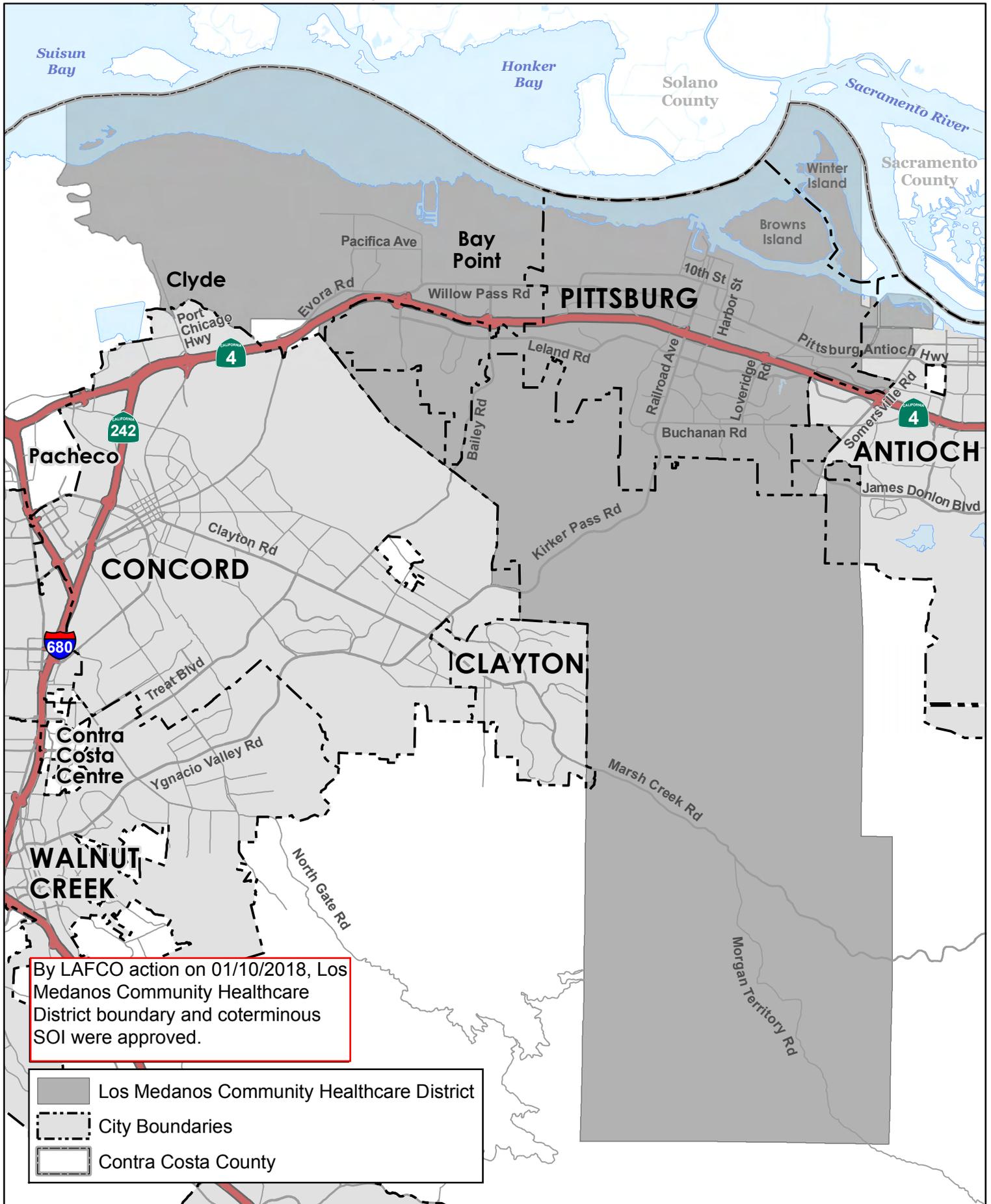
MICHAEL R. MCGILL, CHAIR, CONTRA COSTA LAFCO

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

Dated: September 12, 2018

Lou Ann Texeira, Executive Officer

Los Medanos Community Healthcare District and Coterminous SOI



By LAFCO action on 01/10/2018, Los Medanos Community Healthcare District boundary and coterminous SOI were approved.

	Los Medanos Community Healthcare District
	City Boundaries
	Contra Costa County



RESOLUTION NO. 17-13C

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND DISAPPROVING DISSOLUTION OF THE LOS MEDANOS
COMMUNITY HEALTHCARE DISTRICT**

WHEREAS, on November 7, 2017, the Contra Costa County (“County) Board of Supervisors (BOS) adopted Resolution 2017/384 initiating dissolution of Los Medanos Community Healthcare District (LMCHD) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code), and requesting that Contra Costa LAFCO name the County as successor agency; and

WHEREAS, the Executive Officer reviewed the proposal and prepared a report and recommendations thereon; the proposal and report having been presented to, and considered by, this Commission; and

WHEREAS, this Commission called for and held a public hearing on the proposed dissolution and sphere of influence action on September 12, 2018. At the hearing, the Commission heard and received all oral and written protests and evidence which were made, presented and filed, and all people present were given an opportunity to hear and be heard with the respect to the proposal and report and recommendations of the Executive Officer; and

WHEREAS, based on the determination and findings contained in the LAFCO Municipal Services Reviews (MSRs), the Commission’s action in January 2018 to reaffirm the District’s existing coterminous sphere of influence, and the District’s efforts to address the issues identified in the 2018 MSR relating to reducing administrative costs, updating its strategic plan and website, the Commission hereby denies the dissolution.

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

1. The proposed dissolution of the LMCHD is denied without prejudice;
2. LMCHD shall provide LAFCO with annual updates beginning December 2018 through December 2022, or as otherwise determined by LAFCO. The annual updates should address budget, grants, services and programs, administration, strategic planning, and status of lease negotiations with Contra Costa County;
3. No further action is required, either of this Commission or of any other local agency; and
4. The Executive Officer is authorized and directed to mail copies of this resolution to the proponent and affected local agencies pursuant to Government Code section 56882.

PASSED AND ADOPTED THIS 12th day of September 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: September 12, 2018

Lou Ann Texeira, Executive Officer



Contra Costa County

Proposal to Dissolve the Los Medanos
Community Healthcare District

September 12, 2018



History

- ▶ **Hospital District Act of 1945**: 3 Hospital Districts created in Contra Costa County.
- ▶ **Bankruptcy**: Bankrupt in 1994. District ceased providing direct healthcare services.
- ▶ **County Assistance**: County provided technical support to assist District in emerging from bankruptcy.
- ▶ **County Lease**: County lease of former hospital achieved two important goals:
 - Restored critical healthcare services to the community.
 - Provided a mechanism for the County to pay down the District's bankruptcy debt – through the payment of \$100k in annual base rent and taking over responsibility for all capital and maintenance costs.



What We Do

- ▶ Hospital/Healthcare public policy in California has evolved since 1945.
- ▶ Over the last 70 years, counties have become the primary provider of indigent healthcare.
- ▶ Contra Costa operates a public hospital and 10 clinics. In the current fiscal year the County has appropriated...
 - \$1.8 billion for all public health services functions.
 - \$625.7 million for the hospital and clinic system.
- ▶ In fiscal year 2016/17, the County spent \$33.7 million to operate the Pittsburg Health Center.



Watchdog Agencies

- ▶ Repeated criticism and calls for dissolution
 - Civil Grand Juries in 1998, 2003, 2010 and 2018
 - *“Los Medanos Health Care District must live up to its mission and focus on awarding grants based upon identifiable health care needs in its jurisdiction.” (2010 Grand Jury)*
 - *“To shift the current healthcare landscape in the community and offer more preventative healthcare services, dissolution of the LMCHD is recommended. Any cost savings can be directed toward enhancing current healthcare preventive services...” (2018 Grand Jury)*
 - Little Hoover Commission, August 2017
 - *“...three grand juries over a decade criticized Pittsburg-based Los Medanos Community Healthcare District in Contra Costa County, which reportedly spent half of its 2010–2011 revenue on [a] community and health program and half on ‘administrative and operating expenses, including stipends for the board of directors, travel and election fees and a board retreat.’”*



District Problems

- ▶ No material changes despite repeated calls for action by outside agencies.
- ▶ Continued high overhead costs (consistently 50%–60% of approved budget).
- ▶ Inefficient use of public resources.
- ▶ Identifiable healthcare needs not prioritized in allocation of grant funding.



County Plan

	Accounts	District			County	
		FY 2016/17 APPROVED BUDGET	FY 2017/18 APPROVED BUDGET	FY 2018/19 APPROVED BUDGET	FY 2019/20 PROJECTED	
A	SOURCES:					
	GENERAL TAX REVENUES	905,572	975,758	985,379	1,014,940	
	INTEREST INCOME	3,600	5,000	11,400	10,000	
	GRANT INCOME	0	10,000		0	
	MISC INCOME	1,000	1,000	1,600	0	
	TOTAL REVENUE	910,172 100%	991,758 100%	998,379 100%	1,024,940 100%	
B	USES:					
	DISTRICT SPONSORED PROGRAMS	159,875	170,875	438,223	0	
	HEALTH & WELLNESS GRANTS	174,000	227,000	237,305	818,090	
	PROGRAM OUTREACH EXPENSES	31,500	14,000	52,000	0	
	PROGRAM EXPENDITURES	365,375 40%	411,875 42%	727,528 73%	869,337 85%	
	ADMINISTRATIVE SERVICES	58,600	58,350	32,250	0	
	BOARD ELECTION CHARGES	71,316	0	0	0	
	BOARD MEMBER STIPENDS	24,000	24,000	24,000	0	
	FEES/DUES	22,600	23,600	7,203	0	
	INSURANCE	36,500	36,500	31,264	0	
C	LEGAL SERVICES	50,000	60,000	20,000	0	
	OFFICE EXPENSES	30,200	34,148	13,696	0	
	SEMINARS/TRAVEL	14,000	15,000	0	0	
	WAGES/PAYROLL	214,400	258,100	138,761	104,356	
	ADMINISTRATIVE EXPENDITURES	521,616 57%	509,698 51%	267,174 27%	104,356 10%	
	D	TRANSFERS / RESERVE CONTRIBUTION	23,100 3%	58,135 6%	15,676 2%	51,247 5%
		TOTAL EXPENDITURES	910,091	979,708	1,010,378	1,024,940
	(B + C + D) - A	NET COST	(81)	(12,050)	11,999	0



County Plan

- ▶ Continue to direct the property tax revenue towards healthcare.
- ▶ Track revenue, expenditures and balance in a special revenue fund.
- ▶ Cut administrative costs from the District's historical average of 50%–60% down to 10%.
- ▶ Create the Los Medanos Health Advisory Committee.
- ▶ Spending recommended by community members and doctors.
- ▶ Ensure long-term County control and operation of the Pittsburg Health Center for the benefit of the local community.



Current County Health Programs

- ▶ Pittsburg Health Center – our largest health center!
- ▶ Over 200,000 visits per year:
 - Primary, specialty and mental care services
 - Prenatal and newborn care
 - Dental services
 - Optometry services
 - Laboratory services
 - Radiology services
 - Nutrition services
 - Care for patients with pain and addiction



County Addresses Social Conditions Affecting Health

- ▶ Screening for and addressing food insecurity.
- ▶ Community building through group medical visits.
- ▶ Care Navigation – connecting people to services through Whole Person Care program, partnership with Health Leads, USA.
- ▶ Bringing Care to the Community: school based clinics, partnership with regional parks.
- ▶ Housing security and homeless services.
- ▶ Transportation services.



County is Prepared

- The Board of Supervisors has already implemented the County's dissolution plan
 - Created the Los Medanos Health Advisory Committee (*Resolution No. 2018/436*)
 - Composed of (3) Community Members and (2) Healthcare Professionals
 - Will develop the Los Medanos Area Health Plan used to identify health disparities within the District area and prioritize funding needs
 - Will develop a comprehensive request for proposals and make funding recommendations to the Board of Supervisors.
 - Settled the District's bankruptcy debt with the California Office of Statewide Health Planning and Development for cost savings (OSHPD). (*County Application, Exhibit 10*)
 - Created the "Los Medanos Community Healthcare Special Revenue Fund" in the County Treasury to track ad valorem property tax revenue and expenditures. (Agenda Item D.5, July 10, 2018)



County is Prepared

- The County is successor to other struggling Districts:
 - Rollingwood Wilart Park Recreation & Park District (Dissolution)
 - West Contra Costa Healthcare District (BOS to serve as Governing Board effective January 1, 2019)



Summary

- This proposal is in the best interest of the community being served within the District's territory because the District's unnecessary and costly overhead would be eliminated.
- It is also in the best interest of the District's vulnerable population, whose quality of life is profoundly impacted by the caliber and breath of health-related services available through public sources.



Questions / Discussion



LMCHD Opposes Dissolution

- Vern Cromartie, LMCHD Board President
- Tomi Riley, Interim Executive Director
- Gary Bell, Legal Counsel
- Craig Collins, Chief Financial Officer

BACKGROUND: 1998-2017

- **June 1994: LMCHD files for bankruptcy and transforms into healthcare district focused on disparities & prevention**
- **August 1998: LMCHD signs a 20 year lease with Contra Costa County for \$8,000 per month for Health Center**
- **July 2017: Lease Negotiations Begin**
- **November 2017: Contra Costa County Board of Supervisors approves a resolution to request that LAFCO dissolve LMCHD.**



The County's Rationale to Dissolve is Insufficient

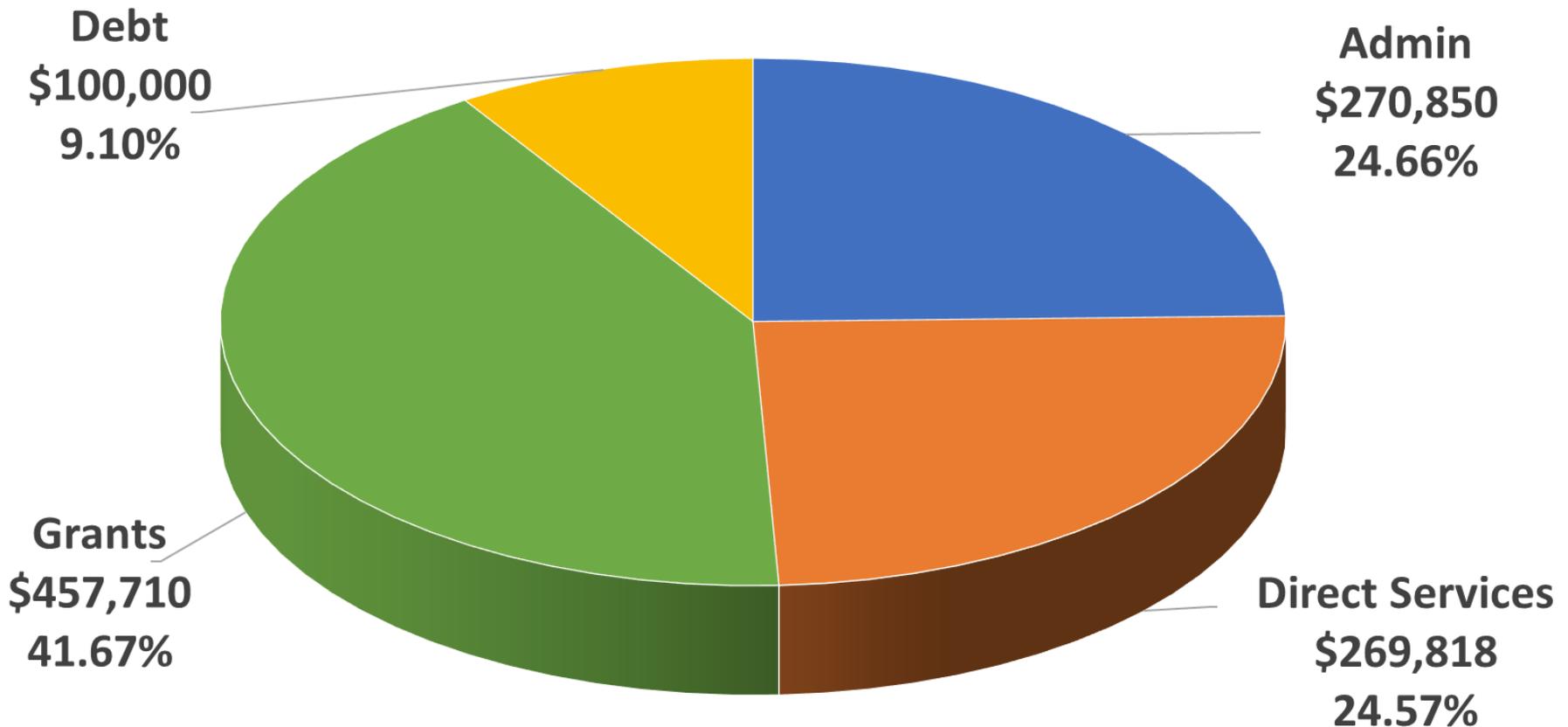
- 1. The County said LMCHD is not a direct healthcare provider and funds dedicated to programs were too low and funds dedicated to administration were too high.**
- 2. The County is the primary provider of healthcare services to low-income persons and it has a robust indigent healthcare delivery system.**
- 3. The District owns a Building that the County wants.**
- 4. The County has made \$24mm in capital improvements**

CORRECTION: LMCHD Has Direct Programs and Budget Limits Administration to 25%

County says LMCHD is not a direct provider, funds dedicated to programs were too low, and funds dedicated to administration were too high.

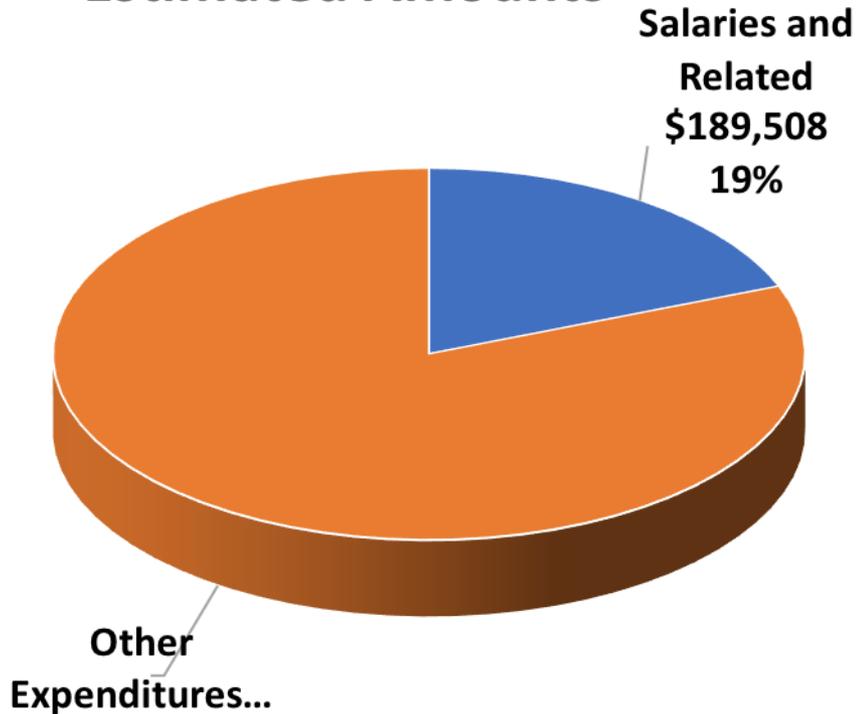
- County Relies on Old Information**
- LMCHD Budget Administration at 25%**
- LMCHD Budget – Direct Services at 25%**
- LMCHD Budget - Grant Program at 42%**
- LMCHD Budget – Debt at 9.1%**

Fiscal Year 2018-2019 Expenditures Budgeted from Current Year Revenue

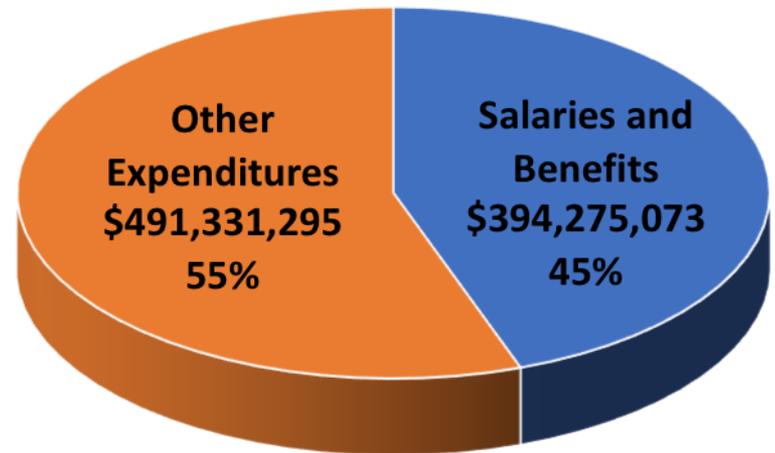


Fiscal Year 2018-2019 Comparison

LMCHD General Fund Estimated Amounts



Contra Costa Health Services Budget



CORRECTION: LMCHD Funds what County Does Not Cover – The safety net's safety net!

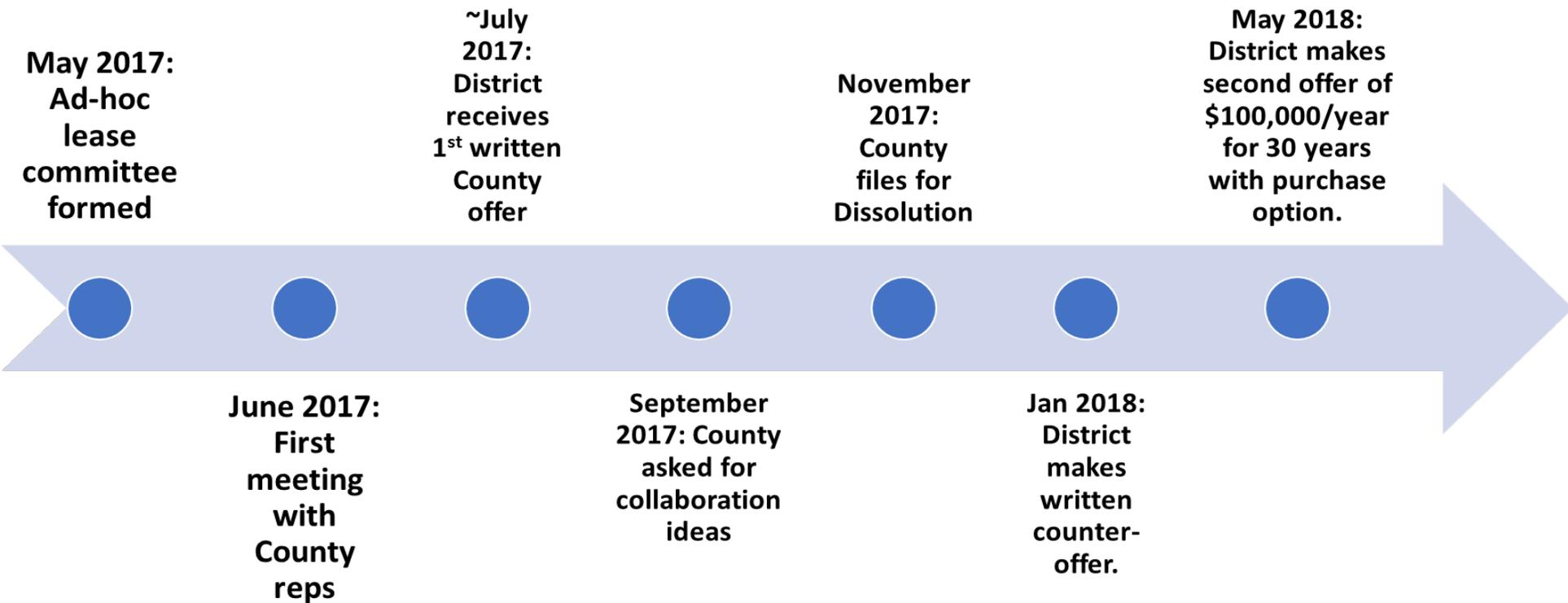
The County says it is the primary provider of healthcare services to low-income persons

- **County often relies on others**
- **Saint Vincent DePaul: 704 patient visits**
- **Fall Prevention - LMCHD Direct Service**
- **Student Eye Glass Program for Students - LMCHD Direct Service**
- **HIV/AIDS Outreach augments County in our services area – LMCHD Direct Service**
- **Nutrition Program/Community Garden – LMCHD Direct Service**
- **LMCHD makes 45,000 contacts annually**

CORRECTION: Lease Negotiations Should Not be Resolved by Dissolving a District

- 1. The District owns a Building that the County wants. LMCHD discussed market rate so County going for zero.**
- 2. MSR - LMCHD made needed corrections, such as reducing administrative costs, updating the website, health profile, and strategic plan.**
- 3. MSR – LAFCO indicated LMCHD made Significant Progress and to return in December. Why are we here now?**
- 4. Last Offer - LMCHD submitted lease offer of \$100,000 for 30 years, far below market rate. No formal response from County beyond verbal “that ship has sailed.”**

Lease Negotiation Timeline



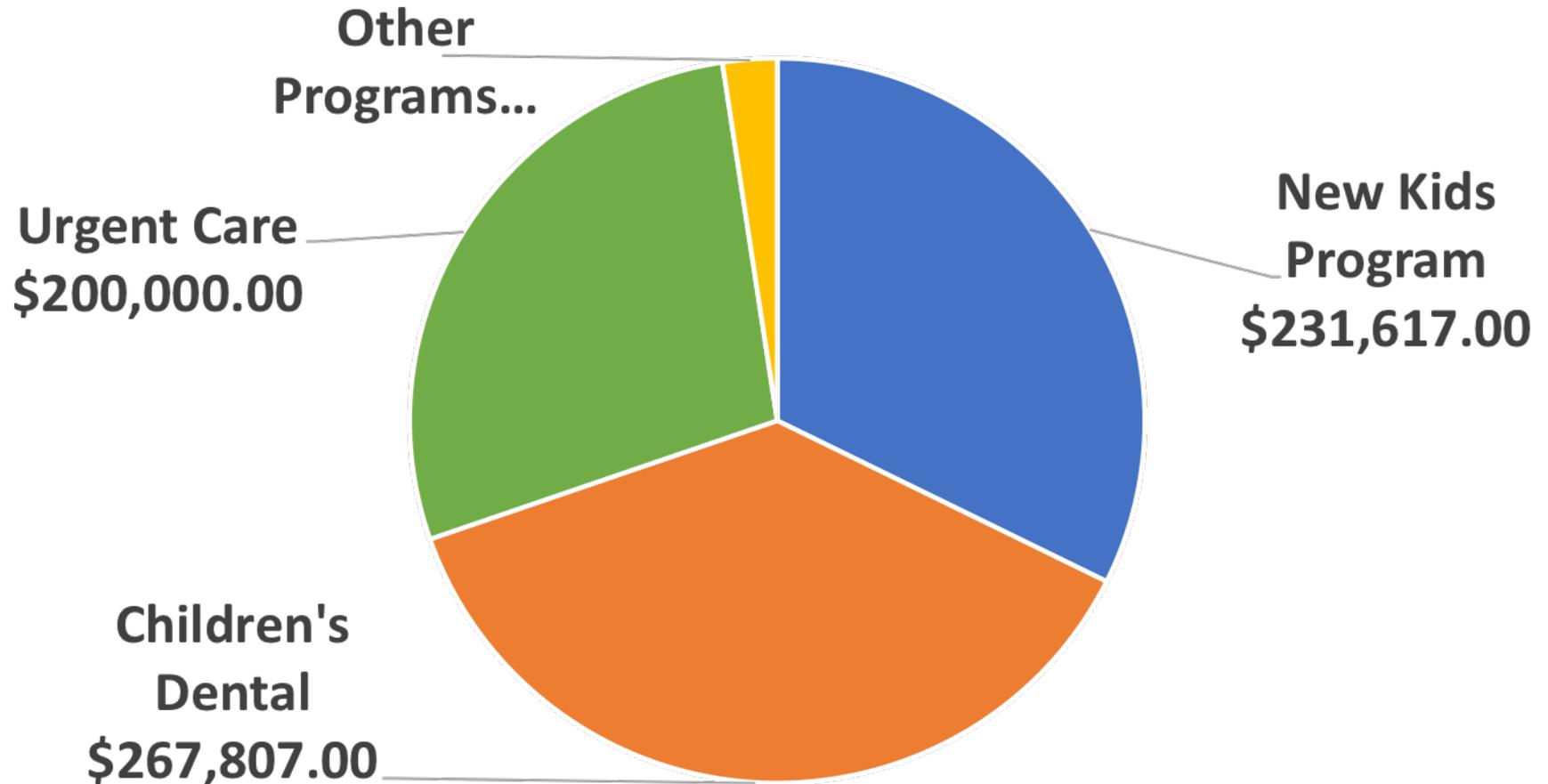
CORRECTION: Nature of Healthcare

- 1. The County has made \$24mm in capital improvements.**
 - Capital Improvements would need to be made at any building due to healthcare regulations.**
 - Likely less in CI given bldg. was a hospital.**
 - Not a reason to dissolve an agency.**
 - If building was in private sector lease the needs would have been the same but lease would be at market rate.**
 - We've offered a long-term lease of \$100,000 for 30 years but the Count refuses to negotiate.**

County Tenant Improvements 1998-2016



\$716,581.98 Granted by LMCHD to County or Foundation Since 2006



420 Sierra College Drive, Suite 140
Grass Valley, CA 95945-5091
Voice (530) 432-7357
Fax (530) 432-7356

COLANTUONO
HIGHSMITH
WHATLEY, PC

Gary B. Bell
(530) 208-5346
GBell@chwlaw.us

Our File No. 42032.0002

September 11, 2018

VIA E-MAIL (LouAnn.Texeira@lafco.cccounty.us) AND U.S. MAIL

Chairman and Commissioners
Contra Costa Local Agency Formation Commission
651 Pine Street, Sixth Floor
Martinez, CA 94553-1229

Re: *LAFCO 17-13 – Dissolution of Los Medanos Community Healthcare District (LMCHD) – Agenda Item 8. for September 12, 2018 Regular Meeting of the Commission*

Honorable Chairman and Commissioners:

The Los Medanos Community Healthcare District (LMCHD) respectfully urges the Commission to select option #2 presented in the accompanying staff report for this item, disapproving the dissolution. LMCHD appreciates this opportunity to provide the following written comments on the proposed dissolution and the County's justifications for its effort to dissolve the District, acquire its assets, and use them in the County-wide health care system without compensation to the communities which funded the accumulation of those assets:

1. The County argues only 25% of LMCHD's revenues fund programs and activities related to health, wellness, and disease, and the remainder fund program administration, general administration, and operating expenses. As the Commission's and LMCHD's responses to the April 20, 2018 Contra Costa Grand Jury report each noted, this is no longer true. LMCHD's 2018-2019 budget reduced its administrative costs to approximately 25% with approximately 66% of its budget now dedicated to direct services and grants and approximately 9% to preexisting debts. LMCHD continues to implement more efficient means of tracking staff time between administrative tasks and programs and services. LMCHD provides direct services in programs such as

Falls Prevention, Student Eye Glasses, HIV/AIDS awareness outreach, nutrition awareness, and others.

2. The County argues it "is the primary provider of healthcare services to low-income persons residing in Contra Costa County, including within [LMCHD's] boundaries." The County's services are recognized and appreciated, as well as other providers of indigent health care services such as Sutter, Kaiser, and John Muir, and indeed LMCHD has partnered with the County for many years to provide vital healthcare services to the District's underserved population. The County's Department of Public Health has specifically requested LMCHD's support as a partner in its programs precisely because we are a locally accountable organization led by those elected to speak for our communities. While the County provides these services, LMCHD allows local control over its programs and activities to ensure its funds and assets benefit the communities which provide them. Those without medical insurance utilize the services of St. Vincent de Paul as well as LMCHD's Student Eye Glass and senior mobility programs. In fact, LMCHD provided \$200,000 to the Pittsburg Health Center to establish an urgent care center desperately needed by the community but the County failed to establish one despite the continued need. If LMCHD were dissolved, the County may decide that these funds are better used elsewhere in the County to the detriment of our historically disadvantaged communities. The many recipients and partners of LMCHD's programs and services who have provided public comment on the County's dissolution proposal demonstrate real-life consequences of this proposal.
3. The County argues it leases the Pittsburg Health Center from LMCHD under a lease that expired July 31, 2018, and pays rent of \$100,000 per year that is paid to the State Office of Statewide Health Planning and Development (OSHPD) under a settlement agreement between the state and LMCHD. The terms of the settlement agreement between the state and LMCHD must be satisfied whether or not LMCHD owns the Pittsburg Health Center. LMCHD's remaining obligations must still be satisfied even if the County succeeds to those obligations. LMCHD has negotiated in good faith with the County to renew the lease of the Pittsburg Health Center, has offered very favorable terms for a long-term lease, but the County has refused to negotiate. LMCHD offered a 30 year lease at \$100,000 per year — the same rate the

County has paid since 1998 and significantly below market value for the property. Rather than negotiate with LMCHD, as LMCHD has consistently sought, the County has negotiated directly with OSHPD – without involvement by LMCHD – on terms by which it might settle LMCHD's outstanding debt upon dissolution. The County seems to take for granted the Commission's approval of dissolution, without negotiating with LMCHD to renew the lease. Dissolution is not necessary to reframe the terms of the OSHPD obligation. If the County prefers to pay it upfront (as we understand it has proposed to OSHPD), LMCHD will be happy to reframe the lease accordingly. What is needed is genuine dialog between the County and LMCHD. That apparently will not occur until your Commission puts this proposal behind us. We urge you to do so for the good of the communities we serve.

4. The County argues it made approximately \$24 million in capital improvements to the Pittsburg Health Center during the term of the lease since 1998. LMCHD contends many of these improvements may have been needed due to changing regulatory and business needs, and may be lower than otherwise expected in a different building due to the building's existing health center use. The County has not provided a detailed analysis of the necessity of these expenditures and LMCHD encourages the Commission to look beyond the County's bare assertion. Some of these expenditures may also have been offset by the County's revenues from a \$100,000 annual sublease with T-Mobile for an antennae, which was not disclosed to LMCHD prior to its approval. As mentioned above, LMCHD has attempted to negotiate a long-term lease with the County to no avail. LMCHD has offered favorable terms and is disappointed the County has refused to negotiate. We are hopeful the County will return to lease negotiations when this proposal is resolved. However, we hope your Commission will not use discord of the County's making to justify giving the County what it wants – ownership of LMCHD's assets with no means for the community to govern their use and, indeed, no assurance the valuable land under the hospital will not be sold for development.
5. In the County's recent justification for the dissolution, included as Attachment "9" to this agenda item, the County argues it will replace LMCHD's grant program with a new grant program that will fund more health-related

Chairman and Commissioners

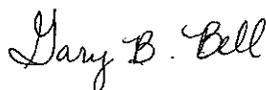
September 11, 2018

Page 4

programs more efficiently. As mentioned above, LMCHD's administrative costs are approximately 25% of its 2018-2019 budget. The County's 2016-2017 reported budget for health services shows that salaries alone account for 43% of total expenditures. Based on these numbers, the County's justification that it will provide the same or similar grant programs as LMCHD "more efficiently" seems implausible. Moreover, efficiency cannot alone be an excuse for a loss of community input and local control. Democracy is less efficient than other governance systems, but our country is devoted to it nevertheless.

Finally, regarding the dissolution, the Commission must consider the factors listed in Government Code section 56668. These factors are detailed in Attachment "8" to this agenda item. With these factors in mind, the District respectfully urges you to find the County's justifications for dissolution do not warrant it. LMCHD provides important services to an underserved population and keeping these resources under local control is the best way to ensure this continues.

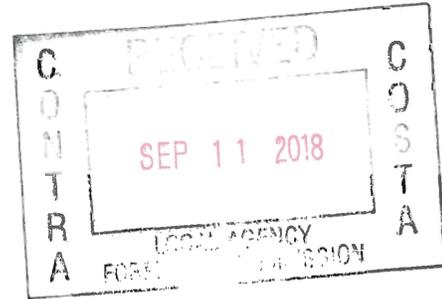
Very truly yours,



Gary B. Bell, Esq. ^(HBU)

GBB:gbb

Mike McGill, Chairman
LAFCO
651 Pine St, 6th Floor
Martinez CA 94535



September 8, 2018

Dear Mr. McGill,

I am the Newsletter Editor of our wonderful senior club and hearing about the possible dissolution of Los Medanos Community Healthcare District just breaks my heart. Our club does so much for the senior community of Pittsburg and vicinity. It truly benefits seniors' health and well-being.

I have chosen to send you a recent newsletter and brochure to give you a glimpse into our activities and causes.

We have been a very happy recipient of an LMCHD grant and hope to be considered in the future.

I beg you to share this information with your board members and vote to keep LMCHD going!

Sincerely,

Annette Jenkins
Fifty Plus Club Corporation
300 Presidio Ln
Pittsburg CA 94565
(925) 439-2135 voicemail

In 1974, a group of like-minded senior citizens established the Pittsburg Fifty Plus Club to address the unique needs and challenges of the aging population of Pittsburg, CA. The Club incorporated in 1977 as a non-profit organization, operating under IRS Section 501(c)(3) and is registered in the California Attorney General's Registry of Charitable Trusts. For the first few years, they gathered at the homes of Club members until they successfully petitioned the City Council for space in the building next to the old City Gym on Crestview Drive where they met for over 25 years. In 2003, the Club moved to its present location at 300 Presidio Lane.

With a minimum age of 50 years, the Club boasts two centenarians among our 35 Lifetime Members (90 years and over). Currently, our Club has a total of 350 members and is still growing. Our members come from all walks of life, with varied backgrounds and life experiences. Club members live in Pittsburg as well as the surrounding community (Antioch, Bay Point, Bethel Island, Brentwood, Concord, and Walnut Creek).

Due to our proximity to low-income senior housing [Stoneman Village (SV), Stoneman Village II (SVII), and Presidio Village], a significant portion of our membership consists of low-income senior citizens who walk conveniently across the street to participate in Club functions. The Club has three permanent seats on the Board of Directors of SV and SVII.

The Club offers activities and events for senior citizens, all with the ultimate goal of improving quality of life. The annual dues of \$15 entitles Club members to our free physical exercise classes, which include weekly T'ai Chi Chih, Hula, and Fifty Plus Chorale, and our monthly Bowling. In addition to providing socialization, our low-cost Friday and Sunday Bingo Games (open to the community) help improve mental agility, stimulate the audiovisual cortex and train hand-eye coordination. A popular social activity is our Monthly Birthday Potluck Dinner Karaoke Dance. We go to the movies once a month and host tour buses to various destinations. There are also many opportunities for volunteering.

The Executive Board meets at least once a month to ensure that the Club continues to comply with all Federal, State and City laws while attending to the financial stewardship. And, we hold monthly meetings to update the General Membership on Executive Board actions. Our monthly Newsletters keep our members current on Club happenings.

As part of our charitable acts, we provide three annual scholarships to deserving high school seniors. Two scholarships are awarded to graduating seniors attending Pittsburg High School. The third scholarship is awarded to a Club member's Direct Descendant attending any high school in the United States. We also donate and participate as a team in the American Cancer Society's Relay for Life.

We invite you to discover for yourself how the Fifty Plus Club can enrich your life as you remain a vital part of our community.

Our Mission

To improve the quality of life during the retirement years by addressing the needs and challenges of the aging population of the City of Pittsburg and surrounding communities.

~~~~~

### Our Motto

Committed to apply our **Wisdom** to show **Compassion** and **Generosity** to all members of our Community

Pittsburg Fifty Plus Club activities and events are partially funded by grants from the following:



### Keller Canyon Mitigation Fund

A mitigation fund administered by Supervisor Federico D. Glover  
On Behalf of the Board of Supervisors



Amazon.com donates 0.5% of your purchase amount to the Pittsburg Fifty Plus Club when you click on <https://smile.amazon.com/ch/94-2410900> before shopping at Amazon.com

Pittsburg Fifty Plus Club Corporation  
300 Presidio Lane  
Pittsburg CA 94565  
(925) 439-2135 voicemail only  
pitt50plus@gmail.com



# OPEN TO EVERYONE

(INQUIRE ABOUT FEES)



**BINGO!**



**POTLUCK DINNER  
KARAOKE DANCE**



**BOOK CLUB**

Hope Lives Here



**RELAY FOR LIFE!**

Cherokee Council



*"If you put a cucumber on your middle instead of a cherry, it floats on a salad."*

**FRIENDSHIP COMPANY  
(NO-HOST BREAKFAST)**



**BUS TOURS  
(FEES DEPEND ON  
DESTINATION)**



**T'AI CHI CHIH  
(\$1/CLASS  
NON-MEMBERS, FREE  
FOR ALL MEMBERS)**

## CALENDAR OF MONTHLY ACTIVITIES (weekly unless noted)

| SUN                          | MON                                                                      | TUE                                                  | WED                                                                  | THU                                | FRI                           |
|------------------------------|--------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------|------------------------------------|-------------------------------|
| <b>SPECIAL EVENTS</b><br>TBD | <b>FRIENDSHIP COMPANY BREAKFAST</b><br>9-11 am<br>(2 <sup>ND</sup> WEEK) | <b>T'AI CHI CHIH</b><br>9-10:15 am                   | <b>GENERAL MEETING</b><br>1-3 pm<br>(3 <sup>RD</sup> WEEK)           | <b>T'AI CHI CHIH</b><br>9-10:15 am | <b>BINGO</b><br>12:45-2:30 pm |
|                              | <b>T'AI CHI CHIH</b><br>5:00-6:15 pm                                     | <b>BOOK CLUB</b><br>1-2 pm<br>(1 <sup>ST</sup> WEEK) | <b>BOWLING, DELTA BOWL</b><br>2:30-4:30 pm<br>(2 <sup>ND</sup> WEEK) | <b>CHOIR</b><br>2-4 pm             |                               |
|                              | <b>BIRTHDAY POTLUCK DINNER</b><br>5-7 pm<br>(LAST WEEK)                  |                                                      | <b>MOVIES, MAYA CINEMAS</b><br>(4 <sup>TH</sup> WEEK)                | <b>HULA</b><br>4-5 pm              |                               |

### Annual Events

*Ongoing Fundraising Events*  
*General Membership Annual Luncheon, June*  
*Relay for Life Team*  
*Great Italian Festival in Reno, NV, October*  
*Volunteer Appreciation, TBA*

### Annual Awards & Charitable Contributions

Annual Direct Descendant Scholarship to Graduating HS Senior, \$1000  
 Two Scholarships to Pittsburg High School Graduating Seniors, \$1000 each  
 Relay for Life Donation to American Cancer Society, \$500  
 Condolence Gifts for Deceased Members, per annual Guidelines

# MEMBERS ONLY

(FREE)



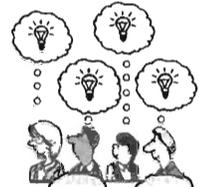
**BOWLING**  
(FIRST GAME FREE TO 1<sup>ST</sup> 10 MEMBERS WHO SHOW UP; FREE SHOE RENTAL)



**CHORALE**



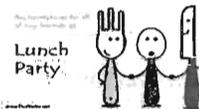
**MOVIES**  
(MUST ATTEND GENERAL MEETING TO OBTAIN MOVIE GIFT CARD)



**BOARD & GENERAL MEETINGS**



**HULA**



**ANNUAL LUNCHEON**

### Qualifications for Membership

*At least 50 years of age*  
*Live or work in Pittsburg OR surrounding community*  
*Dues \$15/year*



**PRESIDENT'S  
CORNER**  
Sam Vaughn

Greetings Brothers and Sisters!

I hope this message find you and your family well and in good spirits. With the onset of summer I encourage you to be aware of the dog days of the season and make sure you keep hydrated and out of the hot weather. I also encourage you to keep active in doing something exciting. May I suggest finding a cool spot at the local park and reading a book? If not a book, attend one of the many free concerts in the area, and if you really want to do something, try writing a short story of something dear to you.

In speaking of club activity we are looking to have an "Old School Dance", you know, a sock hoop. We are looking to have this event in the fall. So, dust off your shoes and grab a partner, and who knows, do the Cha Cha, along other dances we did many years ago. On a learning note let us learn how we can make the next event better than the last. As always from your slip and sliding president, be well and safe.

**SENIOR SCAM STOPPER**

Assemblymember Grayson & the Contractor State License Board invite you to attend this seminar!  
**Wednesday, July 11, 2018, 9:00 - 11:00 a.m.**  
Marina Event Center, 200 Marina Blvd, Pittsburg



From the desk of  
*Joy Walker*  
Recreation Supervisor

July 3rd All American Dance/Luncheon  
July 19th Abner Jett Domino Tournament 1:00 pm



*Editor's Notes*

Annette Jenkins, Editor  
Email: fifty\_plus\_club@aol.com



When I saw this article on the internet, I remembered the torture my mother went through after getting shingles. For months she dealt with the itching and pain from the rash. Nothing seemed to make them disappear!

I had chickenpox in my 30's, which was not a fun experience. I'm glad I chose to get the vaccination against Shingles in my 60's. I think I'm all set!



**From the New York Times**  
Why You Should Get the New Shingles Vaccine

**Did you know...?**

By Jane E. Brody

There are about a million new cases of shingles each year in the United States.

Anyone who has had chicken pox can get shingles. That means 95% of adults are at risk.

Approximately one-third of the U.S. population will get shingles. The risk rises after 50 years of age. Half of people living to age 85 have had or will get shingles.

More than half of older adults do not understand the seriousness of shingles and its complications.

Among those who get shingles, more than one-third will develop serious complications. The risk of complications rises after 60 years of age.

Prompt treatment is essential to control acute symptoms.

There is a new vaccine that can lower the risk of getting shingles.



## Financial Report

*Benjamin Brisjar,*  
Financial Secretary

### May 31, 2018

|                                    |             |
|------------------------------------|-------------|
| Gross Income.....                  | \$1,011.42  |
| Cost of Golds Sold.....            | (\$0.00)    |
| Total Expenses.....                | (\$913.28)  |
| Net Income.....                    | \$98.14     |
|                                    |             |
| Total Assets as of 05/02/2018..... | \$42,620.45 |

I am also still looking for a Club member from the General Membership to participate on my Finance Committee. We meet on the first Friday of the month at 11 am at the Senior Center.



## Membership

*Jeannette Stotts,* Chair  
(925) 297-9396  
Membership Table Hours  
Monday/Wednesday/Friday  
10:30 am - 11:30 am

### April 2018

|                                |          |
|--------------------------------|----------|
| Membership Dues Collected..... | \$240.00 |
| Number of New Members.....     | 16       |

### Membership Status as of May 31, 2018

|                                   |     |
|-----------------------------------|-----|
| Number of Paid Members 2018.....  | 260 |
| Number of Lifetime Members.....   | 35  |
| Total Number of Members 2018..... | 295 |

### Correction to last month's report:

Total Number of Members 279, not 314.  
Sorry for the miscalculation!

The City of Pittsburg 2018 Recreation Guide has a misprint on page 19. Our Membership Dues are only **\$15.00 per year**, not per month!

\*\*\*This nation will remain to be the land of the free so long as it is the home of the brave.

*Elmer Davis*

## REASONS TO RENEW YOUR MEMBERSHIPS

Annual dues of \$15 must be paid by Club members each year

You must be a Club member in good standing to participate in and benefit from "members only" Club activities

There is no need to fill out a form. Simplify verify your information with any Membership Committee volunteer at the Membership Table

Membership Committee is ready for you now!  
(MON/WED/FRI 10:30 am - 11:30 am)



*Fundraising*  
*Linda Dotson,* Chair  
[mlindad2014@gmail.com](mailto:mlindad2014@gmail.com)  
(925) 864-5567



Hi All:

I'm looking forward to working with all of you on our next fundraiser, "**Pittsburg Dining Out**", happening in September (date to be announced).

Here's how it works. Once the 5 restaurants have agreed to participate then we all get busy spreading the great news to our friends, family, your church family, your doctor, lawyer, co-workers or have your children get their co-workers to mark their calendars to come out on that night to have dinner at one of the restaurants on the list. My committee will be preparing a "SAVE THE DATE" flyer for you to hand out. The flyer will also explain how "**Pittsburg Dining Out**" works.

We really need you to be *cheerleaders* and spread the word. That's really the key to success in this fundraising event...*word-of-mouth*. Once you've decided on the restaurant and your party has finished your meal, make sure your receipt and the merchant receipt has "Pittsburg Fifty Plus Club" at the bottom. Turn your receipts into me so we can have an accounting of what was spent and what amount we should have coming to 50+ Club.

Example: La Veranda donates 20% of food receipts that day from people who come in and identify themselves with the 50+ Club. The food receipts total \$500, 20% = \$100 goes to 50+ Club. It's that simple.

The date will be **September 17**, so start spreading the news. We'll talk later.



## *T'ai Chi Chih* Joy Thru Movement

Monday 5:15 – 6:15 pm  
Tuesday & Thursday 9:00 -10:15 am

First of all, I like to state, how happy I'm to have found a group of people in my town, so committed, as you are, to the practice Tai Chi Chih! (TCC). I became a TCC teacher in 1993, and after that I helped in my teacher's classes for several years and briefly taught for Pittsburg Parks and Recreation, in 1996. In later years, I mostly have been practicing alone or, once in a while, with other teachers. To find a group, to practice regularly, is a real pleasure. As I practice with all of you, the TCC teacher, inside of me, comes alive, that is why I'm prompted to write something for your newsletter.

What follows is paraphrased from the book T'ai Chi Chih!, written in 1974, by Justin Stone, the originator of this form of T'ai Chi:

'While practicing TCC, one's attention is kept primarily on the soles of the feet (so called in acupuncture, bubbling spring) or 2 inches below your navel (the 'tan t'ien', pronounced 'dantien').'

This is very important, because TCC is a moving meditation, which purpose is the flow of the Chi, a Chinese term, translated as Vital Force. Quieten the mind is one of the basis of this practice, focusing your attention in the soles of the feet or two inches below your navel, will help you do that. For me, and I noticed, for most people, it is easier to focus on the soles of the feet.

Although TCC will keep you in shape, it is not a workout. It is very important to keep a 'beginner's mind' and to be mindfully paying attention to the details explained by your teacher. After more than 20 years, I still discover new things if I pay close attention to the principles of TCC while practicing.

See you in class. Rosa Fallon, Instructor



## *Relay for Life*

*Katy Castro (pictured)  
and Jeannette Stotts*

Co-Captains

2018



June 23 and 24 were the days chosen for this event. Little did anyone know how hot it would be! Team members were: Benj Brisjar, Jeannette Stotts, Theresa Bruno, Iris Cooper, Katy Castro and Annette Jenkins. SURVIVORS: Sam Vaughn, Janice Semanick, Nora Warren, Woodie Williams, Peaches Roberts and Judy Silva. Our Club donated \$500.00! Overall, as of June 24th, there were 70 Relay Teams and those teams raised \$112,675.00! You may donate until August 31!

[http://main.acsevents.org/site/TR/RelayForLife/RFLCY18WER?pg=entry&fr\\_id=85540](http://main.acsevents.org/site/TR/RelayForLife/RFLCY18WER?pg=entry&fr_id=85540)



Our team captain Katy Castro and Theresa Bruno held down the fort in temperature of 105 degrees!



Barbara Riley & Steve Slipka on the track in the Survivor Lap at Los Medanos College



**ANNUAL  
MEMBERSHIP  
LUNCHEON**

I am happy to report that our Luncheon this year was a success. 112 club members, band members, students and guests attended. The program was filled with wonderful music and dancing. Congratulations to our members, who were recognized with awards! I hope you all had a good time. Thank you for coming!



Harriet Howell receiving a special "Inspiration Award".  
L-R: Mary Ziegler, Harriet Howell, Sam & Almetta Vaughn with flowers



Karen Ward receiving the "Member of the Year Award" from Sam Vaughn, our President



Here is Harriet's Chorale performing one beautiful song after another for us. Thank you!



Meg Goble receiving a special Award from Harriet Howell, our Chorale Director, and playing keyboard



Ehukai and her students showing us the beautiful art of Hula, where every move has a special meaning. Her husband's band accompanying the dancers in the background.  
Thank you for doing such a beautiful job,  
Ka Papa O Pittsburg!



Practicing the HULA are L-R: Benj Brisjar, Mary Ziegler, June Guiang and Marian Gutierrez, student





**HAPPY BIRTHDAY!**  
July Birthdays



**Birthday Potluck**

Last Monday 5:00 - 7:00 pm  
JoJo Ortiz, Coordinator

- 01 Josie Cheney
- 01 Hailey Ellis
- 02 LTM Conchita Strickland
- 03 Lynn Dogherty
- 03 Mary Ferrer
- 03 Debbie Jeremy
- 04 JoJo Ortiz
- 08 Doris Collins Crosley
- 10 Cindy Williams
- 13 Rosie Ragler
- 13 Ethel Johnson
- 15 Robert Pavel
- 18 Freddie Allen
- 20 Lisa Segovia
- 21 LTM Margaret DeMers
- 21 Penny Fagen
- 24 Clarice Chandler
- 27 Kathryn Carterelliot
- 28 Joanne Henderson
- 28 Cheryl Turner
- 29 Mary Burkett
- 29 Beatrice Mitchell
- 30 Guadalupe Fierro
- 30 Ehukai Sako

( as of May 29th)

Since we have volunteers for serving now our potlucks have been going a lot smoother. Sadly Ethel Johnson is moving to So California by month end. We wish her only the best and thank her for all her help! If you can help please let me know!

**BIRTHDAY POTLUCK DINNER ETIQUETTE**

- Bring enough food/drinks, plates, utensils, and cups for any guests you invite.
- Help set up.
- Help clean up after potluck. All food must be taken home or thrown into the trash.
- Help Clean Up.
- **HELP CLEAN UP!**

At each of our general meetings we are holding a 50/50 Raffle. On June 20th the happy winner was **Roberta Washington**. Come join us at the next one!



**20 LUCKY CLUB MEMBERS RECEIVE A \$4 MAYA CINEMAS GIFT CARD AT EACH GENERAL MEETING!!!**



Barbara Robertson (R) was the only birthday celebrant present at our June potluck. She received her \$5.00 WinCo card from Benj Brisjar.

Next date: Wednesday, July 25, 2018  
In order to receive your free movie ticket you need to stay from beginning to end of the General Meeting. There will be a sign-up sheet passed around. If there are more members interested, we draw numbers. Thanks for joining us!  
Annie Panganiban

**amazonsmile**  
You shop. Amazon gives.

Smile Amazon.com donates 0.5% of your purchase amount to the Pittsburg Fifty Plus Club when you click on <https://smile.amazon.com/ch/94-2410900> before shopping at Amazon.com



**Chorale Notes**  
 Thursday, 2-4 pm  
 Harriet Howell, Director  
 harriettlouise44@gmail.com  
 (650) 224-8288



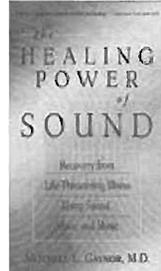
# Dates to Remember



## July

- 03 All American Dance/Luncheon by City
- 04 Sr. Center closed; 4th of July
- 09 Friendship Co. at Revi Rev's, 9:00 am \*
- 10 S.F Craig Smith Tour
- 11 Tim Grayson's Sr. Scam Seminar 9 -11 am
- 18 General Membership Meeting, 1:00 pm
- 19 Abner Jett Domino Tournament 1pm (City)
- 23 Newsletter Deadline for August
- 30 Birthday Potluck Dinner 5:00 - 7:00 pm

The following are excerpts from  
**"The Healing Power of Sound"**  
 by Mitchell L Gaynor, MD,  
 a Cancer Specialist



According to numerous scientific studies there is evidence that music has healing potential, which includes a variety of physiological functions.

It can:  
 Reduce anxiety  
 Lower blood pressure  
 Lower heart rate  
 Lower respiratory rate  
 Reduce cardiac complications  
 Increase immune response (cell messengers)  
 Boost our natural opiates

It was found that the human voice carries something in it's vibration that makes it more powerful than any musical instrument, called "consciousness".

Remember that music is good for your health and your soul and improves physical health.  
 If you would like to get started with us, please come see me on Thursdays at 1:30 pm to test your voice.

### Save the Date:

Italian Festival in **Reno**, Saturday, October 6, 2018  
 More information on flyer, page 8!

### Ongoing Activities

- Bingo ..... FRI, 12:45-2:30 pm
- Bocce..... Summer participation pending
- Book Club..... 1<sup>st</sup> TUE, 1:00-2:00 pm
- Bowling, Delta Bowl..... 2<sup>nd</sup> WED 2:30 pm
- Chorale Rehearsal..... THUR, 2:00-4:00 pm
- Friendship Company ..... 2<sup>nd</sup> MON, 9:00 am
- Hula Class..... THUR 4:00-5:00 pm
- Movie Date at Maya Theatre... 4th WED, afternoon
- T'ai Chi Chih .MON 5:00 pm, TUE/THUR 9:00 am



### WANTED

Piano Accompanist  
 for Chorale Rehearsal  
 Every Thursday 2:00 - 4:00 pm

## Friendship Company

2<sup>nd</sup> Monday of each month, 9:00 am  
 Irene Neil, (702) 788-1687



Our next breakfast meeting will be on Monday, July 9th at 9:00 am at Revi Revs Soul Food Connection, 2376 Buchanan Rd, Antioch. It will be a special buffet just for us for about \$10.00, including coffee or juice! Reserve your place! If you have room in your car for someone, meet at the center at 8:30



### Fifty Plus Club Logo

Baseball Caps & Shirts!  
 Irene Neil, (702) 788-1687



If you would like to order club logo products, please contact me! Also, the products below are immediately available.

- T Shirts: (XL) 2 (3XL) 1
- Sweatshirts: (XL) 1 (2XL) 1
- Hooded Zip Front: (XL) 5 (3XL) 2
- Logo Baseball Caps: 13

If you don't see what you want in stock, see page 10 for ordering information. Call me or look for me at the Senior Center.



**Bowling at Delta Bowl**  
 Every 2<sup>nd</sup> Wednesday, 2:30 pm  
*First 20 members bowl for free*  
*Free shoe rental*



**Constitution & By-Laws**  
 Almetta Vaughn, Chair  
 Cell: (925) 872-2890



On June 13, Fifty Plus Club fellow bowlers -- Benj Brisjar, Joanne Henderson, Janice Semanick, Carolyn Smith and Jeannette Stotts -- bid farewell to Allison Parr at Delta Bowl. To help us remember her, Allison shows excellent form as she trounced us all with the highest score of 122. Allison moved permanently to Buffalo NY on June 16.

A motion to change the By-Laws and Constitutions for the Educational Scholarship Committee in Article VII, Section 8 was presented to our general membership at the meeting on June 20, 2018 by Nancy Peters. It will read: "Each year the club awards three (3) academic scholarships to deserving students in their final year of high school who wish to further their education. The Educational Scholarship Committee shall select the annual scholarship recipients from a pool of eligible applicants consistent with policies and written guidelines developed by the Committee and approved by the Board." This motion was passed.



Allison Parr with a little assistance from Benj Brisjar

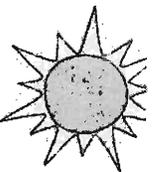


**Hula Class**  
**Ka Papa O Pittsburg**  
 Thursday 4-5 pm  
 Ehukai, Kumu Hula

| Player | 1  | 2  | 3  | 4  | 5  | 6  | 7  | 8  | 9  | 10 | Total |
|--------|----|----|----|----|----|----|----|----|----|----|-------|
| BENJI  | 9  | 76 | 19 | 47 | 26 | 37 | 1  | X3 | 69 | 18 | 102   |
| ALLISO | X7 | 7  | X4 | 33 | 43 | 58 | 3  | 78 | 7  | 2  | 122   |
| CAROLY | 9  | 26 | 35 | 36 | 41 | 60 | 69 | 77 | 95 |    | 95    |

Our Hula class did a wonderful job performing at our Annual Luncheon. While we were enjoying a delicious meal the sounds and moves of Hawaii took us away like gentle breezes. Ka Papa means "class"

...and "the proof is in the puddin' " or in this case on the score board!



**Sunshine**

Annie Panganiban, Chair



Get Well Wishes to our dear members:

Joey Rodrigues, Annie Panganiban and Lynn Dougherty.

We are wishing a speedy recovery, so you can soon be among us again!

Back row L-R: Bob Momono, Leigh Faunce, Meg Goble, Marilyn Jong Low, Diane Velez, Mary Ziegler, 1/2 of Nora Warren  
 Front Row: L-R: Ehukai Sako, Robert Alden, Carolyn Martinez, June Guiang, Debbie Jeremy



## Nominations

Ron Wilborn, Chair



**ELECTION**  
**WED. DEC. 20**

As of May 18, 2018 the following persons have been nominated for offices:

President: Sam Vaughn, Joy Walker  
Recording Secretary: Janice Semanick, Lela Harvey  
Treasurer: Ron Wilborn, Vivian Lee

Keep thinking about who YOU would like to see as officers for the next 2 years. The openings will be for President, Treasurer, and Recording Secretary. Get involved in your Fifty Plus Club. Thanks!

Your Nomination Committee



**Low Impact Senior Exercise Program**  
Mon/Wed/Fri at Senior Center  
9:15 am to 10:15 am

Instructor Mary Ann Crawford is giving new students a free one day pass and showing us some of the fun her class is having below.



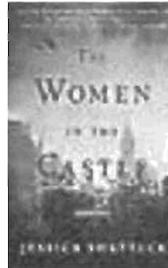
## Book Club

First Tuesday of the month 1-2 pm  
Samuel Vaughn  
(925) 439-2890, (925) 872-2891  
vaug\_assoc@sbcglobal.net



Fridays  
at 12:45 pm  
Come join us!

**July 3rd:** *Women of the Castle* by Jessica Shattuck is set at the end of World War II in a crumbling Castle. A powerful and compulsive story of three widows whose lives and fates become intertwined. An affecting, shocking and ultimately redemptive novel.



We still have no Bingo Chair or new volunteer members to work on the Sunday Bingo. At present, Sunday Bingo is still suspended. Nora Warren has graciously accepted the position of chairperson for our Friday Bingo games!

### Ethel's Quotes

In a world where you can be anything! Be yourself.  
Club Member

Why not go out on a limb that's where the fruit is.  
Mark Twain

### Penny's Quotes

"When fear knocks, let faith answer the door."  
Robin Roberts

"Courage is nothing more than taking one step more than you think you can."  
Holly Lisle

"There is no such thing as too late in life."  
Professor Morrie Schwartz

"Enjoy life. Be healthy. Share a smile."



**August 7:** *The Girl with Seven Names* by Hyeonseo Lee is a powerful, fascinating true story about a young girl who manages to escape from North Korea. She gives a very honest view of living in North Korea and her escape and later helping her mother and brother escape.

\*\*\*In the truest sense, freedom cannot be bestowed; it must be achieved. *Theodore D. Roosevelt*

**What Can I Do With My Membership Card?**

Present your membership card to the Pittsburg merchants below for exclusive Club Member benefits. If you know of any merchants who deserve to be added to this list, please call and leave a voice message at (925) 439-2135 or email [pitt50plus@gmail.com](mailto:pitt50plus@gmail.com).

|                                                                                                 |                                                                                                                                  |                                                                                                                                                                                |                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Tony's Auto Repair</b></p> <p>1436C Bobo Ct<br/>Pittsburg CA 94565<br/>(925) 439-7777</p> | <p>Yelp*: 10 Best Auto Repair Shops in Pittsburg</p> <p>Call Peter Struzas for Club Member exclusive: 10% discount on labor.</p> | <p><b>Little J's</b></p>  <p>3350 Loveridge Rd<br/>Pittsburg CA 94565<br/>(925) 432-7648</p> | <p>Best Tri-tip in town! Aron Locke has been "Feeding the Hungry since 2003"</p> <p>Dine-in or take-out, Club Members receive 10% on all orders.</p> |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                       |                                                                                                                       |                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>R&amp;R Auto Body Repair</b></p> <p>1436D Bobo Ct<br/>Pittsburg CA 94565<br/>(925) 432-2130</p> | <p>Owned and operated by Romeo Rones Since 1996</p> <p>Club Members receive 10% discount on insurance deductible.</p> |  <p>Our much anticipated trip to the Italian Festival in Reno will take place again. Tish Rodrigues and Sandra McQuade are organizing this day trip. Please see flyer on page 10.</p> |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                   |                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>On behalf of the C.C. Café, I would like to acknowledge and give a special Thank You to the Board Members of the 50 Plus Club for their generous \$600. donation towards the yearly operational cost of the Café.</p> |  <p><b>"Our Favorite Recipes for YOU!"</b><br/>"We still have a few cook books available. Ideal for Birthdays, Weddings and Baby Showers! Special donation amount \$10.00 each or two for \$15.00. E-mail: <a href="mailto:pitt50plus@gmail.com">pitt50plus@gmail.com</a></p> |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The C.C. Café Site Council's White Elephant Sale was a success. Thank you to everyone who donated their treasures and to all who came to support it.

Sandra McQuade,  
CC Café Manager

**CABBAGE SALAD** *Meg Goble*  
*Refreshing with your 4th of July BBQ!*

|                    |                         |
|--------------------|-------------------------|
| 1 Cabbage head,    | 1/2 cup almonds, sliced |
| chopped & shredded | 1 pkg chicken ramen     |
| 2 T sesame seeds   | noodles                 |

Combine all ingredients in a large bowl, except seasoning pkg for noodles. Toss with dressing below.

|                              |                                    |
|------------------------------|------------------------------------|
| <b>Dressing</b>              |                                    |
| 3 T rice vinegar, unseasoned | 2 T sugar                          |
| 1 tsp pepper                 | soy sauce to taste                 |
| 1/2 cup sesame oil           | 1/8 tsp garlic powder              |
|                              | 1 seasoning pkg from ramen noodles |

Combine all ingredients for dressing. Pour over salad and toss



**Pittsburg Seafood & Music Festival**

It's coming! And we may be participating this year! Save the dates and volunteer at our booth!

Are you coming?  
**September 8 & 9, 2018**  
Possible shifts available:  
10 am-1:00 pm; 1:00-4:00 pm; 4:00 pm-closing

# PITTSBURG FIFTY PLUS CLUB



presents  
the Annual Bus Trip to



## Reno's Great Italian Festival Saturday, October 6, 2018

---

Leave Pittsburg 7:00 AM  
45 Civic Ave, Pittsburg CA (parking lot  
across from City Park)

Play in Reno for 6 hours!  
Leave Reno at 6:00 pm  
Silver legacy Resort & Casino  
\$10 free play

Return to Pittsburg around 10:00 PM

### Activities include:

- No-host breakfast at
- Denny's in Rocklin
- Bus Bingo
- Movie on-board bus
- Casinos, live entertainment
- Italian Festival food and novelty booths, & more

**\$44 per person**  
(includes driver's tip)

Make checks payable to Pittsburg Fifty Plus Club,  
300 Presidio Lane, Pittsburg CA 94565  
Deadline to turn in money is August 31<sup>st</sup>.  
Seats are assigned when money is received.

Contact: Tish Rodrigues (925) 339-3141

**JULY 2018**

**C.C. CAFE**

**JULY 2018**

**Monday**

**Tuesday**

**Wednesday**

**Thursday**

**Friday**

2

3

4

5

6

**NEW NAPIS KICK OFF**

**4TH OF JULY CELEBRATION**

- COLD PLATE**
- Mock Crab Salad
- Chicken & Rice Soup
- Pickled Beets & Onions
- Carrot Raisin Salad
- Lettuce, Tomato & Onion
- French Bread
- \* Mandarin Oranges

- Cheeseburger
- Baked Beans
- Corn on the Cob
- Mixed Green Salad w/Ranch Dressing
- Catsup, Mustard, Mayo Bun
- \* Strawberries



- Creamy Mushroom Chicken over Penne Noodles
- Mixed Vegetables
- Broccoli Florets
- Raspberry Gelatin w/Pears (Diet Raspberry Gelatin w/Pears)

- Stuffed Pepper
- Mushroom Barley Soup
- Spring Bean Medley
- Rice Pilaf
- Tossed Salad w/1000 Island Dressing
- \* Cantaloupe

9

10

11

12

13

- Cheese Tortellini w/Pesto and Parmesan Cheese
- \* California Blend
- Tossed Salad w/Creamy Italian Dressing
- \* Tropical Fruit

- Turkey a la King over a Biscuit
- Sliced Carrots
- \* Spinach Salad w/Balsamic Vinaigrette
- Seasonal Fresh Fruit

- HERCULES BRING A FRIEND DAY**
- Oven Fried Chicken
  - Chicken Orzo Soup
  - Whipped Sweet Potatoes
  - Green Beans w/Onions
  - \* Big Cookie (Fresh Fruit)

- RODEO - HEARING HEALTH PRESENTATION**
- Sweet and Sour Pork over Brown Rice
  - Capri Vegetables
  - Green Peas
  - \* Coleslaw
  - \* Watermelon

- COLD PLATE**
- Summer Shrimp Salad on Lettuce Leaf
  - Corn Chowder
  - \* Broccoli Pasta Salad
  - Whole Wheat Roll w/Butter
  - Lemon Gelatin w/Whipped Topping (Diet Lemon Gelatin)

16

17

18

19

20

- COLD PLATE**
- Curried Chicken Salad on Mixed Greens
  - Lentil Soup
  - Garden Pea Salad
  - Carrot Raisin Salad
  - WW Roll w/Butter
  - \* Citrus Fruit

- CONCORD - HEARING HEALTH PRESENTATION**
- Swedish Meatballs
  - \* Stewed Tomatoes
  - Spring Bean Medley
  - Herb Noodles
  - Ice Cream (Fresh Fruit)

- BAY POINT - HEARING HEALTH PRESENTATION**
- Beer Batter Fish and Chips
  - \* Capri Vegetables
  - \* Pineapple Coleslaw
  - Tartar Sauce, Vinegar
  - \* Cantaloupe

- CROCKETT - HEARING HEALTH PRESENTATION**
- COLD PLATE**
- Corned Beef Sandwich
  - Split Pea Soup
  - Marinated Zucchini Salad
  - Lettuce & Tomato
  - Mustard
  - Rye Bread
  - Tropical Fruit

- Turkey Tamale Pie w/Corn Bread Topping
- Mixed Vegetables
- Pinto Beans
- Mixed Green Salad w/Ranch Dressing
- \* Mandarin Oranges

23

24

25

26

27

- Pork Camitas
- Salsa
- California Blend
- Spanish Rice
- \* Tossed Salad w/1000 Island Dressing
- Tropical Fruit

- COLD PLATE**
- Cobb Salad
  - \* Orange Juice
  - Minestrone Soup
  - Marinated Beets & Onions
  - Blue Cheese Dressing
  - WW Roll w/Butter
  - Sliced Peaches

- WALNUT CREEK - HEARING HEALTH PRESENTATION**
- Spinach & Mushroom Alfredo
  - Pasta w/Parmesan Chee
  - \* Stewed Tomatoes
  - Italian Vegetables
  - Orange Gelatin w/Mandarins (Diet Orange Gelatin w/Mandarins)

- PITTSBURG - HEARING HEALTH PRESENTATION**
- Southern Style BBQ Chicken
  - Garlic Mashed Potatoes
  - Corn on the Cob
  - Broccoli Florets
  - Banana Pudding (Fresh Fruit)

- CONCORD - COOL KIDS CAMP**
- Beef Sukiyaki
  - Green Beans w/Red Peppers
  - Brown Rice
  - \* Cabbage Salad w/Poppyseed Dressing
  - \* Watermelon

30

31

- Chicken Marsala
- Cauliflower
- Mixed Vegetables
- Buttered Vermicelli Noodles
- Whole Wheat Roll w/Butter
- \* Mandarin Oranges

- Breaded Cod Fish w/Lemon & Tartar Sauce
- Clam Chowder
- Capri Vegetables
- \* Potato Wedges
- \* Pineapple Coleslaw
- Tapoca Pudding (Fresh Fruit)



= Item is higher in sodium  
 \* = Vitamin C  
 = Vitamin A  
 ( ) = Dessert of Choice  
 All meals served w/low fat milk.



**DELICIOUS DECISIONS! DON'T FORGET TO STOP BY FOR OUR SPECIAL EVENT MEALS ON JULY 2, 3 AND 11. 4 DAILY ALTERNATE ENTREE CHOICES: CHEESEBURGER, GARDEN BURGER, CHEF'S SALAD OR SEAFOOD LOUIE SALAD!**

\*\*\*\*\* PLEASE CALL THE DAY BEFORE BY NOON TO MAKE A RESERVATION FOR LUNCH! \*\*\*\*\*



**Pittsburg Fifty Plus Club**

300 Presidio Lane  
 Pittsburg CA 94565  
 (925) 439-2135 voicemail

www.pittsburg50plusclub.com  
 pitt50plus@gmail.com  
 Editor: fifty\_plus\_club@aol.com



Return Service Requested

Mike McGill, Chairman  
 LAFCO  
 651 Pine St, 6th Floor  
 Martinez CA 94535

**2018 Executive Board of Directors  
 Elected Officers**

President.....Samuel A Vaughn  
 Vice-President.....Mary Ziegler  
 Recording Secretary.....Janice Semanick  
 Treasurer.....Ron Wilborn  
 Financial Secretary.....Benjamin Z Brisjar

**Appointed Standing Committee Chairs:**

lingo.....Vacant  
 Constitution & By-Laws.....Almetta Vaughn  
 Educational Scholarship.....lantha Cooper  
 Fundraising.....Linda Dotson  
 Membership.....Jeannette Stotts  
 Newsletter Editor.....Annette Jenkins  
 Relay for Life.....Katy Castro  
 Sunshine.....Annie Panganiban

**Pittsburg Senior Center Staff**

Recreation Supervisor.....Joy Walker  
 Office Assistant.....Vivian Lee  
 Office Assistant Aide.....Barbara Lynch  
 Maintenance.....Elijah Jones



**Our Motto**

Committed to apply our **WISDOM**, to show  
**COMPASSION** and **GENEROSITY**  
 to all members of our Community.



If you would like to purchase a Club t-shirt or sweatshirt, please contact Meg Goble (925) 768-2790. Indicate the **STYLE, SIZE** and **QUANTITY**.

Also see Page 4.

| STYLE                   | S-XL  | 2XL   | 3XL   | 4XL   | 5X    |
|-------------------------|-------|-------|-------|-------|-------|
| (T) T-SHIRT, UNISEX     | 10.00 | 12.00 | 13.00 | 14.00 | 15.00 |
| (C) CREWNECK SWEATSHIRT | 18.00 | 20.00 | 21.00 | 22.00 | 23.00 |
| (P) PULLOVER, HOODIE    | 20.00 | 22.00 | 23.00 | 24.00 | 25.00 |
| (Z) ZIP FRONT, HOODIE   | 23.00 | 25.00 | 26.00 | 27.00 | 28.00 |

Payment: Cash / \*Debit Card / \*Credit Card / Check  
 (\*3% surcharge for debit/credit card transactions;  
 returned check charge \$12.00)

Sammie Lewis  
175 Clyde Street  
Pittsburg, California 94565  
September 6, 2018



Lou Ann Texeira  
Contra Costa LAFCO  
651 Pine Street 6<sup>th</sup> Floor  
Martinez California 94553

Dear Executive Officer:

I--Sammie Lewis is The Assistant Coordinator of The Greater Faith Food Pantry in Pittsburg, California. If you dissolve the Los Medanos Community Healthcare District many people will suffer and many beneficial programs will not be available to the most needy people in our Community such as:

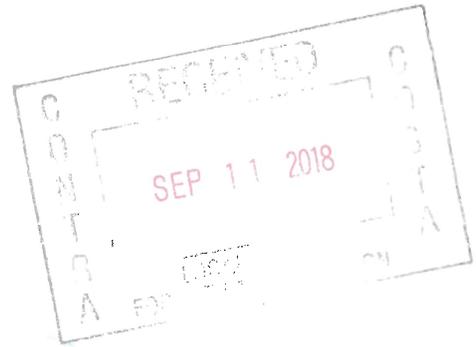
1. Greater Faith Food Pantry where we provide the community with a three-day food package for a family of four every second and fourth Saturday of the month and emergency food is provided if needed. We now serve 1800 households and 7200 individuals. These people would not have any place to go most of them walk to pick up supplies. We serve all those who are in need.
2. Other needed Programs would suffer also: The Student Eye Glasses; (Vision Care) The community Out Reach and The Community Garden; Violence Prevention Programs; Anti-Bullying Programs and many more.

Please consider all these very needed programs when you are considering dissolving the LMCHD Programs.

Sincerely

Sammie Lewis,  
Greater Faith Food Pantry,  
Assistant Coordinator

NUNLEY'S KARATE-DO  
760 RAILROAD AVENUE  
PITTSBURG, CA 94565  
925-628-8454



September 7, 2018

Chairman Mike McGill  
Members of the Commission  
651 Pine Street, 6th. Floor  
Martinez, Ca 94553

To LAFCO Commissioners:

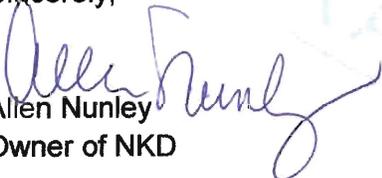
This is a formal letter to appeal the decision to dissolve Los Medanos Community Healthcare District (LMCHD) Nunley's Karate-Do have only been working with LMCHD for just a short time, but within that time we has accomplished a lot together. LMCHD has granted NKD funds to help out with a new flooring of the new facility and stipend 20 kids for our summer program.

In the summer program we were able to teach the youth a number of programs, the students managed to achieve discipline, courtesy, integrity, perseverance, self control, increased confidence, leadership skills, accountability, self empowerment, fitness endurance and improving overall life skills.

This year LMCHD scholarship program will help send 4 youth students of Nunley's Karate-Do (NKD) to the World Kickboxing Championships in Palazzo Del Turismo Jesolo, Venice - Italy to represent the United States for the gold medals. These kids trained and worked very hard, "ALL" season long to make this huge accomplishment, because of programs like LMCHD, this wouldn't have been possible for 4 inter-city kids of Pittsburg to represent their country.

On behalf of Nunley's Karate-Do (NKD) I'm asking that you reconsider your opinion to dissolve Los Medanos Community Healthcare District (LMCHD).

Sincerely,

  
Allen Nunley  
Owner of NKD

August 31, 2018

Certified Letter

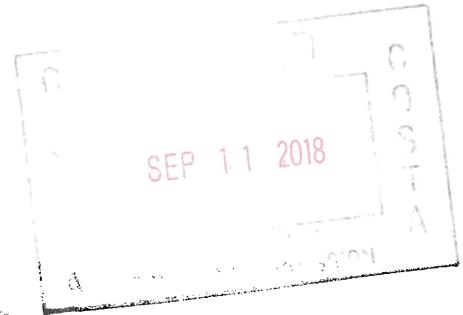
Local Agency Formation Commission (LAFCO)

Chairman Michael McGill and

Members of the Commission

651 Pine Street, Sixth Floor

Martinez, CA. 94553



**“Judge not.... Let me pull out the mote (small particle) out of thine eye and, behold, a beam is in thine own eye....) Matthew 7:1-5**

**I oppose dissolution of the Los Medanos Community Healthcare District.**

### **Introduction**

I am Charles D. Smith, a citizen of Pittsburg, California for over 58 years, a veteran of the Vietnam conflict and now at the age of 70, a semi active political and environmental advocate. I am also one the organic gardeners at the Hospital site.

**My experiences and training in Environmental Health and Safety issues gives me reason to believe I can also understand best/better grass roots community healthcare needs.** I have worked with regulatory agencies such as EPA (CWA, CAA, Air Toxics, TSCA, RCRA, and SARA), BAAQMD, EBMUD, DOT and other Regional Control Boards.

I was once appointed as the City of Pittsburg trustee to the County’s Mosquito and Vector Control Board. That was a very short appointment of about one month. After a heated discussion with the former City Manager, I resigned. Lesson learned: appointees are supposed to follow the flow. My other county connection was a minor writing contributor and planning group participant for the development of the “Kirker Creek Watershed Management Plan, January 2004”.

The Los Medanos Community Health Care District (LMCHD) must remain an independent special district. The County’s actions are a forced takeover.

## **Background**

In an almost criminal action, the county of Contra Costa has filed a request with LAFCO to dissolve LMCHD. The County also engaged the county Grand Jury to issue a report supporting the County's weak rationale. This may be an attempt to either (1) gain leverage during contract negotiations (2) extract funds or commitment to county related programs. The county has filed papers for dissolving the district and pirating a valuable Pittsburg citizens' assets primarily a five story hospital and a large parcel of land.

LAFCO reviewed a prejudiced lengthy document (MSR) which mixed apples and oranges in its version of documenting LMCHD operations. There were a couple of very fixable items. But nothing serious such as mismanagement of funds. The MSR report also failed to document LMCHD actual collaborations with others.

I have since learned that LAFCO issued a more concise and directed report. I apologize for not having read that report. However, I write to oppose any actions dissolving the district or binding the district to any formalized financial relationships or considerations except as required by law.

A Grand Jury (county appointees) without legal standing added its flawed misunderstanding by calling for dissolution. But this report almost makes the case for LMCHD. Please note from the Grand Jury Report 1802:

### ***"Growth and population projection***

***Chronic diseases are linked to income, education and ethnicity and are thus more prevalent in ... communities of color. Because of the rapid growth of these communities, preventative healthcare programs are important ...." (GJR)***

**This is the focus of the Los Medanos Community Health Care District.**

It is proper and consistent with past Federal actions that due to their socioeconomic status, Pittsburg and Richmond are underserved and deserve focused attention. The county's programs are not and have not been focused on communities of color. One GJR recommendation was that LMCHD should collaborate with the county's Stop Smoking program. **72% of all tobacco sales are in the communities of color.** LMCHD should not be forced to function outside of its focus.

The GJR also looked at mortality rates. Not surprising, people of color in the LMCHD district lived shorter lives than the county' rate. People with money usually visit their physicians and specialists regularly. People without funds oft times become county patients. Finally, people living in healthy communities live longer lives. Pittsburg/Bay Point communities are not environmental healthy communities.

### **Fact Check**

Does the county's actions represent the concerns of the district or needs of people of color?

- The county is leasing the hospital building from LMCHD and pays about \$0.06/sf. That is about as **collaborative** (short of free), a corporate agency can be.
- To get that deal, the county promised **to include an Emergency Station in its operations**. Pittsburg remains a city without an emergency room.
- The county (which appointed the grand jury) has shown serious a serious lack of oversight; paying a fraudulent employee over \$900,000 until she was caught. There is little excuse for this dereliction to duty. Yet they are to become our successor agency.
- The County clinic operations has had serious health violations. Most recently, leading to a fine and reduction in Medicare funding.
- The GJR Methodology/investigation is absent one element. The affected community was not consulted. This not an investigation; it should be labeled a five year one side observation.

### **Discussions**

Environmental impacts create the need for a special district.

- Does Alamo have/once had a cannery? Antioch did.
- Does Dublin or Discovery Bay have a Dow Chemical?
- Other than Richmond and Martinez, who has refineries?
- Does San Ramon have a closed Crown Zellerbach?

- Are all oil storage tanks at the non-operating PG&E plant empty?
- Which city once had a thriving Asbestos plant.
- Which cities had a cannery?
- Does Pleasant Hill have a PG&E power plant?
- Only one city has steel mill.
- What can be noted as environmentally impacting Walnut Creek or Orinda?
- How many Chemical Plants have been/are located near the river?
- Why is railroad traffic located near the river?
- Which area/city have a landfill?
- Which city has a transfer/storage (TS) waste storage facility?
- Do all cities have a TS facility?
- 75% of last year Keller Canyon grants was spent in Bay Point, the bulk going to CCC Sheriff Office
- Pittsburg spends most of its Keller Canyon funds on Police programs

### **Industry and the Environment**

For the LMCHD, the impact of past and current industrial operations have only been partially determined. John Manville and its asbestos operations have ceased, but has its past effluent releases been fully contained?

DuPont operates under permitted conditions. This mean a regulated amount of pollutant release is ok. All facilities needing permits are potential polluters. Pittsburg's PG&E operations are legendary for regular releases in the community. PG&E would routinely issue funds for car washes. The City of Pittsburg would issue sand bags during heavy rains for the Carpino/ St. Mark Church area. Uncovered large piles of coal material for shipment to Korea was common for many years at the Pittsburg waterfront. Occasionally, large heaps of landfill are noted at some construction sites.

The Northern shoreline of the river, once called the 17 mile run (Pittsburg to Richmond) is still home to a variety of light/heavy industry. Environmental degradation is mainly manifested in "bad air" conditions. So I do not find it strange that over 90% of emergency rooms visits by area residents are related to respiratory problems. Emergency facilities are not available in Pittsburg.

Belatedly, the BAAQMD has installed an (1) air sampling station at the LMCHD garden area. Because of its siting, I find this single source data collection site inadequate. Area meteorology and distance to any problematic or potential air pollution source makes its value debatable.

The county has many environmental health programs, some of which require permits. I am unsure of its Air Toxics focus.

### **Not In My Back Yard (Nimby hits Pittsburg/Point)**

The citizens of Pittsburg/Bay Point have been besieged by undesirable and unhealthy environmental projects pushed by the county. The latest was WesPac. The county needed a dump site. No other city wanted a landfill; Pittsburg/Bay Point got Keller Canyon. The city and county got millions \$. Environmental health considerations are not a county focus. Keller Canyon mitigation money to District 5 funds county safety efforts and beefs up the Sheriff's office.

### **Lesson Learned**

However, there has been much gained through this affair. The healthcare district realized its true value and worth in this community. Although it has not held press conferences or photo shoot occasions, it has learned the importance of district wide communication and touting its own horn. An unencumbered board can move forward on active projects/issues not covered by the county.

### **Conclusion**

The citizenry of Pittsburg/Bay Point need direct access to all governing bodies. Taxation without representation is unconstitutional. The voting public of the district should prevail over appointees. The Los Medanos Community Health Care District is on the verge of becoming a major cultural, political, environmental and community health part of Pittsburg. **Therefore, LMCHD must be allowed to flourish as an elected entity in this city.**

Sincerely, 

Charles D. Smith (Retired) Environmental Staff Scientist

Department of Energy /University of California Regents

Lawrence Berkeley National Lab

CC: Bay Area Air Quality Management District  
Bay Point Municipal Advisory Committee  
CA, Department of Public Health  
CA. Toxic Substances Control  
Center for Disease Control  
Contra Costa County Board of Supervisors  
East Bay Contra Costa Times  
Kaiser Hospitals  
City Council of Pittsburg  
Los Medanos Community Health Care District  
State Controller Office  
TBD