



## AUGUST 14, 2019 CONTRA COSTA LAFCO AGENDA

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. Adoption of Agenda
4. Public Comment Period (please observe a three-minute time limit):  
Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
5. Approval of minutes for the July 10, 2019 regular LAFCO meeting

### SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATIONS

6. ***LAFCO 18-04 – Wang Reorganization: Annexation to City of El Cerrito and Corresponding Detachment from City of Richmond*** – consider annexing Assessor Parcel Number (APN) 509-110-017 to City of El Cerrito and detaching the same parcel from City of Richmond. The property comprises 0.07± acres and is located on Jefferson Avenue in the City of Richmond. Consider related actions under the California Environmental Quality Act (CEQA) ***Public Hearing***

### BUSINESS ITEMS

7. ***Special District Risk Management Authority (SDRMA) Board Election*** – receive report from ad hoc committee and consider voting for candidates in the 2019 SDRMA Board Election
8. ***CALAFCO 2019 Conference Material and Call for Board of Directors Candidates and Achievement Award Nominations*** – receive the annual CALAFCO conference packet, appoint voting delegate(s), and provide direction regarding nominations and other matters as desired
9. ***Lafayette/Pleasant Hill Sphere of Influence Subcommittee*** – receive update from ad hoc subcommittee *Informational item*
10. ***2019 Contra Costa County Employees' Retirement Association Employer Audit: Contra Costa LAFCO*** – receive audit – *Informational item*
11. ***FY 2019-20 Budget Adjustment*** – consider moving funds from Fixed Assets to Services and Supplies in conjunction with a change in computer equipment

### INFORMATIONAL ITEMS

12. Commissioner Comments and Announcements
13. Staff Announcements
  - CALAFCO Updates
  - Pending Projects
  - CCCERA Correspondence

### ADJOURNMENT

*The next regular LAFCO meeting is September 11<sup>th</sup>, 2019 at 1:30 pm.*

LAFCO STAFF REPORTS AVAILABLE AT [http://www.contracostalafco.org/meeting\\_archive.htm](http://www.contracostalafco.org/meeting_archive.htm)

**JULY 10, 2019 CONTRA COSTA LAFCO**  
**ANNOTATED AGENDA AND MINUTES**

August 14, 2019  
Agenda Item 5

1. Call to Order and Pledge of Allegiance

2. Roll Call

County Members Candace Andersen and Federal Glover, who arrived at 1:37pm  
Special District Members Mike McGill and Igor Skaredoff and Alternate Stan Caldwell  
City Members Tom Butt and Rob Schroder and Alternate Sean Wright  
Public Members Don Blubaugh and Alternate Charles Lewis

3. Introduction of New LAFCO Employee

Executive Officer introduced Lauren Talbott, new Executive Assistant/LAFCO Clerk

4. Adoption of Agenda

Upon motion of Andersen, second by Blubaugh, Commissioners approved the agenda unanimously, 6-0.

AYES: Andersen, Blubaugh, Butt, McGill, Schroder, Skaredoff

NOES:

ABSENT: Glover (M)

ABSTAIN:

5. Public Comment Period (please observe a three-minute time limit):

There were no public comments.

6. Approval of minutes for the June 12, 2019 regular LAFCO meeting

Upon motion of Skaredoff, second by Andersen, Commissioners approved the June 12, 2019 meeting minutes unanimously, 6-0.

AYES: Andersen, Blubaugh, Butt, McGill, Schroder, Skaredoff

NOES:

ABSENT: Glover (M)

ABSTAIN:

**OUT OF AGENCY SERVICE REQUESTS**

7. ***LAFCO 19-03 – City of Martinez – 1052 Plaza Drive*** – consider a request by City of Martinez to extend municipal water service outside its jurisdictional boundary to one parcel (APN 375-311-028) located at 1052 Plaza Drive in unincorporated Martinez; and consider related actions per the California Environmental Quality Act (CEQA)

Peter Wollman from the City of Martinez answered Commissioners' questions regarding this item.

Upon motion of Andersen, second by McGill, Commissioners, by a 7-0 vote, found the project exempt pursuant to §15303(d) of the CEQA Guidelines; and authorized the City of Martinez to extend municipal water service outside its jurisdictional boundary to the 0.33+-acre property located at 1052 Plaza Drive in unincorporated Martinez, subject to specified terms and conditions.

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff

NOES:

ABSENT:

ABSTAIN:

***DRAFT***

**SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATIONS**

8. ***LAFCO 18-03 – SOI Amendments – City of Richmond (reduce) and City of El Cerrito (expand)*** – consider removing APN 509-110-017 from the City of Richmond’s SOI and adding the same parcel to the City of El Cerrito’s SOI. The property comprises 0.07+ acres and is located on Jefferson Avenue in the City of Richmond. The Commission will also consider related actions per CEQA

Commissioner Butt recused himself on this item, left the Board chambers, and did not participate in the decision, following his disclosure that the landowner had a relationship with Commissioner Butt’s architectural firm. Commissioner Andersen assumed the chair. Vice Chair Andersen opened the public hearing. There were no public comments, and Vice Chair Andersen closed the public hearing.

Upon motion of Blubaugh, second by Glover, Commissioners, by a 6-0 vote, determined that the City of El Cerrito, as Lead Agency, found the project exempt pursuant to CEQA Guidelines section 15061(b)(3); approved the proposed expansion to the City of El Cerrito’s SOI and reduction of the City of Richmond’s SOI by 0.07+ acres; as described and shown on the map.

AYES: Andersen, Blubaugh, Glover, McGill, Schroder, Skaredoff

NOES:

ABSENT:

ABSTAIN: Butt

9. ***LAFCO No. 19-02 – McCauley Annexation to East Contra Costa Irrigation District (ECCID)*** - consider annexing two parcels (APNs 057-060-014 and -015) to ECCID. The area comprises 40+ acres and is located at 7901 and 7921 Deer Valley Road in the City of Antioch. The Commission will also consider related actions under CEQA Chair Butt opened the public hearing. There were no public comments. Sean Moss, Planning Manager for the City of El Cerrito, answered Commissioners questions. Following discussion, Chair Butt closed the public hearing.

Upon motion of Blubaugh, second by Glover, Commissioners, by a 7-0 unanimous vote, certified that it reviewed and considered the information contained in the CEQA documentation; approved the proposal known as the McCauley Annexation to ECCID, with specified conditions; determined that the territory being annexed is liable for the continuation of any authorized or existing special taxes, assessments and charges; found that the subject territory is uninhabited and received no objections to annexation; waived the protest proceeding, and directed staff to complete the proceeding.

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff

NOES:

ABSENT:

ABSTAIN:

10. ***LAFCO 18-06 – Chang Property Reorganization: Annexations to City of San Ramon, Central Contra Costa Sanitary District, and East Bay Municipal Utility District and Detachment from County Service Area P-6*** – consider landowner’s request for extension of time to record the boundary reorganization

Upon motion of Glover, second by Andersen, Commissioners, by a 7-0 unanimous vote, approved an extension of time to July 9, 2020, as requested by landowner to allow more time to the complete open space easement.

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff

NOES:

ABSENT:

ABSTAIN:

**BUSINESS ITEMS**

11. ***Contra Costa LAFCO Policies*** – receive information regarding LAFCO’s policies relating to meeting minutes and provide comments and direction  
Upon motion of McGill, second by Andersen, Commissioners unanimously, by a 7-0 vote, agreed on resuming the use of action meeting minutes.  
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff  
NOES:  
ABSENT:  
ABSTAIN:
  
12. ***Lease Agreement for LAFCO Office Space*** - approve a lease agreement with Contra Costa County for office space at 40 Muir Road in Martinez  
Upon motion of Glover, second by Andersen, Commissioners unanimously, by a 7-0 vote, authorized the Executive Officer to execute the lease agreement.  
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff  
NOES:  
ABSENT:  
ABSTAIN:
  
13. ***2019 “City Services” Municipal Services Review (MSR)/Sphere of Influence (SOI) Updates*** – approve corrections to the MSR/SOI resolutions for the cities of Hercules and Pinole and the Town of Discovery Bay Community Services District  
Upon motion of Andersen, second by Skaredoff, Commissioners unanimously, by a 7-0 vote, agreed to adopt the revised MSR/SOI resolutions for the cities of Hercules and Pinole and the DBCSD.  
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff  
NOES:  
ABSENT:  
ABSTAIN:
  
14. ***Special District Risk Management Authority (SDRMA) Board Election*** – receive information and appoint an ad hoc committee to review candidates and make recommendations to the Commission  
Chair Butt appointed Commissioners Caldwell and Skaredoff to serve on the ad hoc committee to review SDRMA Board candidates.
  
15. ***Legislative Report – Update and Position Letters*** – receive a legislative update  
Commissioners received the legislative update.
  
16. ***Farewell to Kate Sibley – Executive Assistant/LAFCO Clerk*** – the Commission recognized Kate Sibley for her service to Contra Costa LAFCO and wished her well.

## **INFORMATIONAL ITEMS**

### 17. Commissioner Comments and Announcements

- CALAFCO U – Monday, July 15 – *Deep Dive into MSRs* – Mike McGill is one of the speakers
- Legislative Committee Meeting July 26th
- Move July 18 -22 – new address and phone numbers to be provided
- Next CALAFCO Board meeting – August 29, 20-19

### 18. Staff Announcements

- Pending Projects
- Newspaper Articles
- CCCERA Correspondence

The meeting adjourned at 2:27p.m.

Final Minutes Approved by the Commission August 14, 2019.

AYES:

NOES:

ABSTAIN:

ABSENT:

## **ADJOURNMENT**

*The next regular LAFCO meeting is August 14<sup>th</sup>, 2019 at 1:30 pm.*

LAFCO STAFF REPORTS AVAILABLE AT [http://www.contracostalafco.org/meeting\\_archive.htm](http://www.contracostalafco.org/meeting_archive.htm)

By \_\_\_\_\_  
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
EXECUTIVE OFFICER'S REPORT

August 14, 2019 (Agenda)

August 14, 2019  
Agenda Item 6

LAFCO 18-04 Wang Reorganization: Annexation to City of El Cerrito and Detachment from City of Richmond

PROPONENT Kevin Wang, Landowner

SYNOPSIS This is an application to annex 0.07± acres (APN 509-110-017) to the City of El Cerrito and detach the same property from the City of Richmond. The property is located on Jefferson Avenue in the City of Richmond (Exhibit 1). The boundary changes will ensure a more logical boundary to support future development in the area as described below.

DISCUSSION

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

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

On July 10, 2019, the Commission added the subject property to the City of El Cerrito's SOI and removed the same area from the City of Richmond's SOI. The proposed annexation and corresponding detachment are consistent with the amended SOIs. The subject property is within the County's Urban Limit Line.

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

The existing land use includes a one-story retail building and surface parking. The current zoning designations include TOMIMU (Transit Oriented Mid-Intensity Mixed Use) - City of El Cerrito, and RM-1 (Medium Density Multi-Family Residential) - City of Richmond; and the General Plan designations include TOMIMU - City of El Cerrito, and Medium Density Residential - City of Richmond.

In 2014, the City of El Cerrito adopted the San Pablo Avenue Specific Plan (SPASP) which provides guidance for the future development along a stretch of San Pablo Avenue. The SPASP provides the basis for future development of 1,706 residential units, and 243,112 square feet of commercial space. The proposed development on the subject parcel and adjacent parcel includes commercial use, parking, 50 residential units, and related amenities. The cities of El Cerrito and Richmond have provisions for dealing with development in accordance with the SPASP relating to parcels that cross jurisdictional boundaries, land acreage and design review.

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

The current and future land use on the subject property is mixed use (e.g., commercial, residential) and will have no impact agricultural and open space lands. The subject property is not subject to a Williamson Act contract.

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

The subject property is in an urban neighborhood located near the intersection of Jefferson Avenue and San Pablo Avenue. The area is surrounded by streetscapes, buildings and trees. There are no significant natural features in the area.

**5. Population:**

The current population in the area is zero, as the land use is retail and parking. The proposed land use includes construction of 50 units of multi-family housing with ground floor retail. The potential population resulting from this proposal is approximately 126 based on U.S. Census Bureau; American Community Survey, 5-Year Estimates 2013-2017.

**6. Fair Share of Regional Housing:**

In its review of a proposal, LAFCO must consider the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. Regional housing needs are determined by the State Department of Housing and Community Development; and the councils of government throughout the State allocate to each jurisdiction a "fair share" of the regional housing needs (GC §65584).

In Contra Costa County, the Association of Bay Area Governments (ABAG) determines each city's fair share of regional housing needs. Each jurisdiction is required, in turn, to incorporate its fair share of the regional housing needs into the housing element of its General Plan. On July 18, 2013, ABAG adopted the 2015-2023 Regional Housing Needs Allocation (RHNA) Plan for the San Francisco Bay Area. The RHNA Plan includes the following allocations for the City of El Cerrito: total RHNA is calculated at 398 units, including 166 above moderate, 69 moderate, 63 low and 100 very low-income units.

The proposed annexation includes 50 multi-family housing units, all of which will be at market rate. These dwelling units will contribute to meeting the overall share of housing units allocated to the City of El Cerrito.

**7. Governmental Services and Controls - Need, Cost, Adequacy and Availability:**

Whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall also submit a plan for providing services within the affected territory (Gov. Code §56653). The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The subject property is within the boundaries of various municipal service agencies including the City of Richmond and East Bay Municipal Utility District (EBMUD). The subject parcel is not within the Stege Sanitary District (SSD) boundary. If sewer service is needed, an SOI amendment and corresponding annexation to the SSD is required.

The proposed boundary changes will bring the subject area into the service boundary of the City of El Cerrito to enable the City of El Cerrito to extend city services to the subject property.

**8. Timely Availability of Water and Related Issues:**

Pursuant to the CKH, LAFCO must consider the timely and available supply of water in conjunction with boundary change proposals. Contra Costa LAFCO policies state that any proposal for a change of organization that includes the provision of water service shall include information relating to water supply, storage, treatment, distribution, and waste recovery; as well as adequacy of services, facilities, and improvements to be provided and financed by the agency responsible for the provision of such services, facilities and improvements.

The subject property is currently served by EBMUD and will continue to be served by EBMUD following the boundary changes. The City of El Cerrito assessed the demand and capacity of EBMUD water in conjunction with the 2014 San Pablo Avenue Specific Plan Environmental Impact Report (EIR). The EIR concluded that the project would have minimal impact on water supply.

**9. Assessed Value, Tax Rates and Indebtedness:**

The annexation area is within tax rate area 08001. The assessed value for the annexation area is \$205,020 (2018-19 roll). The territory being annexed shall be liable for all authorized or existing taxes and bonded debt comparable to properties presently within the annexing agencies.

The property tax exchange between the two cities is consistent within past practice. The County Auditor will adjust the property tax following completion of the annexation. The City of El Cerrito indicates that prior to issuance of the Certificate of Occupancy, the applicant (Kevin Wang) shall fund a study to inform a possible revenue sharing agreement between the cities of El Cerrito and Richmond.

**10. Environmental Impact of the Proposal:**

In 2014, the City of El Cerrito, as Lead Agency, prepared an Environmental Impact Report (EIR) in conjunction with the SPASP. Also, in 2018, the City prepared a consistency analysis confirming that the subject area and proposed development project are within the planning area of the SPASP, and would have no new significant environmental effects nor substantially increase the severity of previously identified significant effects. Further, that no new mitigation measures are required beyond those identified in the SPASP EIR.

In conjunction with the SOI and boundary change proposals, the City of El Cerrito determined that the inclusion of APN 509-110-017 within El Cerrito's SOI/boundary and the removal of the subject parcel from the City of Richmond's SOI/boundary are actions that are exempt from further review under the California Environmental Quality Act (CEQA) pursuant to Section 15319 of the CEQA Guidelines and the general rule contained in Section 15061(b)(3).

**11. Landowner Consent and Consent by Annexing Agency:**

All landowners within the proposal area and within 300 feet of the subject area received notice of the LAFCO hearing. The sole landowner is the applicant and has consented to the proposed annexation. County Elections reports there are no registered voters on the subject property; therefore, the subject area is considered uninhabited and the protest hearing is waived.

**12. Boundaries and Lines of Assessment:**

Maps and legal descriptions to implement the proposed annexations have been received and are subject to final approval by the County Surveyor.

**13. Environmental Justice:**

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

**14. Disadvantaged Communities:**

Pursuant to SB 244, local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/ amendments, and annexations must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County’s Department of Conservation and Development, the annexation area does not meet the criteria of a DUC.

**15. Comments from Affected Agencies/Other Interested Parties:**

To date LAFCO has received no comments.

**16. Regional Transportation and Regional Growth Plans:**

In its review of a proposal, LAFCO shall consider a regional transportation plan adopted pursuant to Section 65080 [Gov. Code section 56668(g)]. Further, the commission may consider the regional growth goals and policies established by a collaboration of elected officials only, formally representing their local jurisdictions in an official capacity on a regional or subregional basis (Gov. Code section 56668.5).

Regarding these sections, LAFCO looks at consistency of the proposal with the regional transportation and other regional plans affecting the Bay Area.

SB 375, a landmark state law, requires California’s regions to adopt plans and policies to reduce the generation of greenhouse gases (GHG), primarily from transportation. To implement SB 375, in July 2013, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) adopted Plan Bay Area. In 2017, ABAG/MTC released Plan Bay Area 2040, which updated the 2013 Plan Bay Area; and in August/September 2019, ABAG/MTC will kick off the Plan Bay Area 2050 process.

The Plan focuses on where the region is expected to grow and how development patterns and the transportation network can work together to reduce GHG emissions.

The Plan directs future development to infill areas within the existing urban footprint and focuses most growth in self-identified Priority Development Areas (PDAs). PDAs include infill areas that are served by transit and located close to other amenities, allowing for improved transit, bicycle and pedestrian access thereby reducing GHG. The Plan also aims to protect open space and agricultural land by directing 100% of the region’s growth inside the year 2010 urban footprint, which means that all growth occurs as infill development or within established urban growth boundaries or urban limit lines. Further, the Plan designates Priority Conservation Areas (PCAs) which are regionally significant open spaces which have broad agreement for long-term protection.

The subject property is located in a “PDA” and is not designated as a “PCA.”

## ALTERNATIVES FOR COMMISSION ACTION

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

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

- A. Find that the project is exempt pursuant to CEQA Guidelines sections 15319 and 15061(b)(3) consistent with the determination of ECCID, as Lead Agency.
- B. Adopt this report, approve LAFCO Resolution No. 18-04 (Exhibit 2), and approve the proposal, to be known as the *Wang Reorganization: Annexation to City of El Cerrito and Detachment from City of Richmond* subject to the following terms and conditions:
  1. This annexation will allow the delivery of municipal services by the City of El Cerrito, as confirmed by the City.
  2. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agencies.
  3. The landowner has delivered an executed indemnification agreement providing for the landowner to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
  4. The territory proposed for annexation is uninhabited.
  5. The proposal has 100% landowner consent, and the conducting authority (protest) proceedings are hereby waived.

**Option 2** Accept this report and DENY the proposal.

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

## RECOMMENDED ACTION:

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

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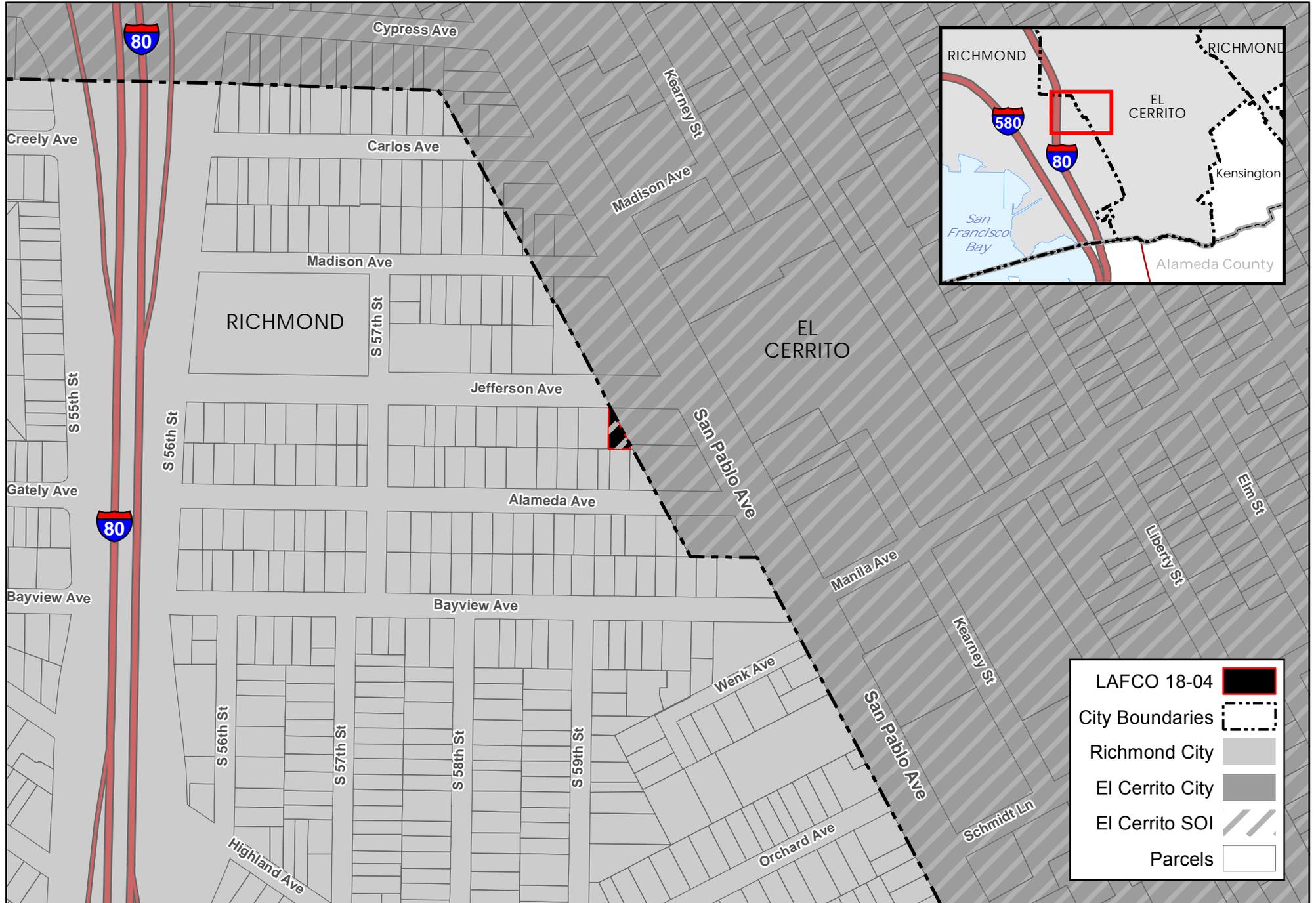
LOU ANN TEXEIRA, EXECUTIVE OFFICER  
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Exhibits:

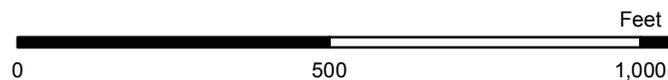
- 1 – Annexation Map
- 2 – Draft LAFCO Resolution 18-04

c: Kevin Wang - Landowner  
Sean Moss, Planning Manager, City of El Cerrito  
Lina Velasco, Director of Planning and Building Services, City of Richmond  
Kathy Truong, Wang Bros. Investments  
Patrick Tami, R.E.Y. Engineers, Inc.  
Chris Martin, R.E.Y. Engineers, Inc.

# LAFCO 18-04 – Wang Reorganization: Annexation to El Cerrito, Detachment from Richmond (APN 509-110-017)



LAFCO 18-04	
City Boundaries	
Richmond City	
El Cerrito City	
El Cerrito SOI	
Parcels	



**RESOLUTION NO. 18-04**

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND APPROVING  
**WANG REORGANIZATION: ANNEXATION TO CITY OF EL CERRITO AND  
DETACHMENT FROM CITY OF RICHMOND**

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

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

WHEREAS, the Commission held a public hearing on August 14, 2019, on the Wang Reorganization proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental documents and determinations, Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, no subsequent change may be made to the general plan or zoning for the annexed territory that is not in conformance to the rezoning designations for a period of two years after the completion of the annexation, unless the legislative body for the City of El Cerrito makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the rezoning in the application to the Commission [Government Code §56375(e)].

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

1. As a Responsible Agency, find that boundary changes are exempt from review under the California Environmental Quality Act (CEQA) pursuant to Section 15319 of the CEQA Guidelines and the general rule contained in Section 15061(b)(3), consistent with the determinations made by the City of El Cerrito.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:  
**WANG REORGANIZATION: ANNEXATION TO CITY OF EL CERRITO AND  
DETACHMENT FROM CITY OF RICHMOND**
4. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Attachment 1, attached hereto and made a part hereof.
5. Approval of the Wang Reorganization is subject to the following:
  - a. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
  - b. The landowner applicant has delivered an executed indemnification agreement between the landowner and Contra Costa LAFCO providing for the landowner applicant to indemnify LAFCO against any expenses arising from any legal actions challenging the Wang Reorganization.

Contra Costa LAFCO  
Resolution No. 18-04

- c. The annexation will allow for the provision of municipal services to the subject by the City of El Cerrito, as confirmed by the City.
- 6. Find that the subject territory is uninhabited, the proposal has 100% landowner consent, and the conducting authority (protest) proceedings are hereby waived.
- 7. All subsequent proceedings in connection with the Wang Reorganization shall be conducted only in compliance with the approved boundaries set forth in this resolution.

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PASSED AND ADOPTED THIS 14<sup>th</sup> day of August 2019, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

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TOM BUTT, 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: August 14, 2019

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Lou Ann Texeira, Executive Officer



Lou Ann Teixeira  
 Executive Officer

**MEMBERS**

- |   |  |
|---|--|
| <b>Candace Andersen</b><br><i>County Member</i>         | <b>Federal Glover</b><br><i>County Member</i>              |
| <b>Donald A. Blubaugh</b><br><i>Public Member</i>       | <b>Michael R. McGill</b><br><i>Special District Member</i> |
| <b>Tom Butt</b><br><i>City Member</i>                   | <b>Rob Schroder</b><br><i>City Member</i>                  |
| <b>Igor Skaredoff</b><br><i>Special District Member</i> |  |

**ALTERNATE MEMBERS**

- |   |
|---|
| <b>Diane Burgis</b><br><i>County Member</i>               |
| <b>Stanley Caldwell</b><br><i>Special District Member</i> |
| <b>Charles R. Lewis, IV</b><br><i>Public Member</i>       |
| <b>Sean Wright</b><br><i>City Member</i>                  |

August 14, 2019 (Agenda)

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

August 14, 2019  
 Agenda Item 7

**Special District Risk Management Authority (SDRMA) Board Election**

Dear Commissioners:

This is a report from the LAFCO ad hoc subcommittee appointed by the Commission to screen and recommend candidates for the SDRMA Board of Directors.

Contra Costa LAFCO is a member of SDRMA and purchases its workers’ compensation and property/liability insurance through the Authority. In February, the Commission received the SDRMA election packet with information regarding the board election process. The SDRMA requests action by LAFCO to select up to three (3) candidates for the SDRMA Board of Directors; ballots must be cast by **August 21, 2019**.

In July, the Commission appointed an ad hoc subcommittee (Commissioners Caldwell and Skaredoff) to review the candidates and report back to the Commission with its recommendations. The subcommittee reviewed the written qualifications included with the 2019 SDRMA Election Packet (Attachment 1) and considered various selection criteria such as geographic diversity, special district experience, risk management experience, qualifications as agency staff member or agency Board member, elected office experience, LAFCO knowledge and experience, and agency diversity (e.g., large vs. small district, etc.).

Based on a review of written materials, candidate credentials, and familiarity, the subcommittee recommends that Contra Costa LAFCO cast its votes for the following three (3) candidates:

- Bob Swan (Incumbent), Board Member, Groveland Community Services District
- Sandy Seifert-Raffelson (Incumbent), Finance Manager/Treasurer, Herlong Public Utility District
- Jesse D. Claypool, Board Chair, Honey Lake Valley Resource Conservation District

In conjunction with the 2017 election, subcommittee members Schroder and Skaredoff conducted phone interviews with the candidates, including Bob Swann and Sandy Seifert – Raffelson, who were among those recommended by the LAFCO subcommittee. Also, Commissioner Caldwell worked with Ms. Seifert-Raffelson on the Special Districts Leadership Foundation board and finds her thoughtful and mindful, always having finances as an important part of her deliberations as a board member.

The subcommittee also recommends Jesse Claypool based on his impressive credentials.

**Recommendations:**

1. It is recommended that the Commission cast its vote pursuant to the subcommittee's recommendations, adopt the attached resolution containing the Official 2019 SDRMA Election Ballot (Attachment 2), and direct staff to file the LAFCO resolution with SDRMA prior to August 21, 2019; or
2. Provide other direction as desired.

Respectfully submitted,

*Commissioners Caldwell and Skaredoff*

Attachment 1 – 2019 SDRMA Election Packet

Attachment 2 – LAFCO Resolution - 2019 SDRMA Election Ballot



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

## 2019 BOARD OF DIRECTORS ELECTION

### OFFICIAL ELECTION BALLOT ENCLOSED

---

This is an official election packet that contains items that require ACTION by your Agency's governing body for the selection of up to three (3) candidates to the SDRMA Board of Directors.

#### ELECTION PACKET ENCLOSURES

- Election Ballot Instructions
- Official Election Ballot (Action Required)
- Candidate's Statements of Qualifications (5)
- Self-addressed, Stamped Envelope



## SDRMA'S BOARD OF DIRECTORS ELECTION BALLOT INSTRUCTIONS

Notification of nominations for three (3) seats on the Special District Risk Management Authority's (SDRMA's) Board of Directors was mailed to the membership in January 2019.

On May 2, 2019, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2017-10 Establishing Guidelines for Director Elections. The Election Committee confirmed that five (5) candidates met the qualification requirements and those names are included on the Official Election Ballot.

Enclosed is the Official Election Ballot along with a Statement of Qualifications as submitted by each candidate. Election instructions are as follows:

1. The enclosed Official Election Ballot must be used to ensure the integrity of the balloting process.
2. After selecting up to three (3) candidates, your agency's governing body must approve the enclosed Official Election Ballot at a public meeting. **Ballots containing more than three (3) candidate selections will be considered invalid and not counted.**
3. The signed Official Election Ballot **MUST** be sealed and **received by mail or hand delivery at SDRMA's office on or before 4:30 p.m. on Wednesday, August 21, 2019 to the address below.** A self-addressed, stamped envelope is enclosed. Faxes or electronic transmissions are NOT acceptable.

Special District Risk Management Authority  
Election Committee  
1112 "I" Street, Suite 300  
Sacramento, California 95814

4. The four-year terms for newly elected Directors will begin on January 1, 2020 and terminate on December 31, 2023.
5. Important balloting and election dates are:

<b>August 21, 2019:</b>	<b>Deadline for members to return the signed Official Election Ballot</b>
<b>August 22, 2019:</b>	<b>Ballots are opened and counted</b>
<b>August 23, 2019:</b>	<b>Election results are announced, and candidates notified</b>
<b>September 25, 2019:</b>	<b>Newly elected Directors are introduced at the SDRMA Annual Breakfast to be held in Anaheim at the CSDA Annual Conference</b>
<b>November 6-7, 2019:</b>	<b>Newly elected Directors are invited to attend SDRMA board meeting (Sacramento)</b>
<b>January 2020:</b>	<b>Newly elected Directors are seated, and Board officer elections are held</b>

If you have any questions regarding the election and balloting process, please do not hesitate to call SDRMA's Chief Operating Officer Paul Frydendal at 800.537.7790.





**OFFICIAL 2019 ELECTION BALLOT  
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY  
BOARD OF DIRECTORS**

**VOTE FOR ONLY THREE (3) CANDIDATES**

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Wednesday, August 21, 2019. Faxes or electronic transmissions are NOT acceptable.

- BOB SWAN (INCUMBENT)**  
Board Member, Groveland Community Services District
- JESSE D. CLAYPOOL**  
Board Chair, Honey Lake Valley Resource Conservation District
- PATRICK K. O'ROURKE, MPA/CFRM**  
Board Member, Redwood Region Economic Development Commission
- SANDY SEIFERT- RAFFELSON (INCUMBENT)**  
Finance Manager/Treasurer, Herlong Public Utility District
- JAMES (Jim) M. HAMLIN**  
Board President, Burney Water District

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2019 by the Contra Costa Local Agency Formation Commission at a public meeting by the following votes:

AYES: \_\_\_\_\_  
 NOES: \_\_\_\_\_  
 ABSTAIN: \_\_\_\_\_  
 ABSENT: \_\_\_\_\_

ATTEST: \_\_\_\_\_

APPROVED: \_\_\_\_\_



**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.**

Candidate\*            Bob Swan

District/Agency   Groveland Community Services District (GCSD)            ■

Work Address      P.O. Box 350, Groveland, CA 95321

Work Phone        (209) 962-7161

Home Phone       (408) 398-4731

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

I am a current Board member. I would like to be elected to a second term because:

1. As a board member of Groveland CSD, I am particularly aware of the great value that smaller districts get from SDRMA, and I'd like to continue to do my part to make sure that this important agency continues to operate smoothly and stably into the indefinite future.
2. The insurance market in California (and nationwide) is going through a period of rapid change. The Board and staff are engaged in a major re-evaluation of SDRMA's approach to fulfilling its mission of providing cost-effective risk management services to its members. I believe that it is important to maintain Board continuity in this effort.
3. SDRMA Board members are either board members ("electeds") or employees of a member agency. I think there is value in having a balance between elected and employee Board members. The Board seats that are NOT up for election are currently 3 employees / 1 elected. I'd like to make sure the new Board has at least 2 elected members.

**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)**

1. SDRMA Board Member since 2016. This year (2019), I serve as Secretary. During our "no CEO" period in late 2017 - early 2018, I was a member of the ad hoc Personnel Committee. I am also a member of the Alliance Executive Council, and a backup member of the Legislative Committee.
2. Groveland CSD Board Member since I was appointed in June 2013. For the years 2014-2018, I served as Board President. (We finally implemented mandatory rotation of the office in 2019).
3. Member of the Board of Southside Community Connections, a local nonprofit in Groveland that provides educational, social, and recreational services to seniors, as well as free transportation to those who cannot drive.
4. Board Member (currently Treasurer) of Pine Cone Performers, a local choral and acting group, since 2010.
5. Back during my work life, I was a corporate representative on an IEEE standards committee concerned with wireless networking. It was very educational being on a committee where the members had widely differing (competing) goals.

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?  
(Response Required)**

History: BS Physics, MS Computer Science. 3 years in USAF. 30 years in the semiconductor industry, first as an engineering manager, later as a business unit manager. Now retired (so I have plenty of time).

Skills, etc.: Very familiar with financial reports, cost accounting, quantitative analysis. Working knowledge of modern computer and communications technology. Managed distributed organizations with up to 150 technical people and up to \$120M in annual sales. Pretty good at listening to different views, and helping to achieve consensus (or, at least, compromise).

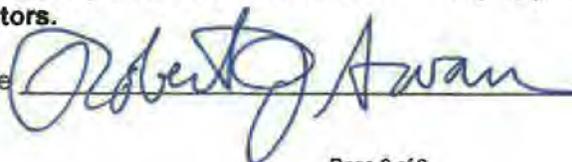
**What is your overall vision for SDRMA? (Response Required)**

Well, obviously I support our (newly revised) vision statement: "To be the exemplary public agency risk pool of choice for California special districts and other public agencies". In order to achieve this vision, I believe the key issues are:

1. Maintain long term financial stability. This includes ensuring that there is a fair allocation of cost versus risk across the pool membership.
2. Continue to retain / acquire highly qualified staff, and ensure that this is a desirable place to work.
3. Remember who are our target clientele, which in my opinion are small to mid-sized districts with limited options for insurance.
4. In light of ever-evolving California workers-compensation law, expand risk-management training even further than we now provide.
5. Maintain good relations with our re-insurers (who insulate us from catastrophe). In the long run, explore the possibility of joining a "captive" re-insurer to improve stability.

**I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.**

Candidate Signature

 Date 4-24-2019



**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?  
(Response Required)**

My experience with special districts and governance, belief in the importance of quality governing policies, the ability to work effectively with the other board members and staff and a desire to give back to SDRMA and its membership will be what I bring to the SDRMA Board of Directors.

**What is your overall vision for SDRMA? (Response Required)**

For SDRMA to continually advance as an industry leader providing affordable solutions for special districts of any size enabling them to be effective within the communities they serve.

**I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.**

Candidate Signature  Date 4-26-19

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – **no attachments will be accepted**. No statements are endorsed by SDRMA.

Candidate\* Patrick K. O'Rourke, MPA/CFRM  
District/Agency Redwood Region Economic Development Commission (RREDC)  
Work Address 520 E Street Eureka, CA 95501  
Work Phone 707-445-9651 Home Phone 707-726-6700

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

I have considerable interest, knowledge, and experience in board leadership; board service; and board governance/policy development & oversight in for-profits, nonprofits, a joint powers authority/SDRMA member organization, and as an elected city councilman. I also have considerable experience (as a top-level executive board leader and manager) in organizational risk management and risk mitigation/prevention. I would like to share my knowledge, skills, abilities, and experience in service to SDRMA members, via my service on SDRMA's board of directors. I believe that my knowledge, experience, and dedication to excellence and implementation of best practices in governance and policy development/oversight will serve SDRMA well, and will assist SDRMA in maintaining its "Excellence" accreditation via the California Association of Joint Powers Authorities (CAJPA).

**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)**

Having served in board leadership roles (25+ years in for-profit entities; 25+ years in nonprofit & private/public foundations; and 2+ years in a Joint Powers Authority [SDRMA member organization]), I am well-versed and experienced in board governance; policy development; financial statement analysis and budget review; executive management search/selection, oversight and evaluation; organizational risk management/mitigation; litigation oversight; and best practices in organizational governance. At SDRMA member organization, Redwood Region Economic Development Commission (RREDC), I have served as 2019 Immediate Past Chair; 2018 Board Chair; 2017 Vice Chair; Chair of Executive Committee; and Member of the Loan Committee. I have in-depth knowledge of policy governance (Culver, et al.); I am an advocate for transparency & best practices; and I am knowledgeable & experienced in California's Ralph M. Brown Act and Roberts Rules of Order. I have also served in board governance and board leadership roles in several nonprofit organizations and in both public and private foundations, including as Board Chair (12+ years) and in President & Vice President roles. I have also Chaired Search/Selection committees; Public Relations committees; Fund Development committees; and Finance/Audit committees.

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?  
(Response Required)**

Besides holding a Master of Public Affairs degree, with a specialty in nonprofit management; having completed all coursework and written/oral exams (all except dissertation) for a PhD in Mass Communication, with a specialty in public relations and a cognate in organizational communication management, I have several other directly-relevant skills/talents/experience including: I am expertly adept at executive-level relationship development and stewardship, and have served as an organizational & industry advocate and liaison working closely with community organizations, local/county/state elected officials, and public/private entities/organizations and foundations. I am expertly adept at financial and operational analysis, and at asset/portfolio management and risk mitigation. I have taught for-credit university courses in corporate leadership; in entrepreneurial leadership research and practice; as well as having published peer-reviewed academic research on leadership in public relations.

**What is your overall vision for SDRMA? (Response Required)**

My vision for SDRMA would be for SDRMA to continue to add value to its members; operate with the highest ethical practices and transparency; continue in providing excellence in service, education, safety and compliance training; help members to mitigate and reduce risk; provide expedient claims review and response; provide members with state-of-the-art education and information; educate members to minimize losses/risk in member workplaces; and to continue to provide members with comprehensive coverage for property/liability, workers comp, and health benefits.

I would envision SDRMA management and staff enjoying a quality of life that will ensure their happiness and continue an atmosphere of dedicated service to SDRMA members. I would also envision that SDRMA will continue to operate with efficiencies that minimize costs/expenses, continue to enable SDRMA to maintain competitive premium rates, and (when possible) lower organizational and member costs. I would also envision a governing board that embraces and employs best governing practices in all areas of policy development; executive management oversight; financial review/audit; and in investing and spreading portfolio assets to minimize portfolio investment risks and maximize return on investments. Finally, I would envision SDRMA, and its management team/staff, operating in ways that will continue to earn accreditation "Excellence" from the California Association of Joint Powers Authorities (CAJPA).

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature \_\_\_\_\_

Date

3/25/1956 2019

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates. No statements are endorsed by SDRMA.**

**Candidate\* Sandy Seifert-Raffelson**

**District/Agency Herlong Public Utility District**

**Work Address 447-855 Plumas St., P o Box 115, Herlong, CA 96113**

**Work Phone (530) 827-3150 Cell Phone (530) 310-4320**

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors?**

**I am a current Board member of SDRMA and feel that I have added my financial background to make better informed decisions for our members. As a Board member, I continue to improve my education of insurance issues and look forward to representing small District's and Northern California as a voice on the SDRMA Board. I feel I am an asset to the Board with my degree in Business and my 30 plus years' experience in accounting and auditing.**

**I understand the challenges that small District face every day when it comes to managing liability insurance, worker's compensation and health insurance for a few employees with limit revenue and staff. My education and experience give me an appreciation of the importance of risk management services and programs, especially for smaller District that lack expertise with insurance issues on a daily basis.**

**I feel I am an asset to this Board, and would love a chance to stay on 4 more years!**

**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization)**

**While serving on the SDRMA Board, I have been privilege to be Secretary of the Board for two years, and currently the Vice-President. I have served on CSDA's Audit and Financial Committee's for 6 years; I have served on the SDLF Board; Northeastern Rural Health Clinic Board; Fair Board; School and Church boards; 4-H Council and leader for 15 years; and UC Davis Equine Board. In the past 25 years, I have learn that there is no "I" in Board and it can be very rewarding to be part of a team that makes a difference for others.**

**As part of my many duties working with Herlong PUD, I worked to form the District and was directly involved with LAFCo, Lassen County Board of Supervisors and County Clerk to establish the initial Board of Directors and first Policies for HPUD. I have administered the financial portion of 2 large capital improvement project with USDA as well as worked on the first ever successful water utillty privatization project with the US Army and Department of Defense. I am currently working on a 4.2 million grant from California for new infrastructure for the small District HPUD absorb through LAFCo in 2017. I am also the primary administrator of a federal contract for utility services with the Federal Bureau of Prison and the US Army.**

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have?

I have my Bachelor's Degree in Business with a minor in Sociology. I have audited Small Districts for 5 years, worked for a Small District for almost 15 years and have over 30 years of accounting experience. I am a good communicator and organizer. I have served on several Boards and feel I work well within groups or special committee. I am willing to go that extra mile to see things get completed.

I believe in recognition for jobs well done. I encourage incentive programs that get members motivated to participate and strive to do their very best to keep all losses at a minimum and reward those with no losses.

I have completed my Certificate for Special District Board Secretary/Clerk Program in both regular and advance course work through CSDA and co-sponsored by SDRMA. I have completed the CSDA Special District Leadership Academy and Special District Governance Academy. I am in the processes of getting my small District re-certified for their District of Transparency and hope one day to attain our District of Distinction.

I work for a District in Northeastern California that has under gone major changes from a Cooperative Company to a 501c12 Corporation, to finally a Public Utility District. I have worked with LAFCo to become a District. Also our small District consolidated another small District into our District. Through past experience I feel I make a great Board member representing the small districts of Northern California and their unique issues and will make decisions that would help all rural/small districts.

What is your overall vision for SDRMA?

For SDRMA to be at the top of the risk management field and to continue communicating and listening to the needs of all California Special Districts and meeting those needs at a reasonable price that Special Districts can afford. I would like to continue education and rewards for no claims and explore avenues of financial endeavors that will benefit our customers.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature Sandy Perfect-Raffelson Date 4/16/19

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates  
- **no attachments will be accepted.** No statements are endorsed by SDRMA.

Candidate\* James (Jim) M. Hamlin  
District/Agency Burney Water District  
Work Address 20222 Hudson St. Burney, Ca. 96013  
Work Phone (530) 335-3582 Cell Phone \_\_\_\_\_

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

Hope to serve and help with decisions being made to both strengthen SDRMA and  
move into new areas. Our districts are facing new challenges constantly.

**What Board or committee experience do you have that would help you to be an effective Board Member?  
(SDRMA or any other organization) (Response Required)**

**See Next**

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

September 1972 until January 2014, owned and operated a Insurance brokerage  
Sold business and retired.

Board Member of Mayers Memorial Hospital Districr From 1990 until 2014  
Served on the Associal of Hospital Districts for six years.

Served on the board of Burney Water District the previous six years. Current  
Serving on Mayers Memorial Hospital Financial Board.

What is your overall vision for SDRMA? (Response Required)

-----SDRMA Board must be strong and protect the concerns of their members. Need  
to have a listening ear for the districts that are represented. Need to  
use caution when jumping into new areas, not jepordise their strong programs  
and beliefs for new programs.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature James M. Hensle Date 3-27-2019



**OFFICIAL 2019 ELECTION BALLOT**  
**SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY**  
**BOARD OF DIRECTORS**

**VOTE FOR ONLY THREE (3) CANDIDATES**

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Wednesday, August 21, 2019. Faxes or electronic transmissions are NOT acceptable.

- BOB SWAN (INCUMBENT)**  
Board Member, Groveland Community Services District
  
- JESSE D. CLAYPOOL**  
Board Chair, Honey Lake Valley Resource Conservation District
  
- PATRICK K. O'ROURKE, MPA/CFRM**  
Board Member, Redwood Region Economic Development Commission
  
- SANDY SEIFERT- RAFFELSON (INCUMBENT)**  
Finance Manager/Treasurer, Herlong Public Utility District
  
- JAMES (Jim) M. HAMLIN**  
Board President, Burney Water District

**ADOPTED** this 14<sup>th</sup> day of August, 2019 by the Contra Costa Local Agency Formation Commission at a public meeting by the following votes:

AYES: \_\_\_\_\_  
 NOES: \_\_\_\_\_  
 ABSTAIN: \_\_\_\_\_  
 ABSENT: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
 \_\_\_\_\_

APPROVED: \_\_\_\_\_  
 \_\_\_\_\_



Lou Ann Texeira  
 Executive Officer

**MEMBERS**

<b>Candace Andersen</b> <i>County Member</i>	<b>Federal Glover</b> <i>County Member</i>
<b>Donald A. Blubaugh</b> <i>Public Member</i>	<b>Michael R. McGill</b> <i>Special District Member</i>
<b>Tom Butt</b> <i>City Member</i>	<b>Rob Schroder</b> <i>City Member</i>
<b>Igor Skaredoff</b> <i>Special District Member</i>	

**ALTERNATE MEMBERS**

<b>Diane Burgis</b> <i>County Member</i>
<b>Stanley Caldwell</b> <i>Special District Member</i>
<b>Charles R. Lewis, IV</b> <i>Public Member</i>
<b>Sean Wright</b> <i>City Member</i>

August 14, 2019 (Agenda)

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

August 14, 2019  
 Agenda Item 8

**CALAFCO Annual Conference - Call for Board Members and  
 Achievement Award Nominations**

Dear Commissioners:

The annual CALAFCO conference will be held October 30 - November 1, 2019 at the Hyatt Regency Downtown in Sacramento. Conference and registration materials are attached (Attachments 1 and 2), and conference updates will be posted on the CALAFCO website at [www.calafco.org](http://www.calafco.org).

Each year, prior to the annual conference, CALAFCO calls for Achievement Award and Board of Director nominations. Nominations are now open for the 2019 CALAFCO Achievement Awards. The awards recognize outstanding achievements by individuals and organizations committed to LAFCO goals and principles. The deadline for award nominations is **September 20, 2019** (Attachment 3). LAFCO staff would like to nominate the Commission for their leadership in approving the dissolution of four districts in five months (August 2018 to January 2019) and encouraging the functional consolidation of the Castle Rock Water District and Contra Costa Water District which is nearly complete.

Nominations are also open for seats on the CALAFCO Board of Directors. There are eight seats up for election this fall, two from each of the four regions. The Coastal Region seats include a City Member and a Public Member. The deadline for Board nominations is **September 30, 2019** (Attachment 4). The election of CALAFCO Board members and Achievement Award ceremony will take place at the annual CALAFCO conference on October 31, 2019. Commissioner McGill serves on the CALAFCO Board representing the Coastal Region and currently serves as Vice Chair.

The CALAFCO bylaws require that each LAFCO designate a voting delegate to vote on behalf of their Commission. The voting delegate may be a commissioner, alternate commissioner or executive officer. Voting delegates must be designated by **September 30, 2019**.

**Recommendations:** Advise as to any Board and/or Achievement Award nominations, appoint a voting delegate and alternate, and direct staff to forward the information to CALAFCO.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment 1 – CALAFCO Conference Announcement  
Attachment 2 – CALAFCO Registration Form  
Attachment 3 - CALAFCO Achievement Awards Nomination Packet  
Attachment 4 - CALAFCO Board Nomination Packet



# Announcing The 2019 CALAFCO Annual Conference



Hosted by CALAFCO

**October 30 – November 1**

*Hyatt Regency, Sacramento*



## Value-Added and Diverse General & Breakout Session Topics

-  Stress-testing LAFCoS and local agencies in changing times\*
-  It takes a village: LAFCo, County and State collaboration to solve a local problem\*
-  Water, water everywhere but not a drop to drink
-  Planning the legislative menu rather than being on the menu
-  What's your story? Crafting and communicating a compelling LAFCo narrative
-  MSRs: You get out what you put in
-  Opportunities and challenges for LAFCo in addressing the housing call
-  Solving difficult service issues with creative and innovative solutions
-  Leading your LAFCo into the next decade with courage and independence\*
-  Annual CALAFCO Legislative Update\*
-  CALAFCO Annual Business Meeting (for all CALAFCO members)\*

*Note: The Program is subject to change.*

*\*Indicates General Session*

## Special Highlights

Mobile Workshop  
Still under construction.



We are working on a tour of the **West Sacramento Port** and **Farmers Rice Coop** plant followed by a visit to the new **Sacramento Fire Fighter's Museum** with a special farm to fork lunch and several guest speakers.

Details will be announced shortly – but register now to secure your seat!

**Wednesday from  
7:30 a.m. to 12:30 p.m.**  
(times approx..)

### LAFCo 101

An introduction to LAFCo and LAFCo law for Commissioners, Staff, and anyone interested in learning more about LAFCo

**Wednesday from  
10:00 a.m. to Noon**

**Thursday luncheon  
keynote to be announced**

## Invaluable Networking Opportunities

-  Regional Roundtable discussions on current regional LAFCo issues
-  Extended roundtable discussion for LAFCo legal counsel
-  Networking breakfasts and breaks
-  **Pre-dinner Reception with Sponsors Wednesday**
-  **Awards Banquet Wednesday**
-  **Welcome Reception Thursday**

## Hyatt Regency downtown



Make your reservations now at the **Hyatt Regency** at the special CALAFCO rate of \$139 (excludes tax and fees). Special rates available 2 days pre and post-conference on availability, includes in-room wifi and parking.

**Reservation cutoff date is 10/08/19.**

TO MAKE HOTEL RESERVATIONS, PLEASE VISIT: [Hyatt Regency Online Reservation](#) or call **877-803-7534** and reference CALAFCO Conference.

Visit [www.calafco.org](http://www.calafco.org) for Conference details or call us at 916-442-6536.

**Mark your calendar and  
plan to attend!**  
**Registration is now open!**  
**Visit [www.calafco.org](http://www.calafco.org)**



## 2019 ANNUAL CONFERENCE OCTOBER 30 – NOVEMBER 1 IN SACRAMENTO REGISTRATION FORM

**For Registration by Check**

To pay with credit cards please visit [www.calafco.org](http://www.calafco.org)

**REGISTRATION DEADLINE IS OCTOBER 15, 2019**

LAFCo _____
Received _____
Check # _____

### CONFERENCE REGISTRATION RATES

	PAYMENT Received by September 20	PAYMENT Received after September 20	Amount Due
Member – Full Conference	\$520	\$560	
Non-member – Full Conference	\$620	\$660	
Guest/Spouse* – All Meals	\$270	\$300	
Guest/Spouse* – Wed Banquet/Thu Reception Only	\$155	\$200	
Member – One Day ( <input type="checkbox"/> Wed or <input type="checkbox"/> Thur or <input type="checkbox"/> Fri)	\$350	\$370	
Non-Member – One Day ( <input type="checkbox"/> Wed or <input type="checkbox"/> Thur or <input type="checkbox"/> Fri)	\$450	\$470	
Mobile Workshop – Wednesday	\$50	\$50	
Attorney MCLE Credit (LAFCo counsel only)	\$50	\$50	
LAFCo 101 (no charge for those with full conf. registration. \$40 for those just attending this session.)	\$40	\$40	
<b>TOTAL REGISTRATION RATE DUE</b>			<b>\$</b>

**Please submit one form for each person registering**

FIRST NAME	LAST NAME
NAME ON NAMETAG	
LAFCO/ORGANIZATION	POSITION
GUEST NAME (For guest/spouse registration)	
MAILING ADDRESS	
CITY	ZIP
PHONE #	
E-MAIL ADDRESS	
EMERGENCY CONTACT NAME:	
PHONE #	

**Payment must accompany registration. Early registration rate payments MUST be received by **September 20, 2019** in order for that rate to apply. **NO EXCEPTIONS.** Please make checks payable to "CALAFCO."**

Mail completed forms and payment to our new address:

**CALAFCO**  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, CA 95814

**Hotel Information: [Hyatt Regency Sacramento](#)**

**ROOMS STARTING AT \$139 PER NIGHT. CUT-OFF DATE IS OCTOBER 8, 2019.** Special rate 2 days pre and post conference based on availability. Rate includes parking and excludes taxes.

**TO MAKE HOTEL RESERVATIONS, PLEASE VISIT:**  
<https://www.hyatt.com/en-US/group-booking/SACRA/G-LAF1> or call 877-803-7534 and reference CALAFCO Conference

#### CANCELLATION AND REFUND POLICY

1. Registrations are considered complete upon receipt of fees.
2. Cancellation requests made in writing and received by October 15, 2019 receive a 100% refund less \$20 handling fee and any transaction fees.
3. Credits are not issued for any cancellations.
4. Registration fees are transferable to another person not already registered provided the request is received in writing. Deadline to transfer registrations is October 18, 2019.
5. Registration fees for guests and special events are not transferable and are fully refundable (minus any transaction fees) if requests are made in writing and received by October 15, 2019 or if the special event is cancelled.
6. Cancellation requests must be made by e-mail, fax or mail to the CALAFCO office.
7. Cancellation requests made after October 15, 2019 are not eligible for a refund.

**Date:** July 10, 2019

**To:** LAFCo Commissioners and Staff  
CALAFCO Members  
Other Interested Organizations

**From:** CALAFCO Achievement Awards Committee

**Subject:** **2019 CALAFCO Achievement Award Nominations**

**CALAFCO  
2019  
AWARDS**



Each year, CALAFCO recognizes outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at the Annual Conference Achievement Awards Ceremony.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who go above and beyond in their work to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition. **Please carefully review the nomination instructions and the criteria for each category.**

To make a nomination, please use the following procedure:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization. There is no limit to the number of nominations you can submit.
2. Please use a separate form (attached) for each nomination. Nominations **must be submitted with a completed nomination form**. The form is your opportunity to highlight the most important points of your nomination.
3. Nominations must be **limited to no more than 1500 words or 3 pages in length maximum**. You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount will be returned.
4. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. **Limit supporting documentation to no more than 5 pages**. If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount will be returned.
5. All nomination materials must be submitted at one time and must be received by the deadline. Electronic submittals are encouraged.
6. **Nominations and supporting materials must be received no later than 5:00 p.m., Friday, September 20, 2019.** Send nominations via e-mail, or U.S. mail to:

Stephen Lucas, CALAFCO Executive Officer  
c/o Butte LAFCo  
1453 Downer Street, Suite C  
Oroville, CA 95965  
slucas@calafco.org

Members of the 2019 CALAFCO Board of Directors Awards Committee are:

*Mike Kelley*, Committee Chair (Imperial LAFCo, Southern Region)  
*Cheryl Brothers* (Orange LAFCo, Southern Region)  
*Debra Lake* (Humboldt LAFCo, Northern Region)  
*Margie Mohler* (Napa LAFCo, Coastal Region)  
*Daniel Parra* (Fresno LAFCo, Central Region)

mkelley@calafco.org  
cbrothers@calafco.org  
dlake@calafco.org  
mmohler@calafco.org  
dparra@calafco.org

Please contact Steve Lucas, CALAFCO Executive Officer, at slucas@calafco.org or (530) 538-7784 with any questions. A list of the previous Achievement Award recipients is attached to this announcement.



## **Nomination Form**

**NOMINEE - Person or Agency Being Nominated:**

Name:

Organization:

Address:

Phone:

E-mail:

**NOMINATION CATEGORY** (check one – see category criteria on attached sheet)

- Outstanding CALAFCO Member
- Most Effective Commission
- Outstanding Commissioner
- Outstanding LAFCo Professional
- Outstanding LAFCo Clerk
- Outstanding CALAFCO Associate Member
- Project of the Year
- Distinguished Service Award
- Government Leadership Award
- Legislator of the Year (must be approved by the full CALAFCO Board)
- Mike Gotch Courage and Innovation in Local Government Award
- Lifetime Achievement Award

**NOMINATION SUBMITTED BY:**

Name:

Organization:

Address:

Phone:

E-mail:



## **2019 Achievement Award Nominations**

### **NOMINATION SUMMARY**

In no more than 250 words, summarize why this recipient is the most deserving of this award.

### **ACHIEVEMENTS**

Please indicate the reasons why this person or agency deserves to be recognized (Remember to keep this portion to 1500 words or 3 pages maximum and use additional sheets as needed):



## 2019 Achievement Award Nominations

### **CALAFCO ACHIEVEMENT AWARD CATEGORIES**

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are being accepted until **5:00 p.m., Friday, September 20, 2019** in the following categories:

<b>Outstanding CALAFCO Member</b>	Recognizes a CALAFCO Board Member or staff person who has provided exemplary service during the past year.
<b>Distinguished Service Award</b>	Given to a member of the LAFCo community to recognize long-term service by an individual.
<b>Most Effective Commission</b>	Presented to an individual Commission to recognize innovation, streamlining, and/or initiative in implementing LAFCo programs; may also be presented to multiple Commissions for joint efforts.
<b>Outstanding Commissioner</b>	Presented to an individual Commissioner for extraordinary service to his or her Commission.
<b>Outstanding LAFCo Professional</b>	Recognizes an Executive Officer, Staff Analyst, or Legal Counsel for exemplary service during the past year.
<b>Outstanding LAFCo Clerk</b>	Recognizes a LAFCo Clerk for exemplary service during the past year.
<b>Outstanding CALAFCO Associate Member</b>	Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCos by consistently producing distinguished work that upholds the mission and goals of LAFCos, and has helped elevate the roles and mission of LAFCos through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement.
<b>Project of the Year</b>	Recognition for a project-specific program that involved complex staff analysis, community involvement, or an outstanding solution.
<b>Government Leadership Award</b>	Presented to a decision-making body at the city, county, special district, regional or state level which has furthered good government efforts in California.
<b>Legislator of the Year</b>	Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals. Selected by CALAFCO Board.
<b>Mike Gotch Courage and Innovation in Local Government Award</b>	Presented to an individual who has taken extraordinary steps to improve and innovate local government. This award is named for Mike Gotch: former Assembly Member, LAFCo Executive Officer and CALAFCO Executive Director responsible for much of the foundations of LAFCo law and CALAFCO. He is remembered as a source of great inspiration for staff and legislators from throughout the state.
<b>Lifetime Achievement Award</b>	Recognizes any individual who has made extraordinary contributions to the LAFCo community in terms of longevity of service, exemplary advocacy of LAFCo-related legislation, proven leadership in approaching a particular issue or issues, and/or demonstrated support in innovative and creative ways of the goals of LAFCos throughout California. At a minimum, the individual should be involved in the LAFCo community for at least ten years.

**CALAFCO ACHIEVEMENT AWARD RECIPIENTS****2018**

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Distinguished Service Award	<b>John Withers</b> , Orange LAFCo
Most Effective Commission	<b>Santa Clara LAFCo</b>
Outstanding Commissioner	<b>Margie Mohler</b> , Napa LAFCo
Outstanding LAFCo Professional	<b>George Williamson</b> , Del Norte LAFCo
Outstanding LAFCo Clerk	<b>Elizabeth Valdez</b> , Riverside LAFCo
Outstanding CALAFCO Associate Member	<b>Best Best &amp; Krieger</b>
Project of the Year	<b>Lake LAFCo</b> , water services consolidation
Government Leadership Award	<b>City of Porterville, County of Tulare, Dept. of Water Resources, State Water Resources Control Board, Governor's Office of Emergency Services, Self Help Enterprises, Community Water Center</b> for East Porterville water supply project
Mike Gotch Courage & Innovation in Local Government Leadership Award	<b>Mike Ott</b> , San Diego LAFCo
Legislator of the Year	<b>Assembly Member Anna Caballero</b>
Lifetime Achievement Award	<b>Pat McCormick</b> , Santa Cruz LAFCo, <b>George Spiliotis</b> , Riverside LAFCo

**2017**

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Most Effective Commission	<b>Los Angeles LAFCo</b>
Outstanding CALAFCO Member	<b>Sblend Sblendorio</b> , Alameda LAFCo
Outstanding Commissioner	<b>John Marchand</b> , Alameda LAFCo
Outstanding LAFCo Professional	<b>Paul Novak</b> , Los Angeles LAFCo
Outstanding LAFCo Clerk	<b>Richelle Beltran</b> , Ventura LAFCo
Outstanding CALAFCO Associate Member	<b>Policy Consulting Associates</b>
Project of the Year	<b>County Services MSR</b> , Butte LAFCo <b>Santa Rosa Annexation</b> , Sonoma LAFCo <b>San Luis Obispo County Public Works Dept.</b>
Government Leadership Award	<b>Kathy Rollings McDonald</b> (San Bernardino)
Lifetime Achievement Award	

**2016**

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Distinguished Service Award	<b>Peter Brundage</b> , Sacramento LAFCo
Most Effective Commission	<b>San Luis Obispo LAFCo</b>
Outstanding CALAFCO Member	<b>John Leopold</b> , Santa Cruz LAFCo
Outstanding Commissioner	<b>Don Tatzin</b> , Contra Costa LAFCo
Outstanding LAFCo Professional	<b>Steve Lucas</b> , Butte LAFCo
Outstanding LAFCo Clerk	<b>Cheryl Carter-Benjamin</b> , Orange LAFCo
Project of the Year	<b>Countywide Water Study</b> , (Marin LAFCo)
Government Leadership Award	<b>Southern Region of CALAFCO</b>
Lifetime Achievement Award	<b>Bob Braitman</b> (retired Executive Officer)



## 2019 Achievement Award Nominations

### 2015

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

CALAFCO Associate Member of the Year

Legislators of the Year Award

Lifetime Achievement Award

**Yuba County Water Agency**

**Mary Jane Griego**, Yuba LAFCo

**Butte LAFCo**

**Marjorie Blom**, formerly of Stanislaus LAFCo

**Matthew Beekman**, formerly of Stanislaus LAFCo

**Sam Martinez**, San Bernardino LAFCo

**Terri Tuck**, Yolo LAFCo

**Formation of the Ventura County Waterworks District No. 38 (Ventura LAFCo) and 2015 San Diego County Health Care Services five-year sphere of influence and service review report (San Diego LAFCo)**

**The Cities of Dublin, Pleasanton, Livermore and San Ramon, the Dublin San Ramon Services District and the Zone 7 Water Agency**

**Michael Colantuono** of Colantuono, Highsmith & Whatley  
**Assembly member Chad Mayes**

**Jim Chapman** (Lassen LAFCo) and **Chris Tooker** (formerly of Sacramento LAFCo)

### 2014

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislators of the Year Award

Lifetime Achievement Award

**David Church**, San Luis Obispo LAFCo

**Kate McKenna**, Monterey LAFCo

**Santa Clara LAFCo**

**Stephen Lucas**, Butte LAFCo

**Paul Norsell**, Nevada LAFCo

**Kate McKenna**, Monterey LAFCo

**Paige Hensley**, Yuba LAFCo

**LAFCo Procedures Guide: 50<sup>th</sup> Year Special Edition**,  
San Diego LAFCo

**Orange County Water District, City of Anaheim, Irvine Ranch Water District, and Yorba Linda Water District**

**Assembly member Katcho Achadjian**

**Susan Wilson**, Orange LAFCo

### 2013

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

LAFCo Outstanding LAFCo Clerk

Project of the Year

**Simón Salinas**, Commissioner, Monterey LAFCo

**Roseanne Chamberlain**, Amador LAFCo

**Stanislaus LAFCo**

**Harry Ehrlich**, San Diego LAFCo

**Jerry Gladbach**, Los Angeles LAFCo

**Lou Ann Texeira**, Contra Costa

**Kate Sibley**, Contra Costa LAFCo

**Plan for Agricultural Preservation**, Stanislaus LAFCo



## 2019 Achievement Award Nominations

Government Leadership Award

Legislators of the Year Award

Lifetime Achievement Award

**Orange County LAFCo Community Islands Taskforce,**  
Orange LAFCo

**Senators Bill Emmerson and Richard Roth**

**H. Peter Faye,** Yolo LAFCo; **Henry Pellissier,** Los Angeles LAFCo; **Carl Leverenz,** Butte LAFCo; **Susan Vicklund-Wilson,** Santa Clara LAFCo.

### 2012

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

LAFCo Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Lifetime Achievement Award

**Bill Chiat,** CALAFCO Executive Director

**Marty McClelland,** Commissioner, Humboldt LAFCo

**Sonoma LAFCo**

**Stephen A. Souza,** Commissioner, Yolo LAFCo and  
CALAFCO Board of Directors

**Sherwood Darington,** Monterey

**Carole Cooper,** Sonoma LAFCo

**Gwenna MacDonald,** Lassen LAFCo

**Countywide Service Review & SOI Update,** Santa Clara  
LAFCo

**North Orange County Coalition of Cities,** Orange LAFCo

**P. Scott Browne,** Legal Counsel LAFCos

### 2011

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

LAFCo Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

**Martin Tuttle,** Deputy Director for Planning, Caltrans

**Mike McKeever,** Executive Director, SACOG

**Carl Leverenz,** Commissioner and Chair, Butte

**San Bernardino LAFCo**

**Keene Simonds,** Executive Officer, Napa LAFCo

**Louis R. Calcagno,** Monterey LAFCo

**June Savala,** Deputy Executive Officer, Los Angeles LAFCo

**Debbie Shubert,** Ventura LAFCo

**Cortese-Knox-Hertzberg Definitions Revision**

Bob Braitman, Scott Browne, Clark Alsop, Carole Cooper,  
and George Spiliotis

**Contra Costa Sanitary District**

**Elsinore Water District and Elsinore Valley Municipal Water  
District**

### 2010

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

**Helen Thompson,** Commissioner, Yolo LAFCo

**Kathleen Rollings-McDonald,** Executive Officer, San  
Bernardino LAFCo

**Bob Braitman,** Executive Officer, Santa Barbara LAFCo

**Tulare LAFCo**

**Roger Anderson, Ph.D.,** CALAFCO Chair, Santa Cruz LAFCo

**George Lange,** Ventura LAFCo

**Harry Ehrlich,** Government Consultant, San Diego LAFCo



## 2019 Achievement Award Nominations

Outstanding LAFCo Clerk

**Candie Fleming**, Fresno LAFCo

Project of the Year

**Butte LAFCo**

Sewer Commission - Oroville Region Municipal Service Review

Government Leadership Award

**Nipomo Community Services District** and the **County of San Luis Obispo**

Special Achievement

**Chris Tooker**, Sacramento LAFCo and CALAFCO Board of Directors

### 2009

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Mike Gotch Courage & Innovation in Local Government Leadership Award

**Paul Hood**, Executive Officer, San Luis Obispo LAFCo

Distinguished Service Award

**William Zumwalt**, Executive Officer, Kings LAFCo

Most Effective Commission

**Napa LAFCo**

Outstanding CALAFCO Member

**Susan Vicklund Wilson**, CALAFCO Vice Chair

**Jerry Gladbach**, CALAFCO Treasurer

Outstanding Commissioner

**Larry M. Fortune**, Fresno LAFCo

Outstanding LAFCo Professional

**Pat McCormick**, Santa Cruz LAFCo Executive Officer

Outstanding LAFCo Clerk

**Emmanuel Abello**, Santa Clara LAFCo

Project of the Year

**Orange LAFCo** Boundary Report

Government Leadership Award

**Cities of Amador City, Jackson, Lone, Plymouth & Sutter Creek; Amador County; Amador Water Agency; Pine Grove CSD** – Countywide MSR Project

Legislator of the Year Award

**Assembly Member Jim Silva**

### 2008

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Distinguished Service Award

**Peter M. Detwiler**, Senate Local Government Committee Chief Consultant

Most Effective Commission

**Yuba LAFCo**

Outstanding Commissioner

**Dennis Hansberger**, San Bernardino LAFCo

Outstanding LAFCo Professional

**Michael Ott**, San Diego LAFCo Executive Officer

**Martha Poyatos**, San Mateo Executive Officer

Outstanding LAFCo Clerk

**Wilda Turner**, Los Angeles LAFCo

Project of the Year

**Kings LAFCo**

City and Community District MSR and SOI Update

Government Leadership Award

**San Bernardino Board of Supervisors**

Legislator of the Year Award

**Assembly Member Anna M. Caballero**

### 2007

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Outstanding CALAFCO Member

**Kathy Long**, Board Chair, Ventura LAFCo

Distinguished Service Award

**William D. Smith**, San Diego Legal

Counsel Most Effective Commission

**Santa Clara LAFCo**

Outstanding Commissioner

**Gayle Uilkema**, Contra Costa LAFCo

Outstanding LAFCo Professional

**Joyce Crosthwaite**, Orange LAFCo Executive Officer

Outstanding LAFCo Clerk

**Debby Chamberlin**, San Bernardino LAFCo

Project of the Year

**San Bernardino LAFCo and City of Fontana** Islands Annexation Program



## 2019 Achievement Award Nominations

Government Leadership Award  
Lifetime Achievement

City of Fontana - Islands Annexation Program  
John T. "Jack" Knox

### 2006

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Outstanding CALAFCO Member

Everett Millais, CALAFCO Executive Officer and Executive Officer of Ventura LAFCo

Distinguished Service Award

Clark Alsop, CALAFCO Legal Counsel

Most Effective Commission Award

Alameda LAFCo

Outstanding Commissioner Award

Ted Grandsen, Ventura LAFCo

Chris Tooker, Sacramento LAFCo

Outstanding LAFCo Professional Award

Larry Calemine, Los Angeles LAFCo Executive Officer

Outstanding LAFCo Clerk Award

Janice Bryson, San Diego LAFCo

Marilyn Flemmer, Sacramento LAFCo

Project of the Year Award

Sacramento Municipal Utility District Sphere of Influence Amendment and Annexation; Sacramento LAFCo

Outstanding Government Leadership Award

Cities of Porterville, Tulare, and Visalia and Tulare LAFCo Island Annexation Program

Legislator of the Year Award

Senator Christine Kehoe

### 2005

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Outstanding CALAFCO Member

Peter Herzog, CALAFCO Board, Orange LAFCo

Distinguished Service Award

Elizabeth Castro Kemper, Yolo LAFCo

Most Effective Commission Award

Ventura LAFCo

Outstanding Commissioner Award

Art Aseltine, Yuba LAFCo

Henri Pellissier, Los Angeles LAFCo

Outstanding LAFCo Professional Award

Bruce Baracco, San Joaquin LAFCo

Outstanding LAFCo Clerk Award

Danielle Ball, Orange LAFCo

Project of the Year Award

San Diego LAFCo

MSR of Fire Protection and Emergency Medical Services

Outstanding Government Leadership Award

Sacramento Area Council of Governments (SACOG)

### 2004

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Outstanding CALAFCO Member

Scott Harvey, CALAFCO Executive Director

Distinguished Service Award

Julie Howard, Shasta LAFCo

Most Effective Commission Award

San Diego LAFCo

Outstanding Commissioner Award

Edith Johnsen, Monterey LAFCo

Outstanding LAFCo Professional Award

David Kindig, Santa Cruz LAFCo

Project of the Year Award

San Luis Obispo LAFCo

Nipomo CSD SOI Update, MSR, and EIR

### 2003

---

Outstanding CALAFCO Member

Michael P. Ryan, CALAFCO Board Member

Distinguished Service Award

Henri F. Pellissier, Los Angeles LAFCo

Most Effective Commission Award

San Luis Obispo LAFCo

Outstanding Commissioner Award

Bob Salazar, El Dorado LAFCo

Outstanding LAFCo Professional Award

Shirley Anderson, San Diego LAFCo

Outstanding LAFCo Clerk Award

Lori Fleck, Siskiyou LAFCo



## 2019 Achievement Award Nominations

Project of the Year Award

**Napa LAFCo**

Comprehensive Water Service Study

Special Achievement Award

**James M. Roddy**

### 2002

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Outstanding CALAFCO Member

**Ken Lee, CALAFCo Legislative Committee Chair**

Most Effective Commission Award

**San Diego LAFCo Outstanding**

Commissioner Award

**Ed Snively, Imperial LAFCo**

Outstanding LAFCo Professional Award

**Paul Hood, San Luis Obispo LAFCo**

Outstanding LAFCo Clerk Award

**Danielle Ball, Orange LAFCo**

Project of the Year Award

**San Luis Obispo LAFCo**

Outstanding Government Leadership Award

**Napa LAFCo, Napa County Farm Bureau, Napa Valley Vintners Association, Napa Valley Housing Authority, Napa County Agricultural Commissioner's Office, Napa County Counsel Office, and Assembly Member Patricia Wiggins**

### 2001

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Outstanding CALAFCO Member

**SR Jones, CALAFCO Executive Officer**

Distinguished Service Award

**David Martin, Tax Area Services Section, State Board of Equalization**

Outstanding Commissioner Award

**H. Peter Faye, Yolo LAFCo**

Outstanding LAFCo Professional Award

**Ingrid Hansen, San Diego LAFCo**

Project of the Year Award

**Santa Barbara LAFCo**

Outstanding Government Leadership Award

**Alameda County Board of Supervisors, Livermore City Council, Pleasanton City Council**

Legislator of the Year Award

**Senator Jack O'Connell**

### 2000

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Outstanding CALAFCO Member

**Ron Wootton, CALAFCO Board Chair**

Distinguished Service Award

**Ben Williams, Commission on Local Governance for the 21st Century**

Most Effective Commission Award

**Yolo LAFCo**

Outstanding Commissioner

**Rich Gordon, San Mateo LAFCo**

Outstanding LAFCo Professional Award

**Annamaria Perrella, Contra Costa LAFCo**

Outstanding LAFCo Clerk Award

**Susan Stahmann, El Dorado LAFCo**

Project of the Year Award

**San Diego LAFCo**

Legislator of the Year Award

**Robert Hertzberg, Assembly Member**

### 1999

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Distinguished Service Award

**Marilyn Ann Flemmer-Rodgers, Sacramento LAFCo**

Most Effective Commission Award

**Orange LAFCo**

Outstanding Executive Officer Award

**Don Graff, Alameda LAFCo**

Outstanding LAFCo Clerk Award

**Dory Adams, Marin LAFCo**

Most Creative Solution to a Multi-Jurisdictional Problem

**San Diego LAFCo**

Outstanding Government Leadership Award

**Assembly Member John Longville**

Legislator of the Year Award

**Assembly Member Robert Hertzberg**

### 1998

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Outstanding CALAFCO Member	Dana Smith, Orange LAFCo
Distinguished Service Award	Marvin Panter, Fresno LAFCo
Most Effective Commission Award	San Diego LAFCo
Outstanding Executive Officer Award	George Spiliotis, Riverside LAFCo
Outstanding Staff Analysis	Joe Convery, San Diego LAFCo Joyce Crosthwaite, Orange LAFCo
Outstanding Government Leadership Award	Santa Clara County Planning Department

### 1997

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Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	George Finney, Tulare LAFCo
Outstanding Staff Analysis	Annamaria Perrella, Contra Costa LAFCo
Outstanding Government Leadership Award	South County Issues Discussion Group
Most Creative Solution to a Multi-Jurisdictional Problem	Alameda LAFCo and Contra Costa LAFCo
Legislator of the Year Award	Assembly Member Tom Torlakson

**Please join us for the  
CALAFCO Annual Conference  
October 30 – November 1, 2019  
Sacramento, California**



June 25, 2019

**To:** Local Agency Formation Commission  
Members and Alternate Members

**From:** Shiva Frentzen, Committee Chair  
CALAFCO Board Election Committee  
CALAFCO Board of Directors

**CALAFCO**



**RE: Nominations for 2019/2020 CALAFCO Board of Directors**

Nominations are now open for the fall elections of the CALAFCO Board of Directors. Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal and operational issues that affect us all. The Board meets four to five times each year at alternate sites around the state. Any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat.

CALAFCO's Election Committee is accepting nominations for the following seats on the CALAFCO Board of Directors:

**Northern Region**

County Member  
District Member

**Central Region**

City Member  
Public Member

**Coastal Region**

City Member  
Public Member

**Southern Region**

County Member  
District Member

The election will be conducted during Regional Caucuses at the CALAFCO Annual Conference prior to the Annual Membership Meeting on Thursday, October 31, 2019 at the Hyatt Regency in Sacramento, CA.

**Please inform your Commission that the CALAFCO Election Committee is accepting nominations for the above-cited seats until *Monday, September 30, 2019*.**

Incumbents are eligible to run for another term. Nominations received by September 30 will be included in the Election Committee's Report and will be on the ballot. The Report will be distributed to LAFCo members no later than October 16, 2019 and ballots made available to Voting Delegates at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance. **The ballot request must be made no later than Monday, September 30, 2019. Completed absentee ballots must be returned by 8:00 a.m., Monday, October 28, 2019.**

*Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form, or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee.*

**The nomination forms and materials must be received by the CALAFCO Executive Director no later than Monday, September 30, 2019 at 5:00 p.m.** Here is a summary of the deadlines for this year's nomination process:

- **June 26** – Nomination Announcement and packet sent to LAFCo membership and posted on the CALAFCO website.
- **September 30** – Completed Nomination packet due
- **September 30** – Request for an absentee/electronic ballot due
- **September 30** – Voting delegate name due to CALAFCO
- **October 16** – Distribution of the Election Committee Report (includes all completed/submitted nomination papers)
- **October 16** – Distribution of requested absentee/electronic ballots.
- **October 28** – Absentee ballots due to CALAFCO
- **October 31** - Elections

Returning the nomination form prior to the deadline ensures your nominee is placed on the ballot. Names will be listed in the order nominations were received should there be multiple candidates. Electronic filing of nomination forms and materials is encouraged to facilitate the recruitment process. Please send e-mails with forms and materials to [info@calafco.org](mailto:info@calafco.org). Alternatively, nomination forms and materials can be mailed or faxed to the address or fax number below. Please forward nominations to:

CALAFCO Election Committee c/o Executive Director  
California Association of Local Agency Formation Commissions  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, California 95814  
FAX: 916-442-6535  
EMAIL: [info@calafco.org](mailto:info@calafco.org)

Questions about the election process can be sent to the Chair of the Committee, Shiva Frentzen, at [sfrentzen@calafco.org](mailto:sfrentzen@calafco.org) or by calling her at 530-621-5390. You may also contact CALAFCO Executive Director Pamela Miller at [pmiller@calafco.org](mailto:pmiller@calafco.org) or by calling 916-442-6536.

Members of the 2019/2020 CALAFCO Election Committee are:

Shiva Frentzen, Chair <a href="mailto:sfrentzen@calafco.org">sfrentzen@calafco.org</a>	El Dorado LAFCo (Central Region) 530-621-5390
Josh Susman <a href="mailto:jsusman@calafco.org">jsusman@calafco.org</a>	Nevada LAFCo (Northern Region) 530-265-7180
Cheryl Brothers <a href="mailto:cbrothers@calafco.org">cbrothers@calafco.org</a>	Orange LAFCo (Southern Region) 714-640-5100
Jane Parker <a href="mailto:jparker@calafco.org">jparker@calafco.org</a>	Monterey LAFCo (Coastal Region) 831-883-7570

Attached please find a copy of the CALAFCO Board of Directors Nomination and Election Procedures as well as the current listing of Board Members and corresponding terms of office.

*Please consider joining us!*

Enclosures

## **Board of Directors Nomination and Election Procedures and Forms**

The procedures for nominations and election of the CALAFCO Board of Directors [Board] are designed to assure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in the CALAFCO Annual Conference.

The Board nomination and election procedures shall be:

### **1. APPOINTMENT OF AN ELECTION COMMITTEE:**

- a. Following the Annual Membership Meeting the Board shall appoint an Election Committee of four members of the Board. The Election Committee shall consist of one member from each region whose term is not ending.<sup>8</sup>
- b. The Board shall appoint one of the members of the Election Committee to serve as Chairman. The CALAFCO Executive Officer shall appoint a CALAFCO staff member to serve as staff for the Election Committee in cooperation with the CALAFCO Executive Director.<sup>8</sup>
- c. Each region shall designate a regional representative to serve as staff liaison to the Election Committee.<sup>8</sup>
- d. Goals of the Committee are to provide oversight of the elections process and to encourage and solicit candidates by region who represent member LAFCoS across the spectrum of geography, size, and urban suburban and rural population if there is an open seat for which no nominations papers have been received close to the deadline.<sup>8</sup>

### **2. ANNOUNCEMENT TO ALL MEMBER LAFCoS:**

- a. No later than three months prior to the Annual Membership Meeting, the Election Committee Chair shall send an announcement to each LAFCo for distribution to each commissioner and alternate. The announcement shall include the following:<sup>8</sup>
  - i. A statement clearly indicating which offices are subject to the election.
  - ii. A regional map including LAFCoS listed by region.
  - iii. The dates by which all nominations must be received by the Election Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFCo marked "Received too late for Elections Committee action."<sup>8</sup>
  - iv. The names of the Election Committee members with the Committee Chairman's LAFCo address and phone number, and the names and contact information for each of the regional representatives.<sup>8</sup>
  - v. The address to send the nominations forms.
  - vi. A form for a Commission to use to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.
- b. No later than four months before the annual membership meeting, the Election Committee Chairman shall send an announcement to the Executive Director for distribution to each member LAFCo and for publication in the newsletter and on the web site. The announcement shall include the following:<sup>8</sup>

<b>Key Timeframes for Nominations Process</b>	
<u>Days*</u>	
90	Nomination announcement
30	Nomination deadline
14	Committee report released
<small>*Days prior to annual membership meeting</small>	

- i. A statement clearly indicating which offices are subject to the election.
  - ii. The specific date by which all nominations must be received by the Election Committee. Nominations received after the closing dates shall be returned to the proposing LAFCo marked "Received too late for Election Committee action."<sup>8</sup>
  - iii. The names of the Election Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.<sup>8</sup>
  - iv. Requirement that nominated individual must be a commissioner or alternate commissioner from a member in good standing within the region.
- c. A copy of these procedures shall be posted on the web site.

### **3. THE ELECTION COMMITTEE:**

- a. The Election Committee and the regional representatives have the responsibility to monitor nominations and help assure that there are adequate nominations from each region for each seat up for election. No later than two weeks prior to the Annual Conference, the Election Committee Chair shall distribute to the members the Committee Report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.<sup>8</sup>
- b. At the close of the nominations the Election Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the Annual Conference for the purpose of electing their designated seats. Caucus elections must be held prior to the annual membership meeting at the conference. The Executive Director or assigned staff along with a member of the Election Committee shall tally ballots at each caucus and provide the Election Committee the names of the elected Board members and any open seats. In the event of a tie, the staff and Election Committee member shall immediately conduct a run-off ballot of the tied candidates.<sup>8</sup>
- c. Make available sufficient copies of the Committee Report for each Voting Delegate by the beginning of the Annual Conference.
- d. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- e. Advise the Executive Director to provide "CANDIDATE" ribbons to all candidates attending the Annual Conference.<sup>8</sup>
- f. Post the candidate statements/resumes organized by region on a bulletin board near the registration desk.
- g. Regional elections shall be conducted as described in Section 4 below. The representative from the Election Committee shall serve as the Presiding Officer for the purpose of the caucus election.<sup>8</sup>
- h. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Election Committee Chair shall notify the Chair of the Board of Directors that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.<sup>8</sup>

**4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING<sup>6</sup>**

Limited to the elections of the Board of Directors

- a. Any LAFCo in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.
- b. LAFCos requesting an electronic ballot shall do so in writing no later than 30 days prior to the annual meeting.
- c. The Executive Director shall distribute the electronic ballot no later than two weeks prior to the annual meeting.
- d. LAFCo must return the ballot electronically to the executive director no later than three days prior to the annual meeting.
- e. LAFCos voting under this provision may discard their electronic ballot if a representative is able to attend the annual meeting.
- f. LAFCos voting under this provision may only vote for the candidates nominated by the Election Committee and may not vote in any run-off elections.<sup>8</sup>

**5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING:**

- a. The Election Committee Chairman, another member of the Election Committee or the Chair's designee (hereafter called the Presiding Officer) shall:<sup>8</sup>
  - i. Review the election procedure with the membership.
  - ii. Present the Election Committee Report (previously distributed).
  - iii. Call for nominations from the floor by category for those seats subject to this election:
    1. For city member.
    2. For county member.
    3. For public member.
    4. For special district member.
- b. To make a nomination from the floor, a LAFCo, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two minutes in support of the nomination.
- c. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
- d. The Presiding Officer shall conduct a "Candidates Forum". Each candidate shall be given time to make a brief statement for their candidacy.
- e. The Presiding Officer shall then conduct the election:
  - i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:
    1. Name the nominees and offices for which they are nominated.
    2. Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.

- ii. For categories where there are more candidates than vacancies, the Presiding Officer shall:
  - 1. Poll the LAFCoS in good standing by written ballot.
  - 2. Each LAFCo in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.
  - 3. Any ballots submitted electronically for candidates included in the Election Committee Report shall be added to the tally.<sup>8</sup>
  - 4. With assistance from CALAFCO staff, tally the votes cast and announce the results.
- iii. Election to the Board shall occur as follows:
  - 1. The nominee receiving the majority<sup>6</sup> of votes cast is elected.
  - 2. In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election. Electronic ballots are not included in the tally for any run-off election(s).<sup>6</sup>
  - 3. In case of tie votes<sup>6</sup>:
    - a. A second run-off election shall be held with the same two nominees.
    - b. If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.
  - 4. In the case of two vacancies, any candidate receiving a majority of votes cast is elected.<sup>6</sup>
    - a. In the case of no majority for either vacancy, the three nominees receiving the three highest number of votes cast shall face each other in a run-off election.
    - b. In the case of no majority for one vacancy, the two nominees receiving the second and third highest number of votes cast shall face each other in a run-off election.
    - c. In the event of a tie, a second run-off election shall be held with the tied nominees. If there remains a tie after the second run-off election the winner shall be determined by a draw of lots.

## **6. ADDITIONAL PROCEDURES**

- a. For categories where there are more candidates than vacancies, names will be listed in the order nominated.
- b. The Election Committee Chair shall announce and introduce all Board Members elected at the Regional Caucuses at the annual business meeting.<sup>8</sup>
- c. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFCo may be nominated for at-large seats.
- d. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.
- e. As required by the Bylaws, the members of the Board shall meet as soon as possible after



The counties in each of the four regions consist of the following:

**Northern Region**

Butte  
Colusa  
Del Norte  
Glenn  
Humboldt  
Lake  
Lassen  
Mendocino  
Modoc  
Nevada  
Plumas  
Shasta  
Sierra  
Siskiyou  
Sutter  
Tehama  
Trinity  
Yuba

**CONTACT:** Steve Lucas  
Butte LAFCo  
slucas@buttecounty.net

**Southern Region**

Orange  
Los Angeles  
Imperial  
Riverside  
San Bernardino  
San Diego

**CONTACT:** Keene Simonds  
San Diego LAFCo  
keene.simonds@sdcounty.ca.gov

**Coastal Region**

Alameda  
Contra Costa  
Marin  
Monterey  
Napa  
San Benito  
San Francisco  
San Luis Obispo  
San Mateo  
Santa Barbara  
Santa Clara  
Santa Cruz  
Solano  
Sonoma  
Ventura

**CONTACT:** Martha Poyatos  
San Mateo LAFCo  
mpoyatos@smcgov.org

**Central Region**

Alpine  
Amador  
Calaveras  
El Dorado  
Fresno  
Inyo  
Kern  
Kings  
Madera  
Mariposa  
Merced  
Mono  
Placer  
Sacramento  
San Joaquin  
Stanislaus  
Tulare  
Tuolumne  
Yolo

**CONTACT:** Christine Crawford, Yolo LAFCo  
christine.crawford@yolocounty.org

# Board of Directors 2019/2020 Nominations Form

## *Nomination to the CALAFCO Board of Directors*

In accordance with the Nominations and Election Procedures of CALAFCO,

\_\_\_\_\_ LAFCo of the \_\_\_\_\_ Region

Nominates \_\_\_\_\_

for the (check one)     City     County     Special District     Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual Membership Meeting of the Association.

\_\_\_\_\_  
LAFCo Chair

\_\_\_\_\_  
Date

### **NOTICE OF DEADLINE**

Nominations must be received by **September 30, 2019** at 5:00 p.m. to be considered by the Election Committee. Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, CA 95814

## Board of Directors 2019/2020 Candidate Resume Form

Nominated By: \_\_\_\_\_ LAFCo Date: \_\_\_\_\_

Region (please check one):  Northern  Coastal  Central  Southern

Category (please check one):  City  County  Special District  Public

Candidate Name \_\_\_\_\_

Address \_\_\_\_\_

Phone Office \_\_\_\_\_ Mobile \_\_\_\_\_

e-mail \_\_\_\_\_

Personal and Professional Background:

LAFCo Experience:

CALAFCO or State-level Experience:

Availability:

Other Related Activities and Comments:

**NOTICE OF DEADLINE**

Nominations must be received by **September 30, 2019** at 5:00 p.m. to be considered by the Election Committee. Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, CA 95814



Lou Ann Texeira  
 Executive Officer

**MEMBERS**

- |   |  |
|---|--|
| <b>Candace Andersen</b><br><i>County Member</i>         | <b>Federal Glover</b><br><i>County Member</i>              |
| <b>Donald A. Blubaugh</b><br><i>Public Member</i>       | <b>Michael R. McGill</b><br><i>Special District Member</i> |
| <b>Tom Butt</b><br><i>City Member</i>                   | <b>Rob Schroder</b><br><i>City Member</i>                  |
| <b>Igor Skaredoff</b><br><i>Special District Member</i> |  |

**ALTERNATE MEMBERS**

- |   |
|---|
| <b>Diane Burgis</b><br><i>County Member</i>               |
| <b>Stanley Caldwell</b><br><i>Special District Member</i> |
| <b>Charles R. Lewis, IV</b><br><i>Public Member</i>       |
| <b>Sean Wright</b><br><i>City Member</i>                  |

August 14, 2019 (Agenda)

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

August 14, 2019  
 Agenda Item 9

**Lafayette/Pleasant Hill Sphere of Influence Ad Hoc Subcommittee Report**

Dear Commissioners:

*This is a report from the Lafayette/Pleasant Hill Sphere of Influence (SOI) Ad Hoc Subcommittee.*

In July 2019, the Commission accepted the Final Municipal Services Review (MSR) report covering all 19 cities and four community services districts (Crocket, Diablo, Discovery Bay and Kensington). In conjunction with the MSR, the Commission updated the sphere of influence (SOI) for each subject agency.

During the MSR process, the Commission received public input, including comments from approximately 40 residents of the Reliez Valley area (please refer to the April 17, 2019 and June 12, 2019 LAFCO agenda packets). These residents expressed interest in being removed from the City of Pleasant Hill’s SOI and added to the City of Lafayette’s SOI. These residents indicate that they feel a community of interest with Lafayette, noting that their children attend Lafayette schools, they attend Lafayette parishes, their families participate in Lafayette sports, they support Lafayette businesses, and they access their neighborhoods via Lafayette streets. However, they are unable to vote for Lafayette City Council and participate in other civic activities.

In addition, these residents also expressed interest in being removed from the Pleasant Hill Recreation & Park District boundary noting that they pay taxes to the District but do not utilize the District’s services or facilities. This issue will be evaluated in the upcoming parks and recreation MSR scheduled for FY 2019-20.

In response to the SOI request, the City of Pleasant Hill indicated “no position” on removal of this area from Pleasant Hill’s SOI. The Lafayette City Council voted 4-1 opposing the addition of this area to Lafayette’s SOI. The City of Lafayette cited concerns relating to fiscal impacts and the provision of services, including roads, drainage and law enforcement.

The Commission expressed interest in reviewing this matter further and formed an ad hoc subcommittee to discuss the SOI/boundary issue. Commissioners Blubaugh and Andersen were appointed to the ad hoc subcommittee.

On July 29, the ad hoc subcommittee and LAFCO Executive Officer met with representatives of the City of Lafayette including two councilmembers and the City Manager. The group discussed the following matters: 1) possible SOI amendments and annexation of a portion of the Reliez Valley to City of Lafayette; 2) recent letter from John Cumbers (attached) regarding annexation of a larger portion of Reliez Valley to the City of Lafayette; and 3) the City of Lafayette's upcoming General Plan update.

Regarding the possible SOI amendments and annexation of a portion of the Reliez Valley to City of Lafayette, City representatives reiterated their concerns regarding needed services and improvements to the subject area and associated costs. The consensus was that any future annexation of this area to the City would necessitate a special tax and that costs associated with services and improvements should be borne by residents of the annexing area. It is presently unknown as to whether residents in the subject area would support a special tax to fund services and improvements.

The group also discussed a recent letter from John Cumbers and his request to annex a larger portion of Reliez Valley to the City of Lafayette and to also align school district boundaries. Mr. Cumber acknowledged that these efforts would likely be long term and could coincide with the City/school board's upcoming demographic study and the City's General Plan update.

City of Lafayette representatives reported that in 2020, the City of Lafayette will embark on a General Plan Update and could look at the SOI/annexation matter in conjunction with the General Plan Update. Residents of the City as well as residents of the unincorporated areas will have an opportunity to provide input during the General Plan Update process.

LAFCO staff will keep apprised of the City of Lafayette's General Plan activities and provide updates as needed.

**Recommendation:** Receive the report.

Respectfully submitted,

*Candace Andersen and Don Blubaugh*

Attachment – Letter from John Cumbers

---

John Cumbers  
2419 Cherry Hills Dr.  
Lafayette, CA. 94549

25th July 2019

Re: Request to perform a cost / benefit analysis of incorporating the remaining 1062 unincorporated homes into the City of Lafayette.

Dear Lafayette City Council Members,

I'm a Lafayette resident living in unincorporated Lafayette. I have a Lafayette address but am in the Pleasant Hill sphere of influence and Martinez school district. Such disparate zoning creates weak neighborhoods without city services and citizens without democratic representation.

From speaking to members of the Lafayette School Board, I understand that the city and the Lafayette School District are planning to perform a joint demographic study on future city services and school needs. From my analysis, there are 1062 unincorporated homes (See attached and also here: <https://tinyurl.com/y2arumff>). I'm writing to ask that you please include the cost / benefit of incorporating these remaining homes into the city. I am also writing to both school districts to ask that they look at the cost / benefit of including the homes in the school districts as well.

There is no urgency for this to happen right away, but I ask that the City use the results of this demographic study to update the General Plan to include a timeline and resource plan to include these neighborhoods that have yet to be incorporated. I understand that the city will need to look into the costs of services for this and that there would be a payment due upon incorporation.

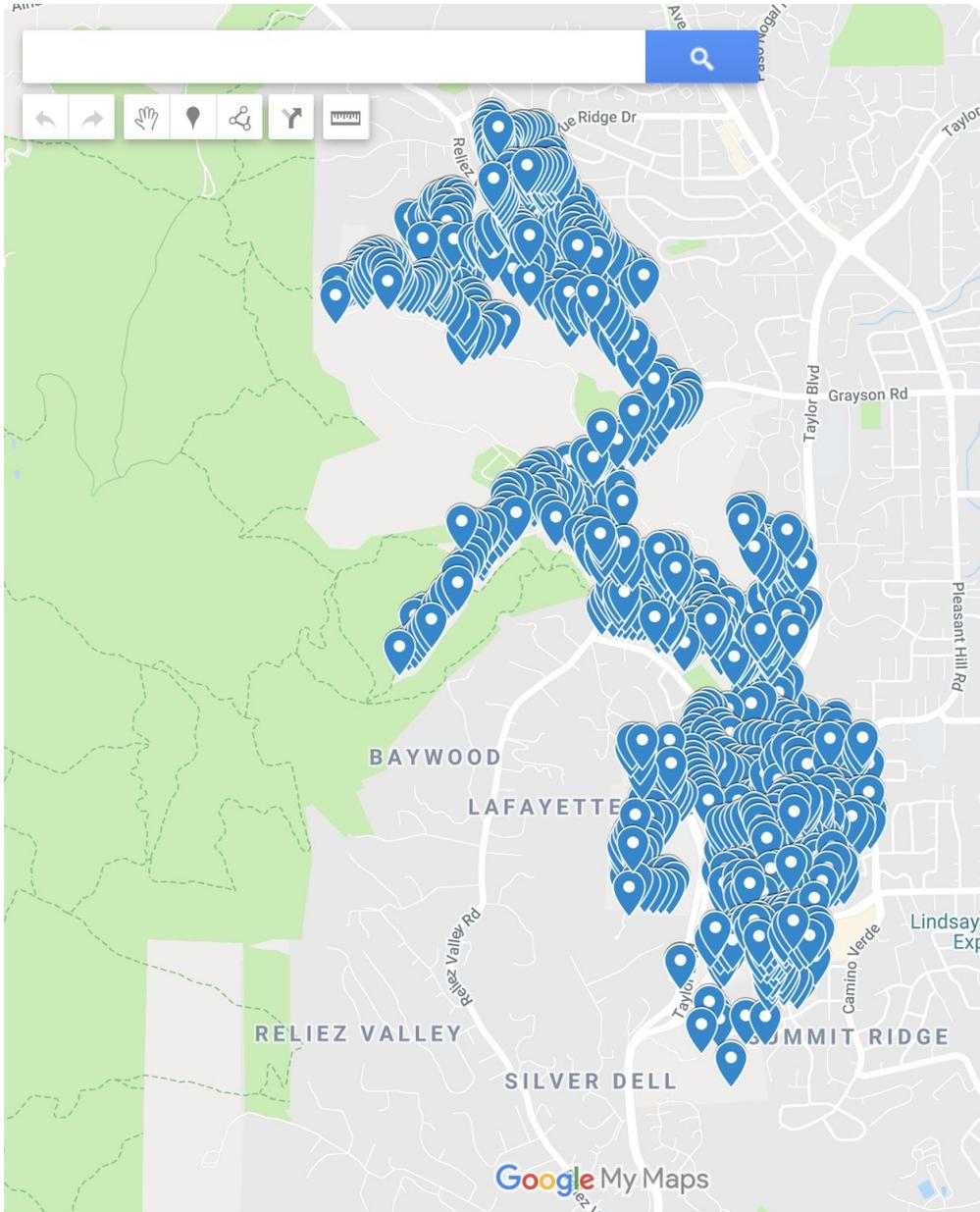
Although there is little incentive for the City of Lafayette to incorporate these homes, I'm advocating for a long term solution to resolve the boundary issues and avoid a piecemeal approach and one-off requests for future changes. Doing nothing leaves these unincorporated households and neighborhoods as the ugly stepchildren of the City, in a state of limbo, without a plan for the future, without city services and without representation on local issues. It's the right thing to do for stronger neighborhoods, stronger communities, a stronger county, and a stronger democracy. I ask that you please consider including these homes in your upcoming demographic study and creating a long term plan to incorporate them into the City.

Yours sincerely,



John Cumbers

**Location of 1066 unincorporated lafayette homes (to be verified)**





Lou Ann Texeira  
 Executive Officer

**MEMBERS**

- |   |  |
|---|--|
| <b>Candace Andersen</b><br><i>County Member</i>         | <b>Federal Glover</b><br><i>County Member</i>              |
| <b>Donald A. Blubaugh</b><br><i>Public Member</i>       | <b>Michael R. McGill</b><br><i>Special District Member</i> |
| <b>Tom Butt</b><br><i>City Member</i>                   | <b>Rob Schroder</b><br><i>City Member</i>                  |
| <b>Igor Skaredoff</b><br><i>Special District Member</i> |  |

**ALTERNATE MEMBERS**

- |   |
|---|
| <b>Diane Burgis</b><br><i>County Member</i>               |
| <b>Stanley Caldwell</b><br><i>Special District Member</i> |
| <b>Charles R. Lewis, IV</b><br><i>Public Member</i>       |
| <b>Sean Wright</b><br><i>City Member</i>                  |

August 14, 2019 (Agenda)

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

August 6, 2019  
 Agenda Item 10

**Contra Costa County Employees’ Retirement Association (CCCERA)  
 2019 Employer Audit Report – Contra Costa LAFCO**

Dear Commissioners:

Between March and June 2019 an employer audit was performed on the Contra Costa LAFCO (Attachment 1). This was LAFCO’s first CCCERA employer audit. The audit covered the following items:

- Accuracy of Payroll Information Provided to CCCERA
- Salaries in Accordance with Publicly Available Pay Schedules
- Enrollment of All Eligible Employees
- Pension Benefit Review
- Internal Revenue Code 415 Limits
- Retiree Return to Work Monitoring
- Forfeiture of Benefits Earned or Accrued from the Commission of a Felony

On July 24, 2019, the CCCERA Board received the Final Audit report for Contra Costa LAFCO. As noted in the CCCERA staff report and final close out letter (Attachment 2), there were no follow-up items.

**Recommendation:** Receive the report.

Sincerely,

LOU ANN TEXEIRA  
 EXECUTIVE OFFICER

Attachment 1 – 2019 CCCERA Employer Audit Report – Contra Costa LAFCO  
 Attachment 2 – LAFCO Employer Audit Close Out Letter

Employer Audit:  
Contra Costa County  
Local Area Formation  
Commission

*Employer Audit  
Report dated  
6/04/2019  
prepared by:*



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# Contra Costa County Local Area Formation Commission

## Audit Transmittal Letter



June 4, 2019

Lou Ann Texeira  
Executive Director  
Contra Costa County Local Agency  
Formation Commission  
651 Pine St.  
Sixth Floor  
Martinez, CA 94553

Re: Employer Audit Report – Contra Cost County Local Agency Formation Commission Pensionable Compensation, Contribution and Reporting Audit

Dear Ms. Texeira,

Enclosed is the employer audit report of the Contra Costa County Local Area Formation Commission (LAFCO) pensionable compensation, contribution and reporting audit, conducted pursuant to Government Code Section 31543. I want to thank you and all LAFCO staff for their assistance in gathering all the records and documents and making them readily available during this audit. This cooperation was greatly appreciated and allowed for the audit to be completed in an efficient manner.

The *Employer Audit Report* is enclosed for your review. There were no “*Follow-Up Items*” noted for the Commission to address.

This report will be placed on the agenda and will be presented to the CCCERA Board of Retirement at its Wednesday June 26, 2019 meeting.



## Contra Costa County Local Area Formation Commission

Should you wish to discuss or have any questions regarding the items reviewed and the observations contained within this report, please contact me at 925-521-3960.

Best regards,



Wrally Dutkiewicz  
Compliance Officer

Cc: Kate Sibley, Executive Assistant, LAFCO

# Contra Costa County Local Area Formation Commission

## Background

The Contra Costa County Employees' Retirement Association (CCCERA) is a public employee retirement system that was established by Contra Costa County on July 1, 1945, and is administered by the Board of Retirement (Board) to provide service retirement, disability, death, and survivor benefits for Contra Costa County (County) employees and 16 other participating agencies under the California State Government Code, Section 31450, et. seq. (County Employees Retirement Law of 1937 or CERL) and the California Public Employees' Pension Reform Act of 2013 (PEPRA).

CCCERA administers the retirement benefits for the employees of Contra Costa County and participating District employers. Participating employers within the CCCERA retirement system transmit payroll information and contributions to fund the benefits for their employees. CCCERA sets up retirees' accounts, processes applications, calculates retirement allowances, prepares monthly retirement benefit payment rolls, and makes adjustments to retirement benefits when needed.

Retirement allowances are computed in accordance with statute using three factors: years of service, age at retirement, and final compensation. For Legacy (pre-PEPRA) members, final compensation is defined as the highest average annual compensation earnable (as defined in G.C. Section 31461) by a member during the last one or three consecutive years of employment depending on the member's Tier, unless the member elects a different period with a higher average. For PEPRA members, final compensation is defined as the highest average annual pensionable compensation (as defined in G.C. Section 7522.34) earned by the member during a period of 36 consecutive months.

The employer's knowledge of the rules relating to membership and payroll reporting facilitates the employer in providing CCCERA with appropriate employee information. Correct enrollment of eligible employees and correct reporting of payroll information are necessary for the accurate computation of a member's retirement allowance.

In 1963, the California Legislature responded to the urban boundary wars, and the problem of public finance and service they created, by enacting the Local Agency Formation Commissions (LAFCOs). This law established a commission in each county responsible for overseeing most forms of local government boundary change, including incorporation, annexations, and special district formations. In the interest of more orderly development, LAFCOs were to act as judges of boundary disputes among governments and communities.<sup>1</sup>

Contra Costa County Local Area Formation Commission (LAFCO) has had two staff members during the audit period, the appointed Executive Officer and the Executive Assistant.

## Contra Costa County Local Area Formation Commission

For fiscal year 2016-2017 LAFCO had budgeted expenditures for salaries and benefits in the amount of \$406,000 and for fiscal year 2017-2018 it budgeted \$403,000. Per CCCERA records, LAFCO had two (2) employees in fiscal years 2016-2017 and 2017-2018 with active memberships in CCCERA and submitted approximately \$17,000 in employee pension contributions and \$97,000 in employer pension contributions per fiscal year. As of December 31, 2018, CCCERA had two (2) retirees and beneficiaries on record for LAFCO with a total paid benefit amount of approximately \$116,000 in 2018.

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<sup>1</sup> <http://contracostalafco.org/>

# Contra Costa County Local Area Formation Commission

## Scope

The 2013 Pension Reform legislation granted CCCERA the authority under Government Code Section 31543 to conduct audits of employers to ensure that employee and payroll information used in the calculation of retiree pension benefits is correct and verifiable. The scope of these on-site reviews includes:

- Correctness of retirement benefits;
- Reportable compensation;
- Enrollment in, and reinstatement to the system (GC 31554);
- Pensionable compensation (GC 31461 and GC 7522.34);
- Determine if employees convicted of certain felonies have forfeited benefits earned or accrued from the commission of the felony (GC 7522.72(g) and GC 7522.74(g));
- Review MOUs with respect to compensation and salary regulations (i.e. Vacation Sales, etc.);
- Determine if compensation is paid to enhance a member's retirement benefit (GC 31461(b)(1) and GC 7522.34(c)(1));
- Evaluate employer's compliance with restrictions on retirees returning to work (GC 7522.56, I.R.S. bona fide separation and normal retirement age rules).

The on-site review of the Commission was conducted on March 5, 2019. The review period encompassed active employee records for 2016 through 2018 and no retired employee records as no employees retired within the audit period.

# Contra Costa County Local Area Formation Commission

## Observations and Findings

### Accuracy of Payroll Information provided to CCCERA

1: Statement of Observation: No exceptions were observed in this section.

### Payroll and Reporting Process and Receivables Review

Pursuant to Board of Retirement Regulations Section IV: Employer pensionable payroll and corresponding pension contributions are to be reported to the retirement system timely and accurately. (*Contributions And Reporting, 2. Due Dates, 4. Employer Certification*).

#### Due Dates

*Each employer shall report to the Association in a manner and frequency as determined by the Board sufficient for the Board to credit contributions and service to each member's record.*

*Unless otherwise specified, reports shall be due no later than the tenth of each month for the previous month's payroll and shall be accompanied by member and employer contributions. If the tenth of the month falls on a weekend or holiday, the due date shall be the last working day before the tenth. Reports, which are unreadable or incorrect, shall not be accepted and shall be returned to the employer. (Emphasis added.)*

*Reports and contributions received after the due date shall be considered late and subject to a late reporting penalty equal to: the prime rate in effect on the due date computed on a daily, non-compounding basis and applied to the contributions due.*

Observation 1: None

# Contra Costa County Local Area Formation Commission

## Input File Review

### Employer Certification

Each payroll and pension contribution report shall include or be accompanied by a certification, under penalty of perjury, as to its accuracy. The certification shall be made by a duly authorized representative of the employer. (Board of Retirement Regulations *Section IV, 4. Employer Certification.*)

Observation 2: None
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### Compensation Limits

Federal and state laws place annual limits on the compensation that can be used to determine contributions and benefits for CCCERA plan members.

#### Legacy Members:

- The Internal Revenue Code provides for dollar limitations on benefits and contributions under qualified retirement plans which are adjusted annually for cost-of-living increases.
- Members who commenced participation in CCCERA on or after January 1, 1996 are subject to the annual federal Internal Revenue Code Section 401(a)(17) compensation limit.
- For CERL benefit formulas (General Tiers 1, 3, Safety Tiers A & C), the 2018 calendar year compensation limit was increased by the I.R.S. to \$275,000 from \$270,000 for calendar year 2017.
- Members who commenced participation in CCCERA prior to January 1, 1996 are not subject to the Internal Revenue Code annual compensation limit.

# Contra Costa County Local Area Formation Commission

## PEPRA Members:

- For new employees who commenced participation in CCCERA on or after January 1, 2013 under PEPRA benefit formulas (General Tiers 4,5, Safety Tiers D & E), the compensation which exceeds that annual pensionable compensation limit under California Government Code Section 7522.10(c) and (d) is not included in determining benefits or contributions.
- The 2018 calendar year PEPRA compensation limits are as follows:
  - For employees enrolled in Social Security – increased to \$121,388.
  - For employees not enrolled in Social Security – increased to \$145,666.
- The 2017 calendar year PEPRA compensation limits are as follows:
  - For employees enrolled in Social Security – increased to \$118,775.
  - For employees not enrolled in Social Security – increased to \$142,530.

Observation 3: None

## Payroll Reporting – Pensionable Compensation and Contribution Review

### Compensation Earnable Applicable Law for Legacy Members

"Compensation earnable" does not include, in any case, the following:

“Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.” (G.C. § 31461(b)(3).)

Pursuant to CCCERA’s “Compensation Earnable Policy”<sup>2</sup>, Section III.D. “Compensation Earnable” excludes payments for additional services rendered outside of normal working hours.

Pay received for "overtime" is not included in "compensation earnable." To be included, the time for which compensation is received:

- (1) must be the normal working hours set forth in the applicable employment agreement;
- (2) must be required by the employer to be worked by the employee (as distinguished from voluntarily worked); and

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<sup>2</sup> <https://www.cccera.org/governance-and-policies>

## Contra Costa County Local Area Formation Commission

(3) must be ordinarily worked by all others in the same grade or classification at the same rate of pay during the FAS period.

Pay that will be reviewed under these conditions is often described as "standby" and "on-call." Employers must report to CCCERA as pensionable only that pay for work that is required of and ordinarily served by everyone in the same grade or classification, at the same rate of pay.

### **Pensionable Compensation Applicable Law for PEPRA members**

PEPRA defines "pensionable compensation" as follows:

"Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.

Compensation that has been deferred shall be deemed pensionable compensation when earned rather than when paid. (Gov. Code Section 7522.34(a) and (b).)

PEPRA excludes from "pensionable compensation" the following:

- (1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.
- (2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
- (3) Any one-time or ad hoc payments made to a member.
- (4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.
- (5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
- (6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
- (7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
- (8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code [FLSA].

## Contra Costa County Local Area Formation Commission

- (9) Employer contributions to deferred compensation or defined contribution plans.
- (10) Any bonus paid in addition to the compensation described in subdivision (a) [of G.C. § 7522.34].
- (11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a) [of G.C. § 7522.34].
- (12) Any other form of compensation a public retirement board determines should not be pensionable compensation. (Gov. Code Section 7522.34(a) and (b).)

Pursuant to CCCERA's "Pensionable Compensation Policy"<sup>3</sup>, Section III:

The CCCERA Board has determined that "Pensionable Compensation" includes "base pay." Pensionable compensation does not include any pay other than base pay, in accordance with Govt. Code Sections 7522.34(c)(11) and (12).

Pensionable compensation (GC 31461 and 7522.34) is to be reported to the retirement system and the corresponding contributions are to be reported to the retirement system.

Observation 4: None

## Salaries in Accordance with Publicly Available Pay Schedule

2: Statement of Observation: No exceptions were observed in this section.

Pursuant to CCCERA's Policy On Determining "Pensionable Compensation"<sup>4</sup> Under PEPRA For Purposes Of Calculating Retirement Benefits, a "publicly available pay schedule" must meet all of the following requirements:

1. *Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;*
2. *Identifies the position title for every employee position;*
3. *Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;*
4. *Indicates the time base, including, but not limited to, whether the time base is hourly daily, bi-weekly, monthly, bi-monthly, or annually;*

<sup>3</sup> <https://www.cccera.org/governance-and-policies>

<sup>4</sup> <https://www.cccera.org/governance-and-policies>

## Contra Costa County Local Area Formation Commission

5. *Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;*
6. *Indicates an effective date and date of any revisions;*
7. *Is retained by the employer and available for public inspection for not less than five years; and*
8. *Does not reference another document in lieu of disclosing the pay rate.*

Observation 5: At the time of the on-site visit, LAFCO was not able to provide a current salary schedule. During the Interim Audit Check-In meeting, LAFCO provided CCCERA with an updated salary schedule which updated the salary ranges for all positions effective April 19, 2019.

## Enrollment of Eligible Employees

3: Statement of Observation: No exceptions were observed in this section.

### **1. Exclusion from Membership – By Type of Employment**

- A. All officers and employees of the County or districts shall be members of the association as provided in Article 4 under Sections 31550-31567 of the County Employees' Retirement Law of 1937 (Gov. Code Secs. 31450, et seq. "CERL"), unless excluded from membership by this Section.
- B. The following employees shall be excluded from membership:
  - i. Temporary, seasonal or independent contract employees who are employed or re-employed for temporary service or at certain specified periods each year.
  - ii. Intermittent or permanent-intermittent employees who are appointed to serve less than 80% of the full number of working hours required of regular employees or who actually serve less than 80% of such full number of working hours in one year as certified by their appointing authority.

## Contra Costa County Local Area Formation Commission

- iii. Part-time employees whose service for the County or district is less than fifty (50) percent of the full number or working hours required of fulltime employees at that employer.
  - iv. Project employees, unless the appointing authority certifies that the project is expected to be of one year or more in duration on a greater than part-time basis.
  - v. Provisional employees, unless they otherwise meet the requirements for reciprocal benefits with other retirement systems under Article 15 of CERL.
- C. In making its determination regarding an employee's inclusion in or exclusion from membership, the Board will not rely solely upon the term given to the type of employment. Rather, the Board will rely upon such additional facts such as the nature of the employment, its expected or actual duration, and its relationship to what is considered full-time, permanent employment.

### **2. Exclusion from Membership – by Compensation**

Except as otherwise herein provided, all employees of the County or district who receive compensation amounting to less than one-hundred (\$100) dollars per month, and in the case of employees paid on other than a monthly basis an average of one-hundred (\$100) dollars per month for the preceding year, including maintenance valued according to the schedule adopted by the governing body, are hereby excluded and exempted from membership in the Retirement Association. Any member of the Retirement Association whose salary is reduced to an amount less than one-hundred (\$100) dollars per month shall have the option of continuing or discontinuing his/her active membership in the Association.

### **2.1 Exclusion from Membership – by Waiver**

Newly hired employees age 60 and older may waive membership as authorized by Gov. Code Section 31552. Any such waiver of membership shall be effective only if it is submitted to the CCCERA Retirement Chief Executive Officer within 90 days of the employee's date of hire; provided, however, that the Retirement Chief Executive Officer may, in his/her sole and reasonable discretion, waive the time limitation if the newly hired employee establishes good cause for such a waiver.

# Contra Costa County Local Area Formation Commission

## 3. Certifications

Every employee of the County or district within the county whose employees are members of the Association shall, upon entry into the Association, complete a sworn statement as provided for in Gov. Code Section 31526(b). A certified copy of the member's birth certificate or other evidence of birth may be required by the Board.

It shall be the employer's responsibility to assure compliance with this section. The Board shall assess the employer five hundred (\$500) dollars per employee for every month or fraction thereof that the required certification is not submitted. The Board shall notify the employer in writing of the imposition of assessment at least thirty days before the assessment.

Observation 6: None

## Pension Benefit Review

4: Statement of Observation: No exceptions were observed in this section.

## Review of Pension Benefit Calculations

- a. Compensation Policies
  - i. *Policy On Determining "Compensation Earnable Under Assembly Bill 197 For Purposes Of Calculating Retirement Benefits For "Legacy" (Pre-PEPRA) Members – Adopted: 9/10/2014; GC 31461;*
  - ii. *Policy On Determining "Pensionable Compensation" Under PEPRA For Purposes Of Calculating Retirement Benefits - Adopted: 9/10/2014; GC 7522.34;*
  - iii. *Policy Regarding Assessment and Determination Of Compensation Enhancements – Adopted 11/1/2012, Amended: 3/8/2017; GC 31461(b)(1) and 7522.34(c)(1)*

Observation 7: None

# Contra Costa County Local Area Formation Commission

## Retiree Return to Work Monitoring

- b. Retiree Return to Work Monitoring
  - i. GC 7522.56 Retired Persons; Service and Employment Restrictions

Observation 8: None

## Forfeiture of Benefits Earned or Accrued From the Commission of a Felony

- c. Felony Forfeiture Monitoring and Notification – GC 7522.72(g) and GC 7522.74(g)

Observation 9: None

## Internal Revenue Code Section 415 Compliance

As adopted on December 8, 2010 and amended on January 9, 2013 and July 11, 2018.

Observation 10: None

# Contra Costa County Local Area Formation Commission

## Follow-Up Items

The following items were noted during the course of the review and require follow-up by the Commission and CCCERA:

The Commission has no follow-up items.



July 26, 2019

Lou Ann Texeira  
Executive Director  
Contra Costa Local Agency  
Formation Commission  
40 Muir Rd.,  
1<sup>st</sup> Floor  
Martinez, CA 94553

Re: CCCERA Employer Audit of Contra Costa Local Agency Formation Commission (LAFCO)

Dear Ms. Texeira,

The final audit report for Contra Costa Local Agency Formation Commission dated June 4, 2019 was presented to the CCCERA Board of Retirement at its meeting on July 24, 2019. The Board of Retirement had no further comment or request for clarification arising out of the scope items covered within the final audit report. The final audit report indicated that the Commission did not have any follow up items. Therefore, the 2019 employer audit of LAFCO has been finalized and closed out.

I want to wish all the best of success to you and the Commission staff. Thank you again for your assistance throughout the audit process and all the insights you shared about the important work that the Commission does.

Best regards,

A handwritten signature in blue ink, appearing to read "Wrally Dutkiewicz", is written over a horizontal line.

Wrally Dutkiewicz  
Compliance Officer



Lou Ann Teixeira  
 Executive Officer

**MEMBERS**

- |   |  |
|---|--|
| <b>Candace Andersen</b><br><i>County Member</i>         | <b>Federal Glover</b><br><i>County Member</i>              |
| <b>Donald A. Blubaugh</b><br><i>Public Member</i>       | <b>Michael R. McGill</b><br><i>Special District Member</i> |
| <b>Tom Butt</b><br><i>City Member</i>                   | <b>Rob Schroder</b><br><i>City Member</i>                  |
| <b>Igor Skaredoff</b><br><i>Special District Member</i> |  |

**ALTERNATE MEMBERS**

- |   |
|---|
| <b>Diane Burgis</b><br><i>County Member</i>               |
| <b>Stanley Caldwell</b><br><i>Special District Member</i> |
| <b>Charles R. Lewis, IV</b><br><i>Public Member</i>       |
| <b>Sean Wright</b><br><i>City Member</i>                  |

August 14, 2019 (Agenda)

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

**FY 2019-20 Budget Adjustment**

August 14, 2019  
 Agenda Item 11

Dear Commissioners:

On June 12, 2019, the Commission adopted the FY 2019-20 final budget (attached). Currently, the budget includes a fixed asset expense of \$20,000 for a new server, as the existing server is at the end of its useful life.

LAFCO’s information technology (IT) services are currently provided by Contra Costa County IT. The County’s IT department manages the central corporate computing complex, a County Wide Area Network (WAN), and numerous Local Area Networks (LANs); and provides business and technical consulting services to departments and agencies at a reasonable cost.

The IT department recently informed LAFCO staff of an alternate to purchasing a new physical server. The County is moving department information to a virtual (cloud) server and has offered this option to LAFCO.

The virtual server offers the following features/advantages:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>✚ Efficient hardware utilization – reduces the need for physical hardware systems</li> <li>✚ faster data recovery time, uptime and data recovery time</li> <li>✚ space saving</li> <li>✚ easier to maintain/upgrade - minimal downtime</li> <li>✚ more storage capacity than a physical server</li> </ul> | <ul style="list-style-type: none"> <li>✚ on-demand scalability</li> <li>✚ saves energy</li> <li>✚ optimum capacity management</li> <li>✚ more fault tolerant (disaster)</li> <li>✚ portable</li> <li>✚ nearly zero downtime (system recovery)</li> <li>✚ more economical than a physical server</li> <li>✚ security management more easily configurable</li> </ul> |
|--|--|

Several County departments including Agriculture Weight & Measures, Auditor Controller, Animal Services, Clerk of the Board, County Administrator's Office, County Counsel, Human Resources, Information Technology, Public Defender, and Public Works have, or are migrating to, a virtual server.

As noted above there is a cost saving to the user. The virtual server cost for LAFCO would be approximately \$560 per month (\$6,720/year) plus set up costs. The FY 2019-20 budget currently includes a fixed asset cost of \$20,000 (Acct #4951) for the new physical server plus additional funding in Data Processing Services (Acct 2315) for set up.

Utilization of a virtual server versus purchasing a physical server would eliminate the \$20,000 fixed asset account in the FY 2019-20 budget, and would increase the data Processing Services account by approximately \$7,000, resulting in an overall cost savings of approximately \$13,000.

**Recommendation:** In accordance with LAFCO's budget and financial policies and procedures, the Commission can make adjustments to its budget at any time during the fiscal year, as it deems appropriate.

It is recommended that the Commission adjust the FY 2019-20 budget as described above.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment – Final FY 2019-20 LAFCO Budget

**FINAL FY 2019-20 LAFCO BUDGET**  
**APPROVED JUNE 12, 2019**

	FY 2018-19		FY 2019-20		
	<u>FY 2018-19</u>	<u>Year-end</u>	<u>FY 2019-20</u>	<u>% Change</u>	
	<u>Approved</u>	<u>(Estimated)</u>	<u>Proposed</u>		
<b>Salaries and Employee Benefits</b>					
Permanent Salaries- 1011	\$ 244,970	\$ 228,634	\$ 286,575		
Deferred Comp Cty Contribution - 1015	\$ 1,700	\$ 2,040	\$ 1,105		
FICA- 1042	\$ 18,740	\$ 17,491	\$ 21,923		
Retirement expense- 1044	\$ 109,514	\$ 97,068	\$ 117,971		
Employee Group Insurance- 1060	\$ 59,575	\$ 53,841	\$ 73,039		
Retiree Health Insurance- 1061	\$ 19,100	\$ 18,609	\$ 28,406		
Unemployment Insurance- 1063	\$ 122	\$ 114	\$ 143		
Workers Comp Insurance- 1070	\$ 1,065	\$ 1,161	\$ 1,273		
<b>Total Salaries and Benefits</b>	<b>\$ 454,786</b>	<b>\$ 418,958</b>	<b>\$ 530,435</b>		<b>14%</b>
<b>Services and Supplies</b>					
Office Expense- 2100	\$ 6,000	\$ 3,500	\$ 5,000		
Publications -2102	\$ 30	\$ 21	\$ 25		
Postage -2103	\$ 1,800	\$ 1,041	\$ 1,800		
Communications - 2110	\$ 2,524	\$ 850	\$ 1,334		
Tele Exchange Services 2111	\$ 1,599	\$ 1,584	\$ 3,120		
Minor Furniture/Equipment - 2131		\$ 16,589	\$ 2,000		
Minor Comp Equipment - 2132	\$ 1,000		\$ 1,800		
Pubs & Legal Notices 2190	\$ 4,000	\$ 3,821	\$ 3,800		
Memberships - 2200	\$ 10,503	\$ 10,303	\$ 12,036		
Rents & Leases - 2250 (copier)	\$ 5,500	\$ 4,554	\$ 5,500		
Computer Software - 2251	\$ 500		\$ 612		
Bldg Occupancy Costs - 2262	\$ 18,622	\$ 7,108	\$ 24,569		
Bldg Life Cycle Costs - 2265	\$ 1,455	\$ 1,500	\$ 1,463		
Bldg Maintennace - 2284	\$ 150	\$ -	\$ 500		
Auto Mileage Emp. - 2301	\$ 500	\$ 336	\$ 500		
Other Travel Employees - 2303	\$ 12,000	\$ 11,736	\$ 17,370		
Prof & Spec Services - 2310	\$ 271,075	\$ 200,338	\$ 235,653		
Assessor	\$ 12,011	\$ 3,600	\$ 8,500		
Financial Audit	\$ 8,650	\$ 8,650	\$ 8,700		
GIS/Mapping	\$ 26,000	\$ 8,000	\$ 12,000		
Legal	\$ 75,000	\$ 71,100	\$ 60,000		
MSRs	\$ 135,000	\$ 95,000	\$ 130,000		
Planning	\$ 11,000	\$ 8,480	\$ 11,000		
Special Projects (document imaging)	\$ 3,414	\$ 3,413	\$ 5,213		
LAFCO Sponsored Training	-		\$ -		
Misc Investment Services/CCCERA Fees		\$ 220	\$ 240		
Special Studies	\$ -	\$ 1,875	\$ -		
Moving Service			\$ 1,500		
Contracted Temp Help - 2314 (Web)	\$ 2,880	\$ 3,360	\$ 3,060		
Data Processing Services - 2315	\$ 7,500	\$ 14,609	\$ 19,582		
Data Processing Security - 2326	\$ 231	\$ 196	\$ 210		
Courier - 2331	\$ 392	\$ 384	\$ 1,678		
Telcomm Rents, Leases, Labor - 2335		\$ 710			
Other Inter-Dept Costs - 2340	\$ 232	\$ 444	\$ 564		
Liability/E&O Insurance - 2360	\$ 5,436	\$ 5,029	\$ 5,682		
Commission Training/Registration/Stipends - 2467	\$ 37,000	\$ 30,000	\$ 30,000		
Application Refund - 2479		\$ -	\$ -		
NOD/NOE Filings - 2490	\$ 700	\$ 850	\$ 700		
<b>Total Services &amp; Supplies</b>	<b>\$ 391,629</b>	<b>\$ 318,863</b>	<b>\$ 380,058</b>		<b>-3%</b>
<b>Fixed Assets</b>					
Office Equipment & Furniture - 4951			\$ 20,000		
<b>Total Fixed Assets</b>			<b>\$ 20,000</b>		
<b>Total Expenditures</b>	<b>\$ 846,415</b>	<b>\$ 737,821</b>	<b>\$ 930,493</b>		<b>9%</b>
<b>Contingency Reserve</b>	<b>\$ 80,000</b>		<b>\$ 80,000</b>		
<b>OPEB Trust</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>		
<b>CCCERA Pre-Fund</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>		
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 996,415</b>	<b>\$ 807,821</b>	<b>\$ 1,080,493</b>		<b>8%</b>
<b>TOTAL REVENUES</b>	<b>\$ 996,415</b>	<b>\$ 795,469</b>	<b>\$ 1,080,493</b>		
Agency contributions - 9500 & 9800	\$ 796,415	\$ 755,210	\$ 885,493		<b>10%</b>
Application & other revenues	\$ 25,000	\$ 40,259	\$ 25,000		
Fund Balance	\$ 175,000		\$ 170,000		

## CALAFCO Daily Legislative Report as of Wednesday, August 07, 2019

**AB 315 (Garcia, Cristina D) Local government: lobbying associations: expenditure of public funds.**

**Current Text:** Amended: 7/5/2019 [html](#) [pdf](#)

**Introduced:** 1/30/2019

**Last Amended:** 7/5/2019

**Status:** 7/12/2019-Failed Deadline pursuant to Rule 61(a)(11). (Last location was NAT. RES. on 7/5/2019)  
 (May be acted upon Jan 2020)

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

**Summary:**

Current law authorizes the legislative body of a local agency, defined as a county, city, or city and county, or a district, defined broadly to include other political subdivisions or public corporations in the state other than the state or a county, city and county, or city, to attend the Legislature and the Congress of the United States, and any committees thereof, and to present information regarding legislation that the legislative body or the district deems to be beneficial or detrimental to the local agency or the district. Current law also authorizes the legislative body of a local agency or a district to enter into an association for these purposes and specifies that the cost and expense incident to the legislative body's or district's membership in the association and the activities of the association are proper charges against the local agencies or districts comprising the association. This bill, with respect to moneys paid to or otherwise received by an association from a local agency or district member of the association, would prohibit an association of local agencies or districts from expending those moneys for any purpose other than the above-described activities and educational activities.

**Position:** Watch

**CALAFCO Comments:** As gut an amended, this bill appears to have significant impact to CALAFCO in the uses of member LAFCO and certain Associate Member dues being limited to only direct educational activities. CALAFCO will engage with stakeholders and the author's office as the bill moves forward in the next legislative year.

**AB 508 (Chu D) Drinking water: consolidation and extension of service: domestic wells.**

**Current Text:** Amended: 7/5/2019 [html](#) [pdf](#)

**Introduced:** 2/13/2019

**Last Amended:** 7/5/2019

**Status:** 7/31/2019-In committee: Hearing postponed by committee.

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

**Summary:**

The California Safe Drinking Water Act requires the state board, before ordering consolidation or extension of service, to, among other things, make a finding that consolidation of the receiving water system and subsumed water system or extension of service to the subsumed water system is appropriate and technically and economically feasible. The act defines "subsumed water system" for these purposes as the public water system, state small water system, or affected residences consolidated into or receiving service from the receiving water system. This bill would modify the provision that authorizes consolidation or extension of service if a disadvantaged community is reliant on a domestic well described above to instead authorize consolidation or extension of service if a disadvantaged community, in whole or in part, is reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water.

**Position:** Watch

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** This bill allows the SWRCB to order an extension of service in the case a disadvantaged community has at least one residence that are reliant on a domestic well that fails to provide safe drinking water. It allows members of the disadvantaged community to petition the SWRCB to initiate the process. It allows the owner of the property to opt out of the extension. The bill also places limitations on fees, charges and terms and conditions imposed as a result of the extension of service. Finally, the extension of service does not require annexation in the cases where that would be appropriate.

**AB 600 (Chu D) Local government: organization: disadvantaged unincorporated communities.**

**Current Text:** Amended: 4/29/2019 [html](#) [pdf](#)

**Introduced:** 2/14/2019

**Last Amended:** 4/29/2019

**Status:** 6/24/2019-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	<b>Floor</b>	<b>Conf. Conc.</b>	<b>Enrolled</b>	<b>Vetoed</b>	<b>Chaptered</b>
1st House				2nd House							

**Summary:**

Under current law, an application to annex a contiguous disadvantaged community is not required if, among other things, a local agency formation commission finds that a majority of the registered voters within the disadvantaged unincorporated community are opposed to the annexation, as specified. This bill would additionally provide that an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the registered voters within the affected disadvantaged unincorporated community would prefer to address the service deficiencies through an extraterritorial service extension.

**Attachments:**

- [CALAFCO Oppose letter 05 07 19](#)
- [LAFCo Oppose letter template 05 07 19](#)
- [CALAFCO Oppose Letter REV April 19, 2019](#)
- [LAFCo Oppose letter template REVISED](#)
- [CALAFCO Oppose Letter April 16, 2019](#)
- [LAFCo Oppose letter template](#)

**Position:** Oppose

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** As amended on April 29, the bill still has a number of issues. The bill still allows for an extension of service in lieu of annexation.

The bill adds (8)(C) to Government Code Section 56375. As written, this section creates confusion and contradicts §56375(8)(A). It appears the intention is to prohibit LAFCo from approving the annexation of two or more contiguous disadvantaged communities within five years that are individually less than ten acres but cumulatively more than ten acres. If so, then this language conflicts with §56375(8)(A), which allows for commission policies to guide the commission in determining the size of the area to be annexed. Further, the term "paragraph" as used in this section creates uncertainty as to what section or subsection is actually being addressed.

The bill does nothing to address the engineering and financial issues that must be solved in order to ensure sustainable service. Further it does not allow for local circumstances and conditions to be considered by offering a "one size fits all" approach.

**AB 1253 (Rivas, Robert D) Local agency formation commissions: grant program.**

**Current Text:** Introduced: 2/21/2019 [html](#) [pdf](#)

**Introduced:** 2/21/2019

**Status:** 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was GOV. & F. on 6/6/2019) (May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	<b>2 year</b>	<b>Fiscal</b>	<b>Floor</b>	<b>Conf. Conc.</b>	<b>Enrolled</b>	<b>Vetoed</b>	<b>Chaptered</b>
1st House				2nd House							

**Summary:**

This bill would require the Strategic Growth Council, until July 31, 2025, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency to a disadvantaged community, as defined, and for other specified purposes, including the initiation of an action, as defined, that is limited to service providers serving a disadvantaged community and is based on determinations found in the study, as approved by the commission. The bill would specify application submission, reimbursement, and reporting requirements for a local agency formation commission to receive grants pursuant to the bill. The bill would require the council, after consulting with the California Association of Local Agency Formation Commissions, to develop and adopt guidelines, timelines, and application and reporting criteria for development and implementation of the program, as specified, and would exempt these guidelines, timelines, and criteria from the rulemaking provisions of the Administrative Procedure Act. The bill would make the grant program subject to an appropriation for the program in the annual Budget Act, and would repeal these provisions on January 1, 2026. This bill contains other existing laws.

**Attachments:**

- [LAFCo Support Letter Template](#)

**Position:** Sponsor

**Subject:** Disadvantaged Communities, LAFCo Administration, Municipal Services, Special District Consolidations

**CALAFCO Comments:** This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCos one-time grant funding for in-depth studies of potential reorganization of local service providers. Last year, the Governor vetoed AB 2258 - this is the same bill. The Strategic Growth Council (SGC) will administer the grant program. Grant funds will be used specifically for conducting special studies to identify and support opportunities to create greater efficiencies in the provision of municipal services; to potentially initiate actions based on those studies that remove or reduce local costs thus incentivizing local agencies to work with the LAFCo in developing and implementing reorganization plans; and the dissolution of inactive districts (pursuant to SB 448, Wieckowski, 2017). The grant program would sunset on July 31, 2024.

The bill also changes the protest threshold for LAFCo initiated actions, solely for the purposes of actions funded pursuant to this new section. It allows LAFCo to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to Section 11221 of the Elections code, which is a tiered approach based on registered voters in the affected territory (from 30% down to 10% depending).

The focus is on service providers serving disadvantaged communities. The bill also requires LAFCo pay back grant funds in their entirety if the study is not completed within two years and requires the SGC to give preference to LAFCos whose decisions have been aligned with the goals of sustainable communities strategies.

We were unsuccessful in getting the \$1.5 M into the budget so the author has decided to make this a 2-year bill and try again in the next budget. As this is a new Governor we are unsure about his willingness to make General Fund appropriations for items not in the budget.

**[AB 1389](#) (Eggman D) Special districts: change of organization: mitigation of revenue loss.**

**Current Text:** Introduced: 2/22/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Status:** 5/3/2019-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/14/2019) (May be acted upon Jan 2020)

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

**Summary:**

Would authorize the commission to propose, as part of the review and approval of a proposal for the establishment of new or different functions or class of services, or the divestiture of the power to provide particular functions or class of services, within all or part of the jurisdictional boundaries of a special district, that the special district, to mitigate any loss of property taxes, franchise fees, and other revenues to any other affected local agency, provide payments to the affected local agency from the revenue derived from the proposed exercise of new or different functions or classes of service.

**Position:** Watch

**Subject:** CKH General Procedures

**CALAFCO Comments:** This bill allows LAFCo, when approving a proposal for new or different functions or class of service for a special district, to propose the district provide payments to any affected local agency for taxes, fees or any other revenue that may have been lost as a result of the new service being provided.

**[AB 1628](#) (Rivas, Robert D) Environmental justice.**

**Current Text:** Amended: 6/14/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Last Amended:** 6/14/2019

**Status:** 7/9/2019-Read second time. Ordered to third reading.

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

**Summary:**

Current law requires the Secretary for Environmental Protection, on or before January 1, 2002, to convene a Working Group on Environmental Justice composed of various representatives, as specified, to assist the California Environmental Protection Agency in developing by July 1, 2002, an agencywide environmental justice strategy. Current law requires the Office of Planning and Research to be the coordinating agency in state government for environmental justice programs. Current law requires the Director of State Planning and Research to consult with specified entities, including the Secretary for Environmental Protection.

Current law defines "environmental justice" for these purposes. This bill would require the director to additionally consult with the Attorney General and the Bureau of Environmental Justice in the Environment Section of the Department of Justice.

**Position:** Watch With Concerns

**Subject:** Environmental Justice

**CALAFCO Comments:** Recently amended, this bill changes one of the factors considered by LAFCo in the review of an application pertaining to environmental justice. Specifically it changes the definition of "environmental justice" to: "(A) The availability of a healthy environment for all people.(B) The prevention, reduction, and elimination of pollution burdens for populations and communities experiencing the adverse effects of that pollution, so that the effects of the pollution are not disproportionately borne by those populations and communities. (C) Government entities conducting direct outreach and providing capacity-building assistance and technical assistance to populations and communities most impacted by pollution. (D) Including populations and communities most impacted by pollution as active partners in the decisions or activities that affect their environment or health, and incorporating recommendations from those populations and communities into environmental and land use decisions."

It is unclear how LAFCo is to actually consider several of these definition factors.

CALAFCO continues to work with the author and sponsors on amendments.

**AB 1751 (Chiu D) Water and sewer system corporations: consolidation of service.**

**Current Text:** Amended: 7/5/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Last Amended:** 7/5/2019

**Status:** 7/5/2019-Read second time and amended. Re-referred to Com. on APPR.

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

**Calendar:**

8/12/2019 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board related responsibilities and duties. Current law authorizes the state board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water, as provided. This bill, the Consolidation for Safe Drinking Water Act of 2019, would authorize a water or sewer system corporation to file an application and obtain approval from the commission through an order authorizing the water or sewer system corporation to consolidate with a public water system or state small water system that has fewer than 3,300 service connections and serves a disadvantaged community, or to implement rates for the subsumed water system.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** This bill allows for water (public or state small) or sewer systems corps to file an application for consolidation with the SWRCB.

**AB 1822 (Committee on Local Government) Local Government: omnibus.**

**Current Text:** Chaptered: 6/26/2019 [html](#) [pdf](#)

**Introduced:** 3/11/2019

**Last Amended:** 4/8/2019

**Status:** 6/26/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 20, Statutes of 2019.

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

**Summary:**

Current law requires a commission to develop and determine the sphere of influence of each city and each special district within the county and enact policies designed to promote the logical and orderly development of areas within each sphere. Current law requires the commission, in order to prepare and update spheres of influence in accordance with this requirement, to conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission, as specified. Current law defines "sphere of influence" to mean a plan for the probable physical boundaries and service area of a local agency. Current law defines the term "service" for purposes of the act to mean a specific governmental activity established within, and as a part of, a general function of the special district,

as specified. This bill would revise the definition of the term "service" for these purposes to mean a specific governmental activity established within, and as a part of, a function of the local agency.

**Attachments:**

[CALAFCO Support letter April 16, 2019](#)

[LAFCo Support letter template](#)

**Position:** Sponsor

**Subject:** LAFCo Administration

**CALAFCO Comments:** This is the annual Omnibus bill.

**[SB 272](#) ([Morrell R](#)) Fire Protection District Law of 1987.**

**Current Text:** Amended: 4/4/2019 [html](#) [pdf](#)

**Introduced:** 2/13/2019

**Last Amended:** 4/4/2019

**Status:** 5/3/2019-Failed Deadline pursuant to Rule 61(a)(3). (Last location was GOV. & F. on 2/21/2019)  
(May be acted upon Jan 2020)

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

**Summary:**

The Fire Protection District Law of 1987 provides that whenever a district board determines that it is in the public interest to provide different services, to provide different levels of service, or to raise additional revenues within specific areas of the district, it may form one or more service zones by adopting a resolution that includes specified information, fixing the date, time, and place for public hearing on the formation of the zone, publishing notice, as specified, hearing and considering any protests to the formation of the zone at the hearing, and, at the conclusion of the hearing, adopting a resolution ordering the formation of the zone. If a resolution adopted after the public hearing would substantially expand the provision of services outside of an existing service zone and the extension of service would result in those persons in the expanded area paying charges for the expansion of services, this bill would provide that the resolution does not become effective unless approved by a majority of the voters within the expanded service area.

**Position:** Watch

**CALAFCO Comments:** As amended, the bill amends the Health & Safety code regarding the formation of zones within a fire protection district by requiring the district hold an election, regardless of the protest level, if the district wants to substantially expand (as defined in the bill) services outside the zone. This is unrelated to 56133. CALAFCO will retain a Watch position.

**[SB 414](#) ([Caballero D](#)) Small System Water Authority Act of 2019.**

**Current Text:** Amended: 6/25/2019 [html](#) [pdf](#)

**Introduced:** 2/20/2019

**Last Amended:** 6/25/2019

**Status:** 7/11/2019-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 1.) (July 10).  
Re-referred to Com. on APPR. (Received at desk July 10 pursuant to JR 61(a)(10)).

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

**Summary:**

Would create the Small System Water Authority Act of 2019 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2020, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance, for the period from July 1, 2018, through December 31, 2019, with one or more state or federal primary drinking water standard maximum contaminant levels, as specified.

**Position:** Support

**Subject:** Water

**CALAFCO Comments:** This bill is very similar to AB 2050 (Caballero) from 2018. Several changes have been made. This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water authority. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency.

LAFCo will be responsible for dissolving any state mandated public agency dissolution, and the formation of the new water authority. The SWRCB's appointed Administrator will act as the applicant on behalf of the state. LAFCo will have ability to approve with modifications the application, and the new agency will have to report to the LAFCo annually for the first 3 years.

**SB 646 (Morrell R) Local agency utility services: extension of utility services.**

**Current Text:** Chaptered: 7/10/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Last Amended:** 5/7/2019

**Status:** 7/10/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 78, Statutes of 2019.

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

**Summary:**

The Mitigation Fee Act, among other things, requires fees for water or sewer connections, or capacity charges imposed by a local agency to not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount of the fee or charge imposed in excess of the reasonable cost of providing the service or materials is submitted to and approved by 2/3 of the electors voting on the issue. The Mitigation Fee Act defines the term "fee" for these purposes. This bill would revise the definition of "fee" to mean a fee for the physical facilities necessary to make a water connection or sewer connection, and that the estimated reasonable cost of labor and materials for installation of those facilities bears a fair or reasonable relationship to the payor's burdens on, or benefits received from, the water connection or sewer connection.

**Position:** Neutral

**Subject:** CKH General Procedures

**CALAFCO Comments:** UPDATE AS OF THE 4/11/19 AMENDMENTS: These amendments address all of our concerns and the bill now only addresses fees.

**AB 213 (Reyes D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Current Text:** Introduced: 1/15/2019 [html](#) [pdf](#)

**Introduced:** 1/15/2019

**Status:** 7/8/2019-In committee: Set, first hearing. Hearing canceled at the request of author.

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

**Summary:**

Would, for the 2019–20 fiscal year, require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2018–19 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2018–19 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

**Attachments:**

[CALAFCO Support Letter](#)

**Position:** Support

**Subject:** Tax Allocation

**CALAFCO Comments:** Sponsored by the League, this bill will reinstate ERAF funding for inhabited annexations. This bill is the same as AB 2268 (Reyes) from last year.

**AB 818 (Cooley D) Local government finance: vehicle license fee adjustment amounts.**

**Current Text:** Introduced: 2/20/2019 [html](#) [pdf](#)

**Introduced:** 2/20/2019

**Status:** 5/17/2019-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/3/2019)(May be acted upon Jan 2020)

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

**Summary:**

Current property tax law, for the 2006–07 fiscal year, and for each fiscal year thereafter, requires the

vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount for the prior fiscal year, if specified provisions did not apply, and the product of the amount as so described and the percentage change from the prior fiscal year in the gross taxable valuation within the jurisdiction of the entity. Current law establishes a separate vehicle license fee adjustment amount for a city that was incorporated after January 1, 2004, and on or before January 1, 2012. This bill would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter.

**Attachments:**

[LAFCo Support letter template](#)  
[CALAFCO Support March 2019](#)

**Position:** Support

**Subject:** Financial Viability of Agencies

**CALAFCO Comments:** Sponsored by the League, this bill will reinstate ERAF funding for cities incorporating after 2018. This is the same bill as AB 2491 from 2018.

**[AB 1304](#) (Waldron R) Water supply contract: Native American tribes.**

**Current Text:** Amended: 5/6/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Last Amended:** 5/6/2019

**Status:** 7/12/2019-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 5/29/2019)(May be acted upon Jan 2020)

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

**Summary:**

Current law provides for the establishment and operations of various water districts. This bill would specifically authorize a water district, as defined, to enter into a contract with a Native American tribe to receive water deliveries from an infrastructure project on tribal lands. The bill would repeal its provisions on January 1, 2025.

**Position:** Watch

**Subject:** Municipal Services, Water

**CALAFCO Comments:** This bill amends the water code to allow a Native American tribe to sell/deliver water to a water district (as defined in the water code section 20200). The bill sunsets on January 1, 2025.

**[SB 379](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 7/10/2019 [html](#) [pdf](#)

**Introduced:** 2/20/2019

**Status:** 7/10/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 74, Statutes of 2019.

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

**Summary:**

This bill would enact the First Validating Act of 2019, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**

[CALAFCO Support March 2019](#)

**Position:** Support

**Subject:** LAFCo Administration

**CALAFCO Comments:** This is one of three annual validating acts.

**[SB 380](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 7/10/2019 [html](#) [pdf](#)

**Introduced:** 2/20/2019

**Status:** 7/10/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 75, Statutes of 2019.

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

**Summary:**

This bill would enact the Second Validating Act of 2019, which would validate the organization, boundaries,

acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**

[CALAFCO Support March 2019](#)

**Position:** Support

**Subject:** LAFCo Administration

**CALAFCO Comments:** This is one of three annual validating acts.

**[SB 381](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 7/10/2019 [html](#) [pdf](#)

**Introduced:** 2/20/2019

**Status:** 7/10/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 76, Statutes of 2019.

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

**Summary:**

This bill would enact the Third Validating Act of 2019, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**

[CALAFCO Support March 2019](#)

**Position:** Support

**Subject:** LAFCo Administration

**CALAFCO Comments:** This is one of three annual validating acts.

3

**[AB 134](#) (Bloom D) Safe Drinking Water Restoration.**

**Current Text:** Amended: 5/20/2019 [html](#) [pdf](#)

**Introduced:** 12/5/2018

**Last Amended:** 5/20/2019

**Status:** 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.Q. on 6/12/2019)(May be acted upon Jan 2020)

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

**Summary:**

Would require the State Water Resources Control Board to report to the Legislature by July 1, 2025, on its progress in restoring safe drinking water to all California communities and to create an internet website that provides data transparency for all of the board's activities described in this measure. The bill would require the board to develop metrics to measure the efficacy of the fund in ensuring safe and affordable drinking water for all Californians.

**Position:** Watch

**Subject:** Water

**[AB 530](#) (Aguilar-Curry D) The Fairfield-Suisun Sewer District.**

**Current Text:** Chaptered: 7/10/2019 [html](#) [pdf](#)

**Introduced:** 2/13/2019

**Last Amended:** 4/22/2019

**Status:** 7/10/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 69, Statutes of 2019.

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

**Summary:**

The Fairfield-Suisun Sewer District Act creates the Fairfield-Suisun Sewer District and grants to the district various powers relating to the treatment and disposal of sewage. The current act provides for the election of a board of directors for the district and administrative procedures for the operation of the district. Violation of regulations adopted by the board is a misdemeanor. This bill would make various administrative changes to the act, including removing the requirement that the district appoint a clerk and changing the posting requirements for regulations.

**Position:** Watch

**Subject:** Special District Powers, Special Districts Governance

**CALAFCO Comments:** This bill makes administrative changes to this special act district. It also allows for an extension of service pursuant to 56133 (keeping that LAFCo process intact).

**[AB 948](#) (Kalra D) Coyote Valley Conservation Program.**

**Current Text:** Amended: 6/18/2019 [html](#) [pdf](#)

**Introduced:** 2/20/2019

**Last Amended:** 6/18/2019

**Status:** 7/3/2019-In committee: Hearing postponed by committee.

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

**Calendar:**

8/12/2019 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

Would authorize the Santa Clara Valley Open-Space Authority to establish and administer the Coyote Valley Conservation Program to address resource and recreational goals of the Coyote Valley, as defined. The bill would authorize the authority to collaborate with state, regional, and local partners to help achieve specified goals of the program. The bill would authorize the authority to, among other things, acquire and dispose of interests and options in real property.

**Attachments:**

[CALAFCO Support Letter 06 27 19](#)

**Position:** Support

**[AB 1053](#) (Dahle R) Fallen Leaf Lake Community Service District.**

**Current Text:** Amended: 3/25/2019 [html](#) [pdf](#)

**Introduced:** 2/21/2019

**Last Amended:** 3/25/2019

**Status:** 7/12/2019-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 5/22/2019)(May be acted upon Jan 2020)

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

**Summary:**

Would prohibit, on and after January 1, 2020, the Fallen Leaf Lake Community Services District from providing any services or facilities except fire protection, including medical response and emergency services, and parks and recreation services or facilities.

**Position:** Watch

**CALAFCO Comments:** CALAFCO will watch this bill to determine if the outcome of the State Audit on this district will have an impact on all CSDs.

**[AB 1457](#) (Reyes D) Omnitrans Transit District.**

**Current Text:** Amended: 5/24/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Last Amended:** 5/24/2019

**Status:** 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was GOV. & F. on 6/25/2019)(May be acted upon Jan 2020)

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

**Summary:**

Would create the Omnitrans Transit District in the County of San Bernardino. The bill would provide that the jurisdiction of the district would initially include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and specified portions of the unincorporated areas of the County of San Bernardino. The bill would authorize other cities in the County of San Bernardino to subsequently join the district.

**Attachments:**

[CALAFCO Oppose unless amended letter April 2019](#)

**Position:** Neutral

**CALAFCO Comments:** This is a special act district formation. The bill takes what is currently a JPA and transforms it into a special district. CALAFCO has been working with the author and sponsor on

amendments and the May 24 version addresses the vast majority of concerns. CALAFCO continues to work with the author and sponsor on minor technical amendments.

**SB 654 (Moorlach R) Local government: planning.**

**Current Text:** Introduced: 2/22/2019 [html](#) [pdf](#)

**Introduced:** 2/22/2019

**Status:** 3/14/2019-Referred to Com. on RLS.

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

**Summary:**

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, makes certain findings and declarations relating to local government organizations, including, among other things, the encouragement of orderly growth and development, and the logical formation and modification of the boundaries of local agencies, as specified. This bill would make nonsubstantive changes to these findings and declarations.

**Position:** Watch

**CALAFCO Comments:** This is a spot bill. The author indicates he has no plans to use this for LAFCo law.

**SB 780 (Committee on Governance and Finance) Local Government Omnibus Act of 2019.**

**Current Text:** Amended: 7/1/2019 [html](#) [pdf](#)

**Introduced:** 2/28/2019

**Last Amended:** 7/1/2019

**Status:** 7/11/2019-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 8. Noes 0.) (July 10). Re-referred to Com. on APPR. (Received at desk July 10 pursuant to JR 61(a)(10)).

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

**Summary:**

Current law requires the governing body of a public agency, within 70 days after the commencement of the agency's legal existence, to file with the Secretary of State, on a form prescribed by the secretary, and also with the county clerk of each county in which the public agency maintains an office, a specified statement of facts about the agency. Current law requires this information to be updated within 10 days of a change in it. Current law requires the Secretary of State and each county clerk to establish and maintain an indexed Roster of Public Agencies that contains this information. This bill would instead require the Secretary of State and each county clerk to establish and maintain an indexed Registry of Public Agencies containing the above-described information.

**Position:** Watch

**CALAFCO Comments:** This is the Senate Governance & Finance Committee's annual Omnibus bill.

Total Measures: 24

Total Tracking Forms: 24

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**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
 PENDING PROPOSALS – August 14, 2019**

<b>LAFCO APPLICATION</b>	<b>RECEIVED</b>	<b>STATUS</b>
LAFCO No. 10-09 - Town of Discovery Bay Community Services District (DBCSD) sphere of influence (SOI) Amendment (Newport Pointe): proposed SOI expansion of 20± acres bounded by Bixler Road, Newport Drive and Newport Cove	July 2010	Currently incomplete
LAFCO No. 10-10 - DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development	July 2010	Currently incomplete
LAFCO No. 13-04 - Bayo Vista Housing Authority Annexation to Rodeo Sanitary District: proposed annexation of 33± acres located south of San Pablo Avenue at the northeastern edge of the District's boundary	Feb 2013	Continued from 11/12/14 meeting
LAFCO No. 14-05 - Reorganization 186 (Magee Ranch/SummerHill): proposed annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) of 402± acres; 9 parcels total to CCCSD (8 parcels) and EBMUD (7 parcels)	June 2014	Removed from Commission's calendar pending further notice
LAFCO No. 16-07 - Tassajara Parks Project – proposed SOI expansions to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	May 2016	Currently incomplete
LAFCO No. 16-06 - Tassajara Parks Project – proposed annexations to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	May 2016	Currently incomplete
LAFCO No. 19-04 – City of Martinez Out of Agency Service (2913 Merle Avenue)	July 2019	Under review

# 2018 POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2018

A Message to Members

I am pleased to present the Popular Annual Financial Report (PAFR) for the year ended December 31, 2018. The financial data presented in the PAFR is derived from the Comprehensive Annual Financial Report (CAFR) and is consistent with generally accepted accounting principles (GAAP). The goal is to provide a summary of CCCERA's annual financial report that allows members and other interested parties to review the fund's fiscal information and demographics.

CCCERA's investment portfolio returned -2.7% (net of investment management fees) for the year ending December 31, 2018. This return was lower than the policy index return, which was -0.9% for 2018, reflecting market conditions throughout the year.

As of December 31, 2018, CCCERA's net position totaled \$8.1 billion which means that assets of \$8.6 billion exceed liabilities of \$0.5 billion. The primary use of assets includes benefit payments to retirees and their beneficiaries, contribution refunds to terminating employees, and the cost of administering the system. The funded ratio is 88.5%, as of December 31, 2017, the date of CCCERA's most recent actuarial valuation.

CCCERA has a net pension liability (NPL) of \$1.4 billion as of December 31, 2018. The plan fiduciary net position as a percentage of the total pension liability as of December 31, 2018 is 85.1%. The net pension liability

as a percentage of covered payroll is 167.8% as of December 31, 2018. The associated schedules and additional information for this requirement are shown in the Financial Section of the CAFR.

CCCERA established an IRS section 115 irrevocable Other Post-Employment Benefit (OPEB) Trust in 2018. The purpose of this Trust is for CCCERA, as an employer, to set aside assets to offset the OPEB retiree health care liability for its employees, which was \$4.7 million as of December 31, 2018. CCCERA transferred \$2.5 million in 2018 to the OPEB Trust which funded 54% of the OPEB liability. The OPEB Trust is presented as a separate column in the Financial Section of the CAFR.

This report does not replace the CAFR. Detailed information on the subjects included here and other important aspects of CCCERA's administration are in our CAFR at [cccera.org](http://cccera.org).



**Gail Strohl**  
Chief Executive Officer

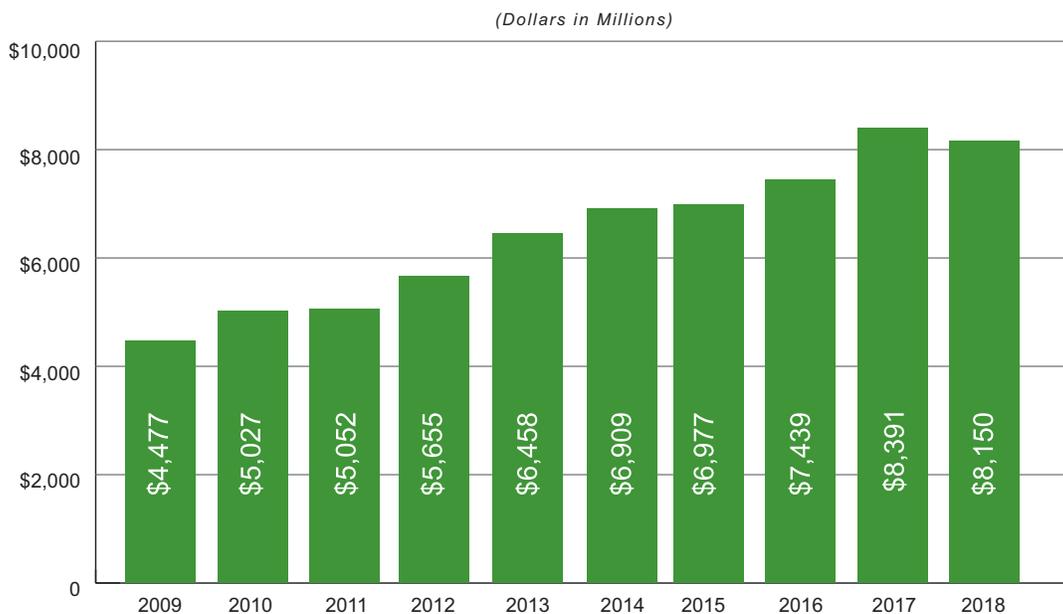
## FIDUCIARY NET POSITION RESTRICTED FOR BENEFITS

As of December 31, 2018, CCCERA had \$8.1 billion in net position restricted for benefits, which means that assets of \$8.6 billion exceeded liabilities of \$0.5 billion.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position report CCCERA's net position restricted for benefits and is one way to measure the plan's financial position. Over time, increases and decreases in CCCERA's net position are indicators of whether its financial position is improving or deteriorating. Other factors, such as market conditions, should be considered in measuring CCCERA's overall financial position.

As of December 31, 2018, the net position restricted for benefits decreased by 2.9% compared to 2017, primarily due to negative investment returns. CCCERA's total investment portfolio returned -2.7% net of fees for the fiscal year ending December 31, 2018, lower than the policy index return which was -0.9% for 2018. CCCERA's net of fees annualized rate of return was 5.8% over the last three years, 5.4% over the last five years, and 9.1% over the last 10 years.

FIDUCIARY NET POSITION (Dollars in Thousands)					
Assets	Pension Plan		Amount Increase/ (Decrease)	Percent Increase/ (Decrease)	OPEB Trust
	2018	2017			2018
Current and Other Assets	\$713,010	\$758,014	(\$45,004)	(5.9%)	\$2,542
Investments at Fair Value	7,900,085	8,153,588	(253,503)	(3.1%)	-
Capital Assets	283	224	59	26.3%	-
<b>Total Assets</b>	<b>8,613,378</b>	<b>8,911,826</b>	<b>(298,448)</b>	<b>(3.3%)</b>	<b>\$2542</b>
<b>Liabilities</b>					
Current Liabilities	463,392	521,245	(57,853)	(11.1%)	-
<b>Total Liabilities</b>	<b>463,392</b>	<b>521,245</b>	<b>(57,853)</b>	<b>(11.1%)</b>	<b>-</b>
<b>NET POSITION - RESTRICTED FOR BENEFITS</b>	<b>\$8,149,986</b>	<b>\$8,390,581</b>	<b>(\$240,595)</b>	<b>(2.9%)</b>	<b>\$2,542</b>



## CHANGES IN FIDUCIARY NET POSITION

The primary sources of funding for CCCERA member benefits are employer contributions, plan member contributions and net investment income. Total additions to fiduciary net position for the years ended December 31, 2018 and 2017, were \$242.9 million and \$1,407.9 million, respectively. The decrease in the current year is primarily due to investment losses compared to gains in the previous year. The increase in employer contributions is mostly due to higher employer contribution rates over the prior year. Plan member contributions increased over the prior year mostly due to an increase in plan members. Net investment loss for the year ended December 31, 2018 totaled \$187.3 million.

CCCERA's assets can only be used to make benefit payments to retirees and beneficiaries, contribution refunds to terminated employees, and pay the costs of administering the system. Total deductions from fiduciary net position for the years ended December 31, 2018 and 2017, were \$483.5 million and \$455.8 million, respectively. Benefits paid to retirees and beneficiaries were \$452.5 million in 2018, an increase of \$22.5 million, or 5.2% over 2017. The growth in benefit payments was due to a combination of the following: (1) the net increase in the number of retirees and beneficiaries for the year, and (2) the increase in the average retirement allowances of those added to the retirement payroll.

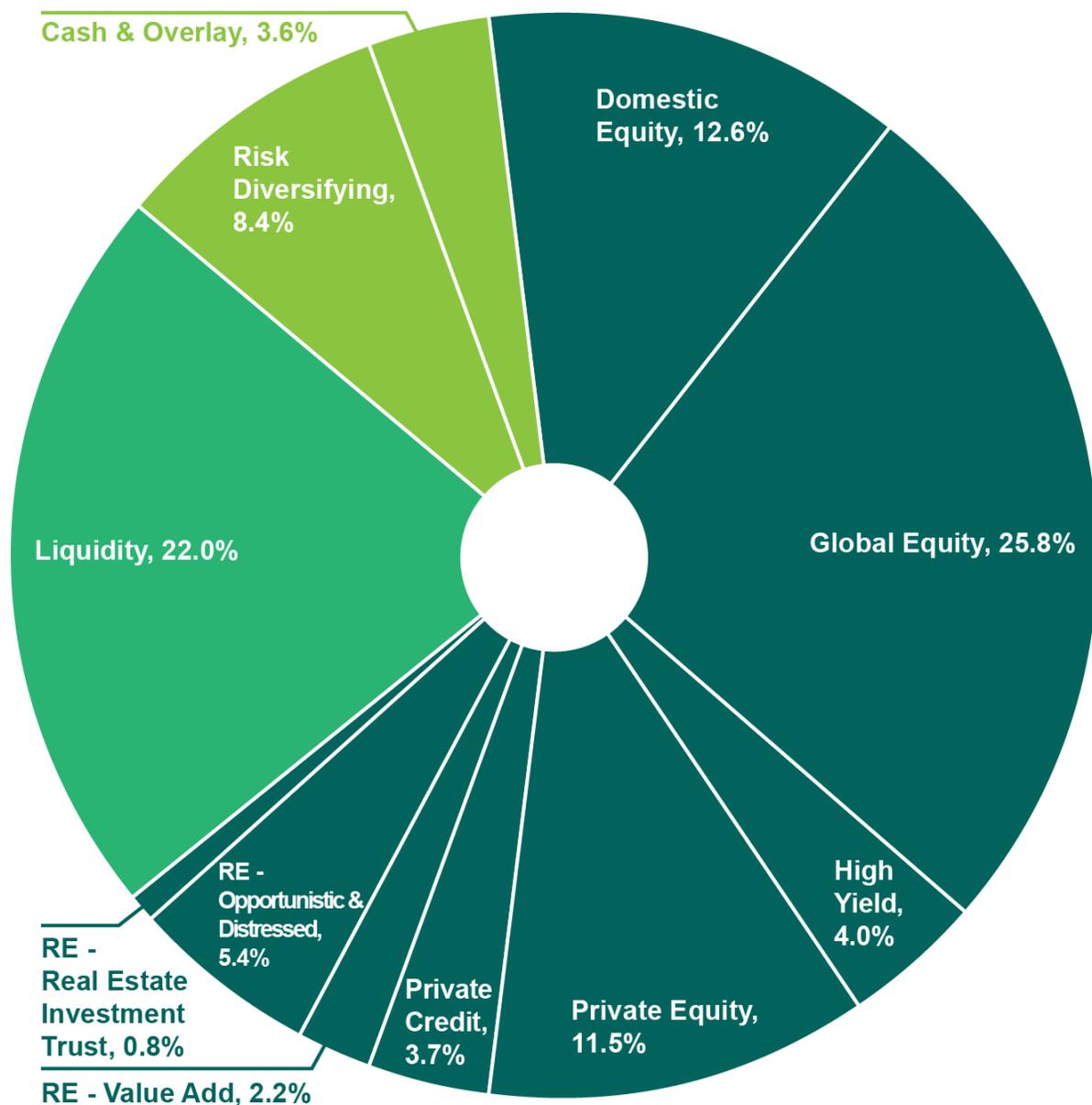
### CHANGES IN FIDUCIARY NET POSITION (Dollars in Thousands)

	Pension Plan		Amount Increase/ (Decrease)	Percent Increase/ (Decrease)	OPEB Trust
	2018	2017			2018
<b>Additions:</b>					
Employer Contributions	\$325,117	\$314,836	\$10,281	3.3%	\$2,542
Plan Member Contributions	103,542	96,467	7,075	7.3%	-
Net Investment Income (Loss)	(187,339)	995,678	(1,183,017)	(118.8%)	-
Net Securities Lending Income	1,582	878	704	80.2%	-
<b>Total Additions</b>	<b>242,902</b>	<b>1,407,859</b>	<b>(1,164,957)</b>	<b>(82.7%)</b>	<b>\$2,542</b>
<b>Deductions:</b>					
Pension Benefits	452,512	430,037	22,475	5.2%	-
Contribution Prepayment Discount	9,274	9,140	134	1.5%	-
Administrative	9,337	9,146	191	2.1%	-
Refunds	8,093	5,518	2,575	46.7%	-
Other Expenses	4,281	1,957	2,324	118.8%	-
<b>Total Deductions</b>	<b>483,497</b>	<b>455,798</b>	<b>27,699</b>	<b>6.1%</b>	<b>-</b>
<b>INCREASE (DECREASE) IN NET POSITION - RESTRICTED FOR BENEFITS</b>	<b>(\$240,595)</b>	<b>\$952,061</b>	<b>(\$1,192,656)</b>	<b>(125.3%)</b>	<b>\$2,542</b>

## ASSET ALLOCATION

Asset allocation is an integral part of CCCERA's investment policy. CCCERA's chief investment officer and the outside investment consultant (Verus) assist the Board of Retirement (Board) in designing strategic diversification strategies to maintain steady, long-term gain, with appropriate risk. Please refer to the CAFR for additional information.

The main investment goal is for the total fund return to exceed the policy index return, which was -0.9% for 2018. As mentioned, for the year ended December 31, 2018, the total fund return was -2.7% after fees.



Contra Costa County Employees' Retirement Association  
**ASSET ALLOCATION** (Concluded)

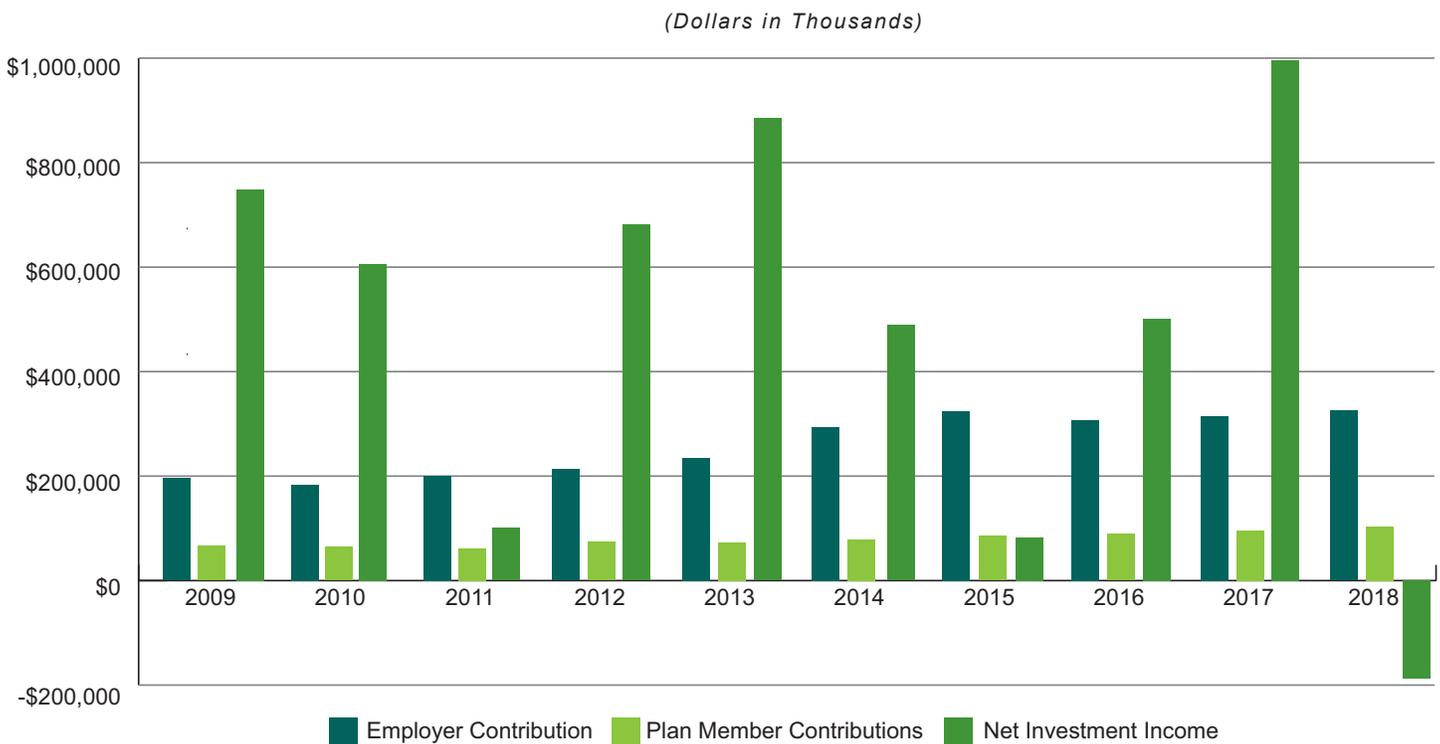
<b>Investment Results Based on Fair Value*</b>				
As of December 31, 2018				
		<i>Annualized (net of fees)</i>		
	<b>Current Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
<b>Total Fund</b>	-2.7%	5.8%	5.4%	9.1%
Benchmark:				
Policy Index	-0.9%	7.1%	6.1%	-
<b>Total Fund excl. Overlay &amp; Cash</b>	-2.4%	5.9%	5.5%	9.2%
Benchmark:				
Policy Index	-0.9%	7.1%	6.1%	-
<b>Total Domestic Equity</b>	-7.6%	8.2%	7.2%	13.3%
Benchmark:				
Russell 3000	-5.2%	9.0%	7.9%	13.2%
<b>Total International Equity</b>	-14.7%	2.4%	1.1%	5.5%
Benchmarks:				
MSCI ACWI ex-USA Gross	-13.8%	5.0%	1.1%	7.1%
MSCI EAFE Gross	-13.4%	3.4%	1.0%	6.8%
<b>Total Global Equity</b>	-8.5%	6.3%	5.0%	7.3%
Benchmark:				
MSCI ACWI	-9.4%	6.6%	4.3%	9.5%
<b>Private Credit</b>	8.3%	8.5%	9.9%	13.0%
Benchmarks:				
ICE BofA ML High Yield Master II+2%	-0.3%	9.4%	5.9%	13.2%
<b>Total High Yield</b>	-3.6%	5.2%	2.5%	9.6%
Benchmark:				
ICE BofA ML High Yield Master II	-2.3%	7.3%	3.8%	11.0%
<b>Total Real Estate</b>	7.4%	7.7%	10.8%	10.5%
Benchmarks:				
Real Estate Benchmark	6.7%	6.8%	9.4%	9.3%
NCREIF - ODCE Index	8.3%	8.2%	10.4%	7.0%
NCREIF Property Index	6.7%	7.2%	9.3%	7.5%
<b>Private Equity</b>	12.1%	10.9%	11.6%	9.1%
Benchmark:				
S&P 500 + 4% Lagged	22.6%	21.9%	18.5%	16.4%
<b>Diversifying</b>	-2.3%	0.3%	0.2%	2.3%
Benchmark:				
Custom Diversifying Benchmark	1.5%	3.4%	3.6%	4.1%
<b>Liquidity</b>	1.7%	-	-	-
Benchmark:				
BBgBarc US Govt/Credit 1-3 Yr TR	1.6%	-	-	-
<b>Total Cash</b>	1.7%	1.2%	0.1%	-
Benchmark:				
91 Day T-Bills	1.9%	1.1%	0.6%	-

\*Using time-weighted rate of return based on the market rate of return.

## REVENUE BY SOURCE

Employer and plan member basic and COLA (Cost of Living Adjustment) contributions are based on statute and rates recommended by an independent actuary and adopted by the Board.

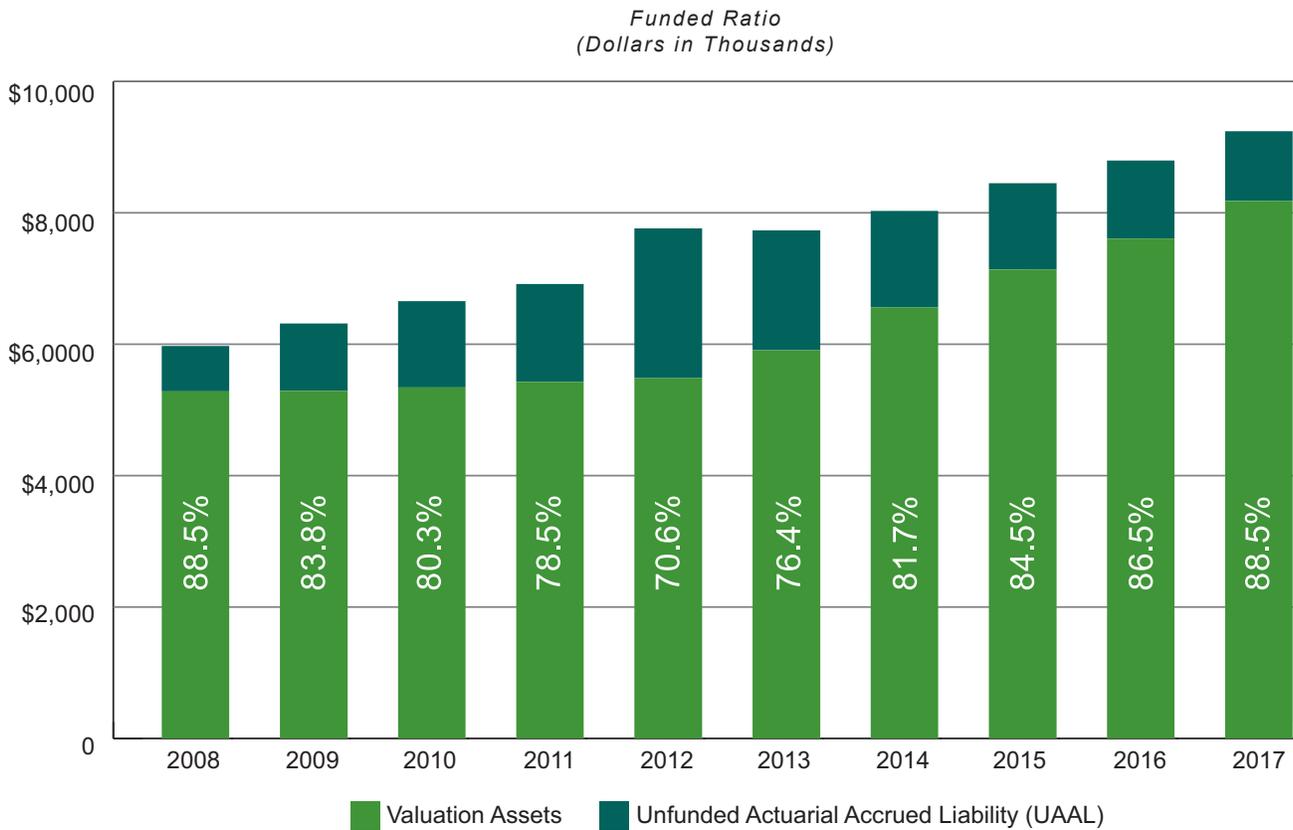
CCCERA's actuarial valuations are performed as of December 31 of each year; contribution requirements resulting from such valuations become effective 18 months after the valuation date (i.e., December 31, 2017 rates become effective on July 1, 2019).



## ACTUARIAL FUNDING STATUS

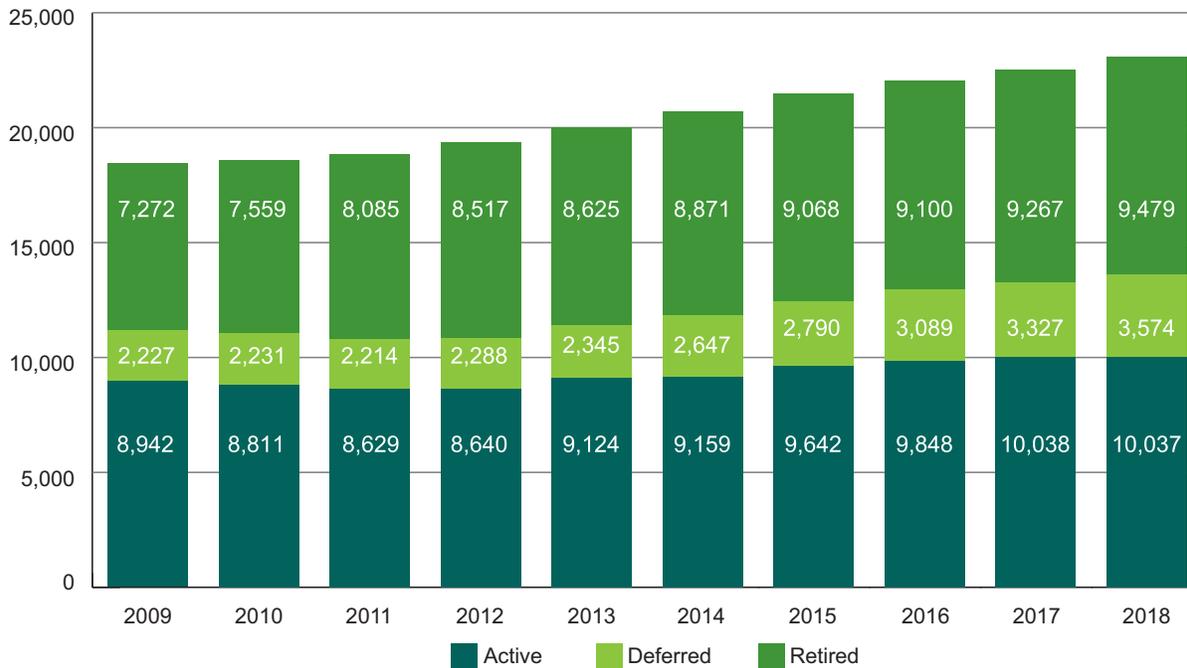
In order to determine whether the pension plan's net position restricted for benefits will be sufficient to meet future obligations, the actuarial funding status needs to be calculated. An actuarial valuation is similar to an inventory process. On the valuation date, the assets available for the payment of retirement benefits are appraised, with gains and losses over the previous five years smoothed to avoid significant swings in the value of assets from one year to the next. These assets are compared to the actuarial accrued liabilities, which are the actuarial present value of future benefits (attributable to service already earned) expected to be paid for each member.

The purpose of the valuation is to determine what future contributions by the members and by the employers are needed to pay all expected future benefits.



## MEMBERSHIP

CCCERA's membership consists of full and part-time employees, members who have left service and have deferred their receipt of retirement benefits, and retirees and their beneficiaries from Contra Costa County and participating agencies. CCCERA's total membership as of December 31, 2018 is 23,090.



## AVERAGE BENEFIT PAYMENTS

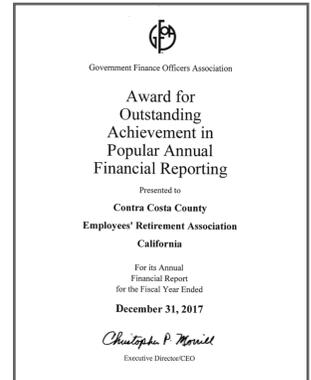
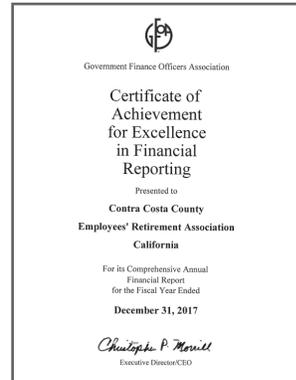
The chart (right) is a broad representation of average benefits paid monthly over 10 years to retirees and survivors. Both general and safety member figures are combined in this calculation, as are all tiers. The chart includes all members who have retired through December 31, 2017.



## AWARDS FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to CCCERA for its PAFR for the fiscal year ended December 31, 2017. The Award for Outstanding Achievement in Popular Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government reports. In order to receive this award, a government unit must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. The award is valid for a period of one year only. CCCERA has received this award for the last nine consecutive years since fiscal year ended 2009. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements and will submit it to the GFOA.

The GFOA has also awarded CCCERA its 18th Certificate of Achievement for Excellence in Financial Reporting Award for its CAFR for every year from 2000 through 2017. This is a prestigious



national award recognizing conformance with the highest standards for preparation of state and local government reports.

CCCERA has also earned the Public Pension Coordinating Council's (PPCC) Public Standards Award for 1998, 2000, and 2003 through 2018. The award is intended to reflect minimum expectations for public retirement system management and administration, and to serve as a benchmark by which all defined benefit public plans should be measured.

## 2018 BOARD OF RETIREMENT (As of December 31, 2018)

**Todd Smithey** *Chairperson*  
**Scott W. Gordon** *Vice-Chairperson*  
**David J. MacDonald** *Secretary*  
**Jerry Telles**  
**John B. Phillips**  
**Jerry R. Holcombe**

**Candace Andersen**  
**William Pigeon**  
**Russell V. Watts** *County Treasurer*  
**Louie Kroll** *(Retiree Alternate)*  
**Jay Kwon** *(Appointed Alternate)*  
**Vacant** *(Safety Alternate)*

## MORE ABOUT CCCERA

CCCERA's website, [cccera.org](http://cccera.org), provides resources for members, employers and the public. It features forms, handbooks, policies, a calculator to estimate retirement benefits, and more.



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OAKLAND, CA  
PERMIT # 3729

1355 Willow Way, Suite 221, Concord, CA 94520  
Phone: (925) 521-3960 Fax: (925) 521-3969  
cccera.org

# **2018**

# **POPULAR**

# **ANNUAL FINANCIAL**

# **REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2018

CCCERA's mission is to administer pension benefits earned by our members and to be prudent stewards of plan assets.

## **CCCERA PARTICIPATING AGENCIES**

- Contra Costa County
- Bethel Island Municipal Improvement District
- Byron-Brentwood-Knightesen Union Cemetery
- Central Contra Costa Sanitary District
- Contra Costa County Employees' Retirement Association
- Contra Costa Housing Authority
- Contra Costa Mosquito and Vector Control District
- First 5 – Children & Families Commission
- In-Home Supportive Services Authority (IHSS)
- Local Agency Formation Commission (LAFCO)
- Rodeo Sanitary District
- Superior Court of California, County of Contra Costa
- Contra Costa Fire Protection District
- East Contra Costa Fire Protection District
- Moraga-Orinda Fire District
- Rodeo-Hercules Fire Protection District
- San Ramon Valley Fire Protection District