November 13, 2019

Richard Knowles  
Contra Costa County Chapter  
California Grand Jurors Association  
Electronic Submittal

Dear Mr. Knowles:

On October 10, 2019, the Contra Costa Local Agency Formation Commission (LAFCO) received a letter from Richard Knowles with the Contra Costa County Chapter of the California Grand Jurors Association (attached).

In the letter, Mr. Knowles requests an update on the status of the dissolution of the Los Medanos Community Healthcare District (LMCHD). Mr. Knowles makes reference to the 2017-18 Contra Costa Grand Jury Report No. 1802, and specifically Grand Jury Recommendation #1 – “LAFCO should consider dissolving the LMCHD by December 2018 and assigning all the assets, rights, and responsibilities to the County as the successor to LMCHD.”

In response to Mr. Knowles request for an update, LAFCO staff offers the following reply subject to the Commission’s approval:

DRAFT RESPONSE

Dear Mr. Knowles:

In response to your letter of October 3, 2019 regarding the status of the dissolution of the Los Medanos Community Healthcare District (LMCHD), Contra Costa LAFCO offers the following.

On November 14, 2017, Contra Costa County filed an application with LAFCO to dissolve the LMCHD. The County filed an amended application with LAFCO on August 16, 2018. In its application, the County proposed to be successor agency to LMCHD and provided a Plan for Providing Services.

On September 12, 2018, LAFCO approved the dissolution of the LMCHD subject to various terms and conditions and named Contra Costa County as successor agency.
On October 12, 2018, LMCHD filed with LAFCO a request for reconsideration. At a public hearing on November 14, 2018, the Commission considered and disapproved the District’s request for reconsideration as the request did not meet the statutory requirements.

On November 30, 2018, LAFCO held a protest hearing, as conducted by the LAFCO Executive Officer. At the protest hearing, the District submitted a total of 16,635 written protests. LAFCO staff delivered the protests to Contra Costa County Elections for validation. County Elections reviewed and verified all protests. On January 8, 2019, County Elections provided LAFCO with a letter summarizing the results of the count. County Elections reported that less than 25% of the written protests were valid.

Pursuant to LAFCO law, if 25% or more of the protests are valid, the question of dissolution must be submitted to the voters within the subject area. However, if less than 25% of the protests are valid, the dissolution is ordered. On January 9, 2019, LAFCO ordered the dissolution without an election because the number of valid protests by the District did not meet the required threshold for an election.

On January 9, 2019, the District filed a complaint for declaratory and injunctive relief with the Superior Court of California – County of Contra Costa. The court granted the District’s motion thereby precluding LAFCO from recording a certificate of completion of the dissolution.

The dissolution is currently pending subject to ongoing litigation.

**RECOMMENDATIONS:** Review draft response, provide comments, and direct staff to submit a response to Mr. Knowles.

Sincerely,

Lou Ann Texeira
Executive Officer

Attachment: Letter dated October 3, 2019 from Richard Knowles, Contra Costa County Chapter of the California Grand Jurors Association
October 3, 2019

Local Agency Formation Commission (LAFCO)
40 Muir Rd 1st Fl,
Martinez CA 94553

To: The Commission

I am writing to you as a member of the Contra Costa County Grand Jury Association (CCGJA).

CCGJA is composed of previous members of Contra Costa Civil Grand Juries. Our goals are to support the grand jury system and promote government accountability. One of our tasks is to follow up on prior Grand Jury recommendations.

The LAFCO response to recommendation #1 in the 2017-2018 Grand Jury Report indicated intent to take action, but our association has not been able to determine what action has been taken.

In Report 1802, the Grand Jury recommendation #1 was that:

"LAFCO should consider dissolving the LMCHD by December 2018 and assigning all the assets, rights, and responsibilities to the County as the successor to LMCHD."

Here is the response from the LAFCO to recommendation #1:

"The recommendation requires further analysis. In November 2017, the County submitted an application to LAFCO to dissolve the LMCHD. Presently, the application is incomplete. The County Board of Supervisors is expected to take action in July to complete the application. Once LAFCO has a complete application, the matter will be scheduled for a public hearing before the Commission, at which time the Commission will review the County's proposal, conduct a public hearing and render a decision on the proposed dissolution."

Please provide us with an update on your response to this Grand Jury recommendation.
We would appreciate your response by November 30, 2019. You can send your response electronically to: Richard Knowles at cccgja@gmail.com. Please note that we will share this letter and your response with the current Contra Costa Civil Grand Jury.

Thank you.

Sincerely,
Richard Knowles
cccgja@gmail.com