

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

January 9, 2019

Board of Supervisors Chambers
Martinez, CA

1. Chair Mike McGill called the meeting to order at 1:35 p.m. and the Pledge of Allegiance was recited.
2. Chair McGill read the "Resolution of Detachment" recognizing Commissioner Tatzin's significant contributions to LAFCO in the years since his appointment in January of 1997.
3. Roll was called. A quorum was present of the following Commissioners:

County Members Candace Andersen and Alternate Diane Burgis (arrived 1:50 p.m.).
Special District Members Mike McGill and Igor Skaredoff and Alternate Stan Caldwell.
City Members Tom Butt and Rob Schroder.
Public Member Alternate Charles Lewis.

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

4. Approval of the Agenda

Upon motion of Andersen, second by Schroder, Commissioners approved the agenda by a vote of 6-0.

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

5. Selection of Chair and Vice Chair

Commissioner Butt was unanimously, 6-0, named as Commission Chair for 2019.

Commissioner Andersen was unanimously, 6-0, named as Commission Vice Chair for 2019.

Commissioner McGill was recognized for his service as the 2018 Chair of the Commission.

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

6. Public Comments

Michael Donner, new board member for Moraga-Orinda Fire District, introduced himself to the Commission as his District's designated liaison to LAFCO.

Charles Smith, resident of Pittsburg, expressed his personal discontent regarding Commissioner McGill's performance as the 2018 Commission Chair.

7. Approval of December 12, 2018 Meeting Minutes

Upon motion of Schroder, second by Lewis, the December 12, 2018 meeting minutes were approved unanimously by a vote of 7-0.

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

8. LAFCO 18-12 - City of Martinez Out of Agency Service (Subdivision 7069, Creekside Oaks)

The Executive Officer presented this proposal from the City of Martinez to provide municipal water service to a seven-lot residential subdivision located at Castle Creek Court in Alhambra Valley, outside the City boundary but within the City's sphere of influence (SOI) and urban limit line (ULL). The Alhambra Valley is partially served by the City for water and by CCCSD for wastewater service. The City indicates that it has adequate water to serve the subject area.

Commissioner Lewis stated that he would like to reinforce that LAFCO would like to hear an expanded commitment from the City to annex this and other areas. Relying on the City's prior fiscal studies undercuts the commitment to annex per Government Code §56133, which allows out of agency service as a temporary measure in certain circumstances. Given there are 1,500 parcels receiving out of agency service from the City, it seems appropriate to ask the City about its annexation timeline.

Commissioner Schroder noted that the map in this proposal shows a large area that was annexed in 2011. There are a couple more areas in Alhambra Valley that will be coming to LAFCO soon for annexation.

Upon motion of Andersen, second by Lewis, Commissioners, by a 7-0 unanimous vote, found the project exempt pursuant to §15061(b)(3) of the CEQA Guidelines; and authorized the City of Martinez to extend municipal water service outside its jurisdictional boundary to the 16.89±-acre property located at Castle Creek Court and Casa de Campo in the unincorporated Alhambra Valley, subject to specified terms and conditions, and directed staff to request a report on an estimated timeframe on future annexation activity from City of Martinez staff within six months of this date.

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

9. LAFCO 17-13 - Dissolution of LMCHD - Update on Protest Proceedings

The Executive Officer drew Commissioners' attention to the supplemental report provided on January 8, which reported on the results of the protest as verified by the County Elections Office, which has completed its verification of the written protests within the prescribed time, and included a three level review process. On January 8, LAFCO received a letter and protest results from County Elections, which reported that the number of valid written protests received did not meet the 25% threshold required to submit the question of dissolution to the voters; therefore, pursuant to LAFCO law, the Commission must order the dissolution of LMCHD without an election.

Kara Ueda, LAFCO Special Counsel, reported that this morning the District filed a lawsuit against LAFCO and the County, seeking to prevent LAFCO from approving the resolution of dissolution or recording the resolution of dissolution if approved. The District also sought from the Court an immediate order to prevent LAFCO from taking final action today to dissolve the District. The Court this morning considered arguments and decided to give the District additional time to more fully brief and explain its position. In doing so, the Court is permitting LAFCO to take the recommended action today at the meeting, but staff will not be allowed to record the resolution of dissolution. The Court has scheduled a hearing on the District's request for a preliminary injunction for February 7, 2019, and has also set a briefing schedule. The Court's order today does not change the recommended action but does prevent staff from recording the resolution of dissolution. Ms. Ueda will follow up with further information in the near future.

The Chair opened the floor to public comment.

Charles Smith, Pittsburg resident, spoke against the dissolution and accused LAFCO, the County, and the City of Pittsburg of holding secret meetings. He stated his belief that the County does not have roots in the District, and that only the District is serving the underserved.

Patt Young, LMCHD Board Member, stated that the District would in fact like to reconcile with the County. Mistakes have been made in the past, but they have cut administrative costs and are willing to

collaborate so that the District can continue to serve its residents. Health issues in the District are better served by the District, which has more cultural credibility.

Dr. J. Vern Cromartie, LMCHD Board President, thanked Commissioner Tatzin for his years of service, and itemized five points:

- 1) The District collected thousands of signatures favoring the retention of the District
- 2) LMCHD provides direct services in addition to its grant programs
- 3) LMCHD reduced its administrative costs to 25% of its overall budget
- 4) LMCHD would like to have the County accept the lease offer it made to LMCHD in July of 2017 because the District will accept it
- 5) The District recognizes and values the County medical services provided at its location and they want to continue to have that collaborative relationship

Elizabeth Calciano, Hensley Law Group, representing LMCHD, asked that the Commissioners not take action today and consider the issues they have raised. She stated that LAFCO chose the date of the protest hearing and chose and gave the District a definite number of registered voters and the number of valid signatures needed based on that number, then “moved the finish line.” It is a matter of fairness to be consistent in the number used at the beginning of the protest period. The District built its campaign on that number.

In response to Commissioner Andersen’s question, LAFCO Special Counsel Ueda stated that the law requires 25% or more of registered voters to trigger an election. All LAFCO did was choose the date of the protest hearing; it did not give a definite number of registered voters needed; rather, it was an approximate number based on the number of voters provided at the beginning of the LAFCO process. The number of registered voters is constantly changing, and the protest hearing period spanned a general election, which drew many new voter registrations.

Upon motion of Andersen, second by Lewis, Commissioners unanimously, by a 7-0 vote, adopted the resolution finding that valid protests were filed by less than 25% of the registered voters in the subject area and ordering the dissolution but staying the recordation.

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

10. County Service Area (CSA) M-9

The Executive Officer presented a report on the dissolution of the inactive district, CSA M-9, which was formed in 1969 to provide street lighting facilities, street sweeping and parkway maintenance services to territory in what was then unincorporated Orinda. When the City of Orinda incorporated in 1985, the City assumed these services. According to County records, CSA M-9 has been inactive since 1990, with no assets, liabilities or debt.

In accordance with legislation enacted in 2017 that defines “inactive districts” and provides an expedited process for dissolving these districts, at its December 12, 2018 meeting LAFCO moved to initiate the dissolution of CSA M-9, which now consists of one parcel of 0.41± acre owned by East Bay Municipal Utility District.

Upon motion of Andersen, second by McGill, Commissioners, by a unanimous 7-0 roll call vote, approved the proposal known as Dissolution of County Service Area M-9; determined that the project is exempt pursuant to CEQA Guidelines Section 15320; found that the subject territory is uninhabited, meets the criteria of an inactive district pursuant to GC §56042 and waived the protest proceedings pursuant to GC §56879.

AYES: Andersen, Burgis (A), Butt, Lewis (A), McGill, Schroder, Skaredoff
NOES: none

ABSENT: Blubaugh (M), Glover (M)
ABSTAIN: none

11. LAFCO Policies and Procedures Committee Appointment

The Executive Officer noted that with Commissioner Tatzin's departure from LAFCO, his seat on the ad hoc Policies and Procedures Committee is open. In 2018, the Commission appointed Commissioner Blubaugh to serve as a member of the committee, replacing Commissioner Burke. A new member for that committee is now needed to move forward on updating some of the Commission's policies and procedures.

Upon motion of Skaredoff, second by Schroder, Commissioners, by a unanimous 7-0 vote, voted to appoint Chuck Lewis as the second member of the ad hoc Policies and Procedures Committee.

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

12. Fiscal Year 2018-19 2nd Quarter Budget Report

The Executive Officer reported that expenditures to date for the first half of this fiscal year are approximately 36% of total appropriations. This includes the annual \$40,000 OPEB liability contribution, but the \$30,000 CCCERA liability contribution is not reflected in the second quarter. Total revenues received to date are just under 100% of projected revenues, including fund balance. Local agencies have paid their LAFCO contributions, and application activity through the 2nd quarter is slightly lower than the FY 2017-18 activity for the same period.

Upon motion of Andersen, second by Burgis, Commissioners, by a unanimous 7-0 vote, received the report.

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

13. Commissioner Comments and Announcements

Commissioner Butt reminded Commissioners that the first Richmond Ferry will launch at 6:10 a.m. on Thursday, January 10, and formal opening events will begin at 1:30 p.m. The City of Richmond will host the Mayors' Conference meeting at the Richmond Craneway following the opening of the ferry.

Commissioner McGill thanked the Executive Officer for covering his CALAFCO December activities at the December LAFCO meeting. He has a CALAFCO Finance Committee meeting on January 14, and another CALAFCO Legislative Committee meeting on January 25.

14. Staff Announcements

The Executive Officer had no additional comments.

The meeting adjourned at 2:30 p.m.

Final Minutes Approved by the Commission February 13, 2019.

AYES: Andersen, Burgis (A), Butt, McGill, Schroder, Skaredoff
NOES:
ABSTAIN: Blubaugh
ABSENT: Glover (M)

By  _____
Executive Officer