

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION 40 Muir Road, 1st Floor • Martinez, CA 94553 c-mail: LouAnn.Texeira@lafco.cccounty.us (925) 313-7133

# NOTICE AND AGENDA FOR REGULAR MEETING

# DATE/TIME: Wednesday, November 13, 2019, 1:30 PM

PLACE: Board of Supervisors Chambers 651 Pine Street, Martinez, CA 94553

**NOTICE IS HEREBY GIVEN** that the Commission will hear and consider oral or written testimony presented by any affected agency or any interested person who wishes to appear. Proponents and opponents, or their representatives, are expected to attend the hearings. From time to time, the Chair may announce time limits and direct the focus of public comment for any given proposal.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by LAFCO to a majority of the members of the Commission less than 72 hours prior to that meeting will be available for public inspection in the office at 40 Muir Road, 1<sup>st</sup> Floor, Martinez, CA, during normal business hours as well as at the LAFCO meeting.

All matters listed under CONSENT ITEMS are considered by the Commission to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Commission or a member of the public prior to the time the Commission votes on the motion to adopt.

For agenda items not requiring a formal public hearing, the Chair will ask for public comments. For formal public hearings the Chair will announce the opening and closing of the public hearing.

If you wish to speak, please complete a speaker's card and approach the podium; speak clearly into the microphone, start by stating your name and address for the record.

# Campaign Contribution Disclosure

If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

# Notice of Intent to Waive Protest Proceedings

In the case of a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

# American Disabilities Act Compliance

LAFCO will provide reasonable accommodations for persons with disabilities planning to attend meetings who contact the LAFCO office at least 24 hours before the meeting, at 925-313-7133. An assistive listening device is available upon advance request.

# As a courtesy, please silence your cell phones during the meeting.

# NOVEMBER 13, 2019 CONTRA COSTA LAFCO AGENDA

- 1. Call to Order and Pledge of Allegiance
- 2. Roll Call
- 3. Adoption of Agenda
- 4. Approval of minutes for the September 11, 2019 regular LAFCO meeting
- 5. 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.

# **CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION [Gov. Code section 54956.9(d)(1)]

Name of case: Los Medanos Community Healthcare District v. Contra Costa Local Agency Formation Commission, Contra Costa Superior Court Case No. C19-00048

# **OUT OF AGENCY SERVICE REQUESTS**

6. LAFCO 19-06 – City of Martinez – Carquinez Strait Regional Shoreline – consider a request by the City of Martinez to extend municipal water service outside its jurisdictional boundary to two parcels - APN 368-060-005 (82.3+ acres) and 372-140-001 (70.8+ acres) located southwest of 22 Carquinez Scenic Drive in unincorporated Martinez; and consider related actions per the California Environmental Quality Act (CEQA)

# **BUSINESS ITEMS**

- 7. Award Contract 2<sup>nd</sup> Round Parks & Recreation Services Municipal Services Review/Sphere of Influence Updates consider approving a contract with the recommended consultants.
- 8. *Legislative Report Update and Position Letter –* receive a legislative update *no action needed*.
- 9. FY 2019-20 First Quarter Budget Report receive FY 2019-20 first quarter budget report.
- 10. *Commissioner Terms* receive an update regarding Commissioner terms and provide direction regarding Public Member seats.
- 11. *Response to Contra Costa County Chapter California Grand Juror's Association (CCGJA)* consider approving response to CCGJA relating to the *Los Medanos Community Healthcare District.*

# **CORRESPONDENCE**

- 12. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)
- 13. SDRMA President's Special Acknowledgement Awards Property/Liability Program and Workers' Compensation Program

# **INFORMATIONAL ITEMS**

- 14. Commissioner Comments and Announcements
- 15. Staff Announcements
  - CALAFCO Updates Conference Highlights
  - Pending Projects
  - Newspaper Articles

# **ADJOURNMENT**

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

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting\_archive.htm

# LOCAL AGENCY FORMATION COMMISSION OF CONTRA COSTA COUNTY MEETING MINUTES OF September 11, 2019

# 1. Welcome and Call to Order; Roll Call

Chair Butt called the regular meeting of September 11, 2019 to order at 1:30 PM. The following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Tom Butt, Chair	Diane Burgis (Seated for Glover)	Lou Ann Texeira, Executive Officer
Candace Andersen, Vice Chair	Stanley Caldwell	Sharon Anderson, Commission Counsel
Don Blubaugh	Chuck Lewis	Lauren Talbott, Executive Assistant
Federal Glover (Late Arrival)	Sean Wright	
Mike McGill		
Rob Schroder		
Igor Skaredoff		

# 2. Pledge of Allegiance

Chair Butt led the Pledge of Allegiance.

# 3. Adoption of Agenda

Chair Butt asked if there were any requests to rearrange the agenda. There were no requests. Upon motion by Commissioner Blubaugh and second by Commissioner Andersen, the Commission unanimously, by a 7-0 vote, adopted the agenda as submitted:

VOTE:

AYES:	Andersen, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

# 4. Public Comments

Chair Butt invited members of the audience to provide public comment. No public comments were received.

# 5. Approval of Minutes

Upon motion by Commissioner Andersen and second by Commissioner McGill, the August 14, 2019 were approved.

# VOTE:

AYES:	Andersen, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

# **OUT OF AGENCY SERVICE REQUESTS**

6. LAFCO 19-04 – *City of Martinez – 2913 Merle Avenue* - consider a request by the City of Martinez to extend municipal water service outside its jurisdictional boundary to one parcel (APN 375-301-024) located at 2913 Merle Avenue in unincorporated Martinez; and consider related actions per the California Environmental Quality Act (CEQA)

Property owner Jim Farr indicated that water service existed on the property prior to 1969.

Upon motion by Commissioner Blubaugh and second by Commissioner Schroder, the Commission unanimously, by a 7-0 vote, approved extending Out of Agency (OAS) water service.

### VOTE:

AYES:	Andersen, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

7. LAFCO 19-05 – *City of Martinez – 66 Quail Lane* consider a request by the City of Martinez to extend municipal water service outside its jurisdictional boundary to one parcel (APN 365-100-015) located at 66 Quail Lane in unincorporated Martinez; and consider related actions per the CEQA

Upon motion by Commissioner Blubaugh and second by Commissioner Burgis, the Commission unanimously, by a 7-0 vote, approved extending OAS water service.

### VOTE:

AYES:	Andersen, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

# **BUSINESS ITEMS**

8. 2<sup>nd</sup> Round Municipal Services Review (MSR)/Sphere of Influence (SOI) Updates – Parks & Recreation Services – review draft Request for Proposals (RFP), provide input and authorize staff to release RFP for consulting services to assist with the 2<sup>nd</sup> round "Parks & Recreation Services" MSR/ SOI updates

Upon motion by Commissioner McGill and second by Commissioner Andersen, the Commission unanimously, by a 7-0 vote, approved release of a Request for Proposals.

# VOTE:

AYES:	Andersen, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

**9.** *Temporary Hire of LAFCO Retiree and Waiver of 180 day "Sit-Out Period* - consider approving the temporary hire of Kate Sibley, LAFCO retiree and waiving the 180 day sit out period

Upon motion by Commissioner McGill and second by Commissioner Blubaugh, the Commission unanimously, by a 7-0 vote, approved the temporary hire of Kate Sibley and waved the 180 day sit out period.

### VOTE:

AYES:	Anderson, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

### 10. 2020 LAFCO Meeting Schedule - consider approving the 2020 LAFCO meeting schedule

Upon motion by Commissioner Andersen and second by Commissioner Burgis, the Commission unanimously, by a 7-0 vote, approved the 2020 LAFCO meeting schedule.

### VOTE:

AYES:	Andersen, Butt, Burgis, Blubaugh, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

**11.** *LAFCO Policies and Procedures* - consider approving proposed amendments to LAFCO's island policy

Upon motion by Commissioner Blubaugh and second by Commissioner Skaredoff, the Commission unanimously, by a 7-0 vote, approved updates to LAFCO's island annexation policies.

VOTE:

AYES:	Andersen, Butt, Blubaugh, Glover, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

# **INFORMATIONAL ITEMS**

### 12. Commissioner Comments and Announcements

• Commissioner Skaredoff commented on the *Envision Contra Costa 2040* development plan and requested it to be emailed to all Commissioners.

### **13.** Staff Announcements

- Pending Projects
- Newspaper Articles
- CCCERA Correspondence

The meeting adjourned at 1:59 pm

Final Minutes Approved by the Commission November 13, 2019

VOTE:

AYES: NOES: ABSENT: ABSTAIN:

# **ADJOURNMENT**

*The next regular LAFCO meeting is November 13, 2019 at 1:30 pm.* LAFCO STAFF REPORTS AVAILABLE AT <u>http://www.contracostalafco.org/meeting\_archive.htm</u>

By\_\_\_\_

Executive Officer

# CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

November 13, 2019 (Agenda)

# <u>LAFCO 19-06</u> City of Martinez - Out of Agency Service Request – Carquinez Strait Regional Shoreline

# SYNOPSIS

This is a request by the City of Martinez to provide municipal water service outside its jurisdictional boundary to two parcels (APNs 368-060-005 & 372-140-001) located southwest of 22 Carquinez Scenic Drive (Carquinez Strait Regional Shoreline) – see Attachment 1. The land is owned by the East Bay Regional Park District (EBRPD) and is part of the District's public land system. The parkland is used for recreational activities (e.g., hiking, biking, fishing and equestrian activities). The land also provides essential wildlife habitat and is grazed by livestock to maintain grasslands and reduce fire fuel loads. Approximately 40-50 pairs of cattle currently graze on 1,573 acres on the Carquinez Strait Regional Shoreline. The only source of water for the livestock is seasonal ponds which have proven to be an inadequate source for livestock and have resulted in underutilized forage and vast amounts of herbaceous fuel loads.

The subject property is located outside both the City's sphere of influence (SOI) and the voter approved Urban Limit Line (ULL). The subject and surrounding areas have a County General Plan designation of "Parks and Recreation" and the area is zoned "General Agriculture" (A-2 – Parcel 5 acre minimum).

# DISCUSSION

<u>Statutory Framework – Out of Agency Service</u> – The Government Code (GC) and local LAFCO policies regulate the extension of out of agency service. GC §56133 states that "*A city or district may provide new or extended services by contract or agreement outside of its jurisdictional boundary only if it first requests and receives written approval from the Commission.*" Further, the law authorizes LAFCO to allow a city or district to provide new or extended services under specific circumstances: a) outside the agency's jurisdictional boundary and outside its SOI in anticipation of a future annexation; or b) outside its jurisdictional boundary and outside its SOI in response to an existing or impending threat to the public health or safety.

The Commission's current policies regarding out of agency service are consistent with State law in that annexations to cities and special districts are generally preferred for providing municipal services. However, there may be situations where health and safety, emergency service, or other concerns warrant out of agency service. Historically, out of agency service is considered a temporary measure, typically in response to an existing or impending public health and safety threat (e.g., failing septic system, contaminated well); or in anticipation of a future annexation.

<u>City of Martinez - Prior, Current and Future Commitment to Annexations</u> – As noted in LAFCO's previous Municipal Service Reviews (MSRs), the City is providing water services beyond its corporate limits to an estimated 1,500 water connections. Since 2012, the City of Martinez has submitted 15 out of agency service applications to LAFCO most of which have been in the Alhambra Valley, Mountain View and Pacheco areas.

The LAFCO MSRs recommend that the City of Martinez annex areas receiving city services, as appropriate. In response to LAFCO's concerns regarding the use of out of agency service, the Martinez City Council has taken actions demonstrating its commitment to future annexation of these areas, including the following:

• In 2012, the City successfully annexed a portion of the Alhambra Valley, and attempted to annex North Pacheco however, this annexation was rejected by the voters.

- The City Council adopted resolutions stating the City's intent to pursue annexation of the Alhambra Valley area by 2020, and annexation of the Pacheco Boulevard corridor including the Mt. View area by the year 2030.
- In June 2019, the City provided LAFCO with an update indicating that the City Council identified annexations as one of its top five goals over the next two years, and within the next year will explore an annexation study for the Mt. View/Pacheco Corridor and the Alhambra Valley areas.
- On October 23, 2019, the Martinez City Council hosted a community workshop to discuss annexation of the Alhambra Valley, Mountain View, North Pacheco and Vine Hill areas. The City Council agreed to move forward with an annexation study.

<u>Consistency with LAFCO Statutes and Policies</u> – The City has applied to LAFCO to extend out of agency water service to the subject property, which is outside the City SOI and the voter approved ULL.

As noted above, GC §56133 allows LAFCO to authorize out of agency service to a city or district if the subject territory is either: a) outside the agency's jurisdictional boundary but within its SOI in anticipation of a future annexation; or b) outside its jurisdictional boundary and outside its SOI in response to an existing or impending threat to the public health or safety.

Further, the statute provides that "if consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met: (1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents; and (2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

Contra Costa LAFCO's out of agency service policies are included in Section 2.1 - POLICIES AND STANDARDS (J. Policies for Out of Agency Service Agreements) (Attachment 2), and are consistent with GC §56133, in that out of agency service can be extended either in response to a threat to the health and safety of the public (e.g., failed septic system, contaminated or dry well, etc.), or in anticipation of annexation.

In addition, the LAFCO policies contain the following provisions which are relevant to this proposal:

# b) Requests Due to Health or Safety Emergency

The Commission may authorize a city or district to provide new or extended services outside their jurisdictional boundary and outside or inside their SOI in response to an existing or impending threat to public health or safety ("emergency" – e.g., failing well or septic system) with documentation from the County Environmental Health Division, and in accordance with §56133(c) and LAFCO procedures. If LAFCO approves an emergency out of agency service request, and the city or district fails to initiate the provision of services within six months of the Commission's approval, the out of agency service approval shall expire, unless otherwise specified by LAFCO.

**Comments**: Included with the City's application are letters from the EBRPD Fire Chief (Attachment 3), EBRPD Chief of Stewardship (Attachment 4) and Board President, Contra Costa Resource Conservation District (Attachment 5) all indicating the need for a reliable source of water to allow the livestock to more effectively reduce the fuel loading and associated fire hazard. LAFCO staff believes that the attached documentation demonstrates compliance with LAFCO law and Contra Costa LAFCO's policies.

**Comment**: City staff indicates that it will initiate the provision of services within six months of the Commission's approval. Further, no feasible alternative water service provider was identified.

<u>Water Supply to the Subject Property</u> – The subject property is adjacent to the City boundary. Existing infrastructure in and around the subject parcels includes the City's Highest Tank" which is the City's Public Water Tank. Proposed infrastructure in and around the subject parcels includes a 5,000 gallon tank, three 350 gallon troughs, various pump and gravity lines, HP solar pump, 5/8 inch water meter with backflow device, and 1,000 gallon holding tank.

The City is currently providing water service to an existing tank in the vicinity of EBRPD lands. Infrastructure needed to serve the parcels included installation of a water meter, a 2,500 gallon tank, and backflow and water gap systems. The City indicates that it has adequate water to serve the subject property.

**Environmental Review** – The City of Martinez found the extension of water service to the subject exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines sections 15303(d) and 15301(b) has filed a Notice of Exemption. The LAFCO Environmental Coordinator has reviewed the City's CEQA documentation and finds its adequate for LAFCO purposes.

# ALTERNATIVES FOR COMMISSION ACTION

LAFCOs were formed for the primary purpose of promoting orderly development through the logical formation of local agency boundaries and facilitating the efficient provision of public services. The CKH provides that LAFCO can approve with or without amendments, wholly, partially, or conditionally, or deny a proposal. The statute also provides LAFCO with broad discretion in terms of imposing terms and conditions. The following options and recommended terms and conditions are presented for the Commission's consideration.

# **Option 1** Approve the out of agency service request as proposed and approve Resolution No. 19-06 (Attachment 2).

- A. Find that the project is exempt pursuant to sections 15303(d) and 15301(b) of the CEQA Guidelines, consistent with the determinations of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to APNs 368-060-005 & 372-140-001 subject to the following terms and conditions:
  - 1. Water infrastructure and service is limited to serving livestock and grazing activities; and
  - 2. The City of Martinez has delivered to LAFCO an executed deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA; and
  - 3. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service; and
  - 4. The City of Martinez has delivered to LAFCO an executed Agreement to Extend Water Services to the subject properties.

- **Option 2 Deny** the request, thereby prohibiting the City of Martinez from providing water service to the subject property.
- **Option 3 Continue** this matter to a future meeting to obtain more information.

# RECOMMENDATION

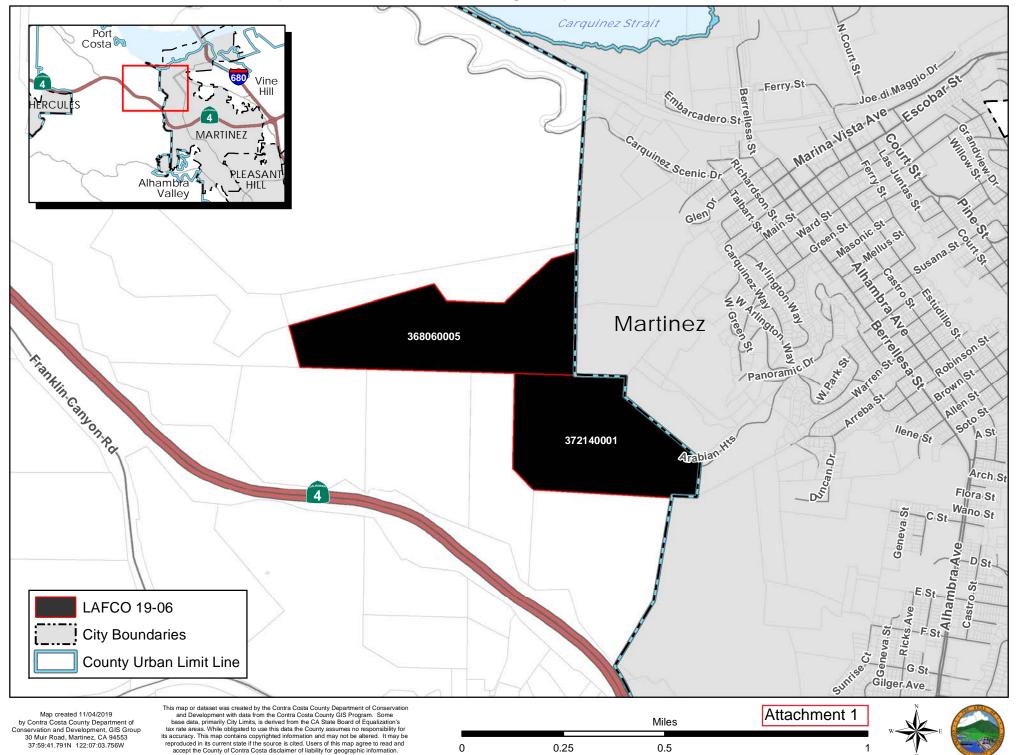
**Option 1 – Approve out of agency service request** with conditions as noted.

# LOU ANN TEXEIRA, EXECUTIVE OFFICER CONTRA COSTA LAFCO

# Attachments

- 1. Map of Subject Property (APNs 368-060-005 & 372-140-001)
- 2. Contra Costa LAFCO Policies Section 2.1 POLICIES AND STANDARDS (subsection J. Policies for Out of Agency Service Agreements)
- 3. Letter from the EBRPD Fire Chief
- 4. Letter from EBRPD Chief of Stewardship
- 5. Letter from Board President, Contra Costa Resource Conservation District
- 6. Draft LAFCO Resolution 19-06
- c: Peter Wollman, City of Martinez Scott Alman, City of Martinez Randy Leptien, City of Martinez Christina Ratcliffe, City of Martinez Allison Rofe, EBRPD

# LAFCO No.19-06 City of Martinez Out of Agency Service (22 Carquinez Scenic Drive)



# 2.1 POLICIES AND STANDARDS

# J. Policies for Out of Agency Service Agreements

# 1) Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires a city or special district to obtain written approval from LAFCO prior to providing new or extended service outside its jurisdictional boundary, with certain exceptions (Gov. Code §56133). This section of the CKH sets forth a two-pronged test or criteria under which requests for out of agency services may be approved: either in response to an existing or impending threat to the health or safety of the public, or in anticipation of a later change in organization (i.e., annexation) for areas within the subject agency's sphere of influence (SOI). Specific procedures for submitting an out of agency service application can be found in Contra Costa LAFCO's Commissioner Handbook, section 3.15 Provision of Services by Contract.

# 2) Purpose

The purpose of these policies is to guide the Commission in reviewing city and district requests to provide new or extended services by agreement outside their jurisdictional boundaries. This includes establishing policies and procedures to ensure that the application meets one of the two criteria under which approval may be granted, and to ensure consistency with respect to form, review and consideration of requests.

# 3) Objective

The objective of these policies is to ensure that the extension of services by cities and districts outside their jurisdictional boundaries is logical and consistent with supporting orderly growth and development in Contra Costa County. Out of agency service is generally not intended to support new development.

# 4) Out of Agency Service Policies: General Statements

a) Annexation to cities and special districts involving territory located within the affected agency's sphere of influence (SOI) is generally preferred to out of agency service.

b) LAFCO will consider applicable Municipal Service Reviews (MSRs) and discourage out of agency service extensions that conflict with adopted MSR determinations or recommendations.

c) Requests for out of agency service agreements are subject to the applicable provisions of the California Environmental Quality Act (CEQA).

d) Commission approval is not required for cities or districts to provide new or extended services outside their jurisdictional boundaries if any of the exemptions apply in accordance with §56133(e) – see Section 3.15 for exceptions. The Commission encourages cities and districts to work with the Executive Officer in determining when the statutory exemptions may apply.

# 5) Form of Request

# a) All Requests

Requests to authorize out of agency service shall be filed with the Executive Officer by the affected city or district. The application shall be signed by an authorized representative of the city or district. Requests shall be made in writing with a completed LAFCO application, payment in the amount prescribed under the Commission's adopted fee schedule, appropriate environmental document, proposed service agreement, and an executed and recorded deferred annexation agreement (DAA) and waiver of property owner protest rights. The recorded DAA shall run with the land and be binding on all future owners of the property. An indemnification agreement will be required with each application.

All requests for out of agency service are subject to the applicable provisions of CEQA.

# b) Requests Due to Health or Safety Emergency

The Commission may authorize a city or district to provide new or extended services outside their jurisdictional boundary and outside or inside their SOI in response to an existing or impending threat to public health or safety ("emergency" – e.g., failing well or septic system) with documentation from the County Environmental Health Division, and in accordance with §56133(c) and LAFCO procedures. If LAFCO approves an emergency out of agency service request, and the city or district fails to initiate the provision of services within six months of the Commission's approval, the out of agency service approval shall expire, unless otherwise specified by LAFCO.

The Commission authorizes the LAFCO Executive Officer, in consultation with the Chair or Vice Chair, to approve a city's or district's request for out of agency service if there is an existing or impending public health or safety emergency, as documented by the County Environmental Health Division. The Executive Officer shall report to the Commission on his or her administrative approval of any emergency out of agency service agreements at the next regularly scheduled LAFCO meeting. Such administrative approval can be made if the following criteria are met:

- The property is currently developed
- The lack of service being requested constitutes an *immediate* (i.e., approval needed within two months) health and safety concern as documented by County Environmental Health
- There are physical restrictions on the property that prohibit a conventional service delivery method (i.e., septic tank, private well, etc.)

# c) Requests in Anticipation of Annexation

An out of agency service application must be accompanied by a change of organization or reorganization application, including an approved tax sharing agreement, in order for LAFCO to determine that the out of agency service is in anticipation of a change of organization (i.e., annexation) within the next 12 months. This dual application requirement may be waived in certain situations by the Commission if compelling justification is provided. Circumstances which may warrant such a waiver include, but are not limited to, the following:

• Lack of contiguity (e.g., city boundary) when the project was approved prior to 2011

- Service is only needed to serve a portion of a larger parcel, and annexation of the entire parcel is not desirable
- Other circumstances which are consistent with LAFCO statute and the polices of Contra Costa LAFCO

If immediate annexation (i.e., within 12 months) is not a feasible alternative, then the extension of services may be approved in anticipation of a later annexation if the agency provides LAFCO with a resolution of intent to annex, as well as appropriate assurances (e.g., prezoning, plan for annexation, deferred annexation agreement, etc.) which demonstrate that out of agency service is an intermediate steps toward eventual annexation.

# 6) Review of Request

The Executive Officer shall review the request in accordance with CKH and LAFCO's policies and procedures.

# 7) Consideration of Request

Once a request is deemed complete, the Executive Officer will prepare a written report with a recommendation. The Executive Officer will present his or her report and recommendation at a public hearing for Commission consideration in accordance with CKH and LAFCO's policies and procedures. The Executive Officer's written report will be made available to the public for review prior to the scheduled hearing and include an evaluation of the following factors:

a) The ability of the applicant to extend the subject service to the affected land without adversely affecting current service levels within the existing service boundary.

b) If the request is to address a health or safety emergency, whether the documentation satisfactorily demonstrates compliance with CKH and LAFCO policies and procedures.

c) If the request is in anticipation of future annexation, whether the application provides adequate assurances in furtherance of a future annexation.

d) The application's consistency with the policies and general plans of affected local agencies.

e) The application's effect on growth and development within and adjacent to the affected land; and whether the out of agency service extension will contribute to premature development of fringe areas or development in areas designated for non-urban uses.

f) Whether the proposal contributes to the premature conversion of agricultural land or other open space land.

The Commission and the Executive Officer, as authorized by the Commission, may approve the request for out of agency service with or without conditions, or may deny the request. Unless otherwise specified in the LAFCO resolution of approval, out of agency service is allowed for the subject application only, and any future extension or expansion of service is subject to LAFCO's approval.

If the request to provide out of agency service is approved or denied, the applicant may request reconsideration within 30 days citing the reasons for reconsideration.



DEPARTMENT OF FUELIC SAFETY + 17930 LAKE CHABOT ROAD + CASTRO VALLET CA 94546 1-510 861 1833 . F 510 538-7743 . EBPARKS ORG

Attachment 3

To Contra Costa Local Agency Formation Commission:

October 18th, 2019

The East Bay Regional Park District Fire Department has been recently informed of a water development project that East Bay Regional Park District Park Operations and Stewardship Departments are pursuing in order to effectively manage livestock grazing in Carguinez Strait Regional Shoreline, near Martinez. We support the installation of a reliable water source that will allow livestock to more effectively reduce the fuel loading and associated fire hazard in this area.

Livestock grazing is an effective fuels reduction method the Park District uses to reduce fuel loading in the annual grassland fuel types. Fire behavior in well grazed grasslands is significantly reduced, with a decreased rate of spread, reduced spotting potential, and lower flame lengths. Wildfires do not stop at boundaries or jurisdictions and are inherently a public safety concern, but the hazards to neighboring communities can be mitigated and reduced by fuels reduction and grazing practices.

Sincerely,

In Ail

Aileen Theile, Fire Chief

RECEIVED

OCT 2 4 2019

Per\_\_\_\_

Robert E Doyle General Manager

Board of Directors

Aven Wieskamp President Wan15

Dec Round Vice-President Word-4

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Calm Coffey Secrecary

Whitney Dotson Denois Wilespi Ward 3

Beverly Lane

Ward 6



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### Dear LAFCO,

### Attachment 4

The East Bay Regional Park District (EBRPD) is a system of nearly 125,000 acres of parklands and trails in Alameda and Contra Costa counties. We acquire, manage, and preserve natural and cultural resources in perpetuity. Most of our lands are open to the public for recreational purposes.

Livestock grazing is an ecological management tool used by EBRPD to minimize wildfire potential and brush encroachment, maintain native grassland communities, enhance wildlife habitat, control weedy vegetation, and reduce soil erosion. These management goals are achieved by developing or replacing livestock infrastructure and providing clean water for grazing animals. Reliable and well distributed livestock water is essential to maintain healthy rangelands and for reducing fire fuels. Functioning, carefully designed livestock water distribution systems support balanced livestock utilization of forage across the landscape.

The current watering situation in this area of the Carquinez Strait Regional Shoreline encourages livestock (cattle) to congregate in stock ponds and loaf in drainages, rather than into the surrounding uplands. As a result, high amounts of dead standing vegetation biomass have accumulated throughout parts of the park (high fuel loads). Grazing tenant, Nick Compaglia, leases approximately 1,500 acres of Carquinez Strait Regional Shoreline. To decrease fuel loading and to draw the cattle away from the ponds and waterways, Nick is working with the Natural Resources Conservation Service (NRCS) to develop livestock water on the property. NRCS is a non-regulatory agency with the United States Department of Agriculture (USDA) that receives funding through the U.S. Farm Bill to help agricultural producers implement conservation practices within their agricultural operations. In 2017, Nick was awarded a NRCS Environmental Quality Incentives Program (EQIP) contract to help with financial assistance in developing reliable livestock water throughout the park.

Proposed work originally included the development of a 300 foot well to deliver water via a solar pump station and livestock pipeline system to a 5,000 gallon above ground storage tank and gravity fed to 3 (350 gallon) cement troughs. After a well driller explored the area, it was deemed infeasible and an alternative water source was desirable. The City of Martinez water tank immediately became a potential option as it is located adjacent to the grazing unit, is a guaranteed water source, and the City of Martinez is in support of this project. The new plan entails a similar design, but instead of drilling a new well, water will be delivered via a new water meter from the City of Martinez's existing tank to a new solar pump and associated 2,500 gallon tank and a 5,000 gallon above ground storage tank, then gravity fed to 3 (350 gallon) cement troughs. It's estimated the cattle will consume 182,500 – 365,000 gallons per year from the new tank and trough system.

This water development is for livestock use only. EBRPD acquires and maintains its land holdings for their conservation values and to provide public access for recreation. Our lands will never be developed for residential or commercial purposes. All work is being done in partnership with EBRPD, NRCS, Contra Costa Resource Conservation District (CCRCD), the grazing tenant, and City of Martinez. Biological permitting is required for implementation. The grazing tenant will acquire state and federal permits through programmatic permits held by CCRCD and NRCS.

Thank you for considering our application for Out-of-Agency Service Agreement associated with this livestock watering development project.

Board of Directors

Sincerely,

Matthew Anal

Chief of Stewardship, Matt Graul

Ayn Wieskamp President Ward 5 Ellen Corbett Dee Rosario Vice-President Treasurer Ward 4 Ward 2

Colin Coffey Secretary Ward 7 Whitney Dotson Ward I Dennis Waespi Ward 3

spi Beverly Lane Ward 6



(925) 672-4577 PHONE (844) 206-6977 FAX 5552 Clayton Road. Concord. CA 94521

October 15, 2019

Attachment 5

Lou Ann Texeira Executive Officer 40 Muir Rd 1<sup>st</sup> Floor Martinez, CA 94553

To Contra Costa Local Agency Formation Commission:

This is a letter of support for an out of area service extension application to provide Martinez City Water to East Bay Regional Park rangelands in the hills west of Martinez. This project has multiple benefits:

- 1. Safety: Reduction of wildfire fuel.
- 2. Economic: Expanding rangeland grazing, reducing erosion and flood risk.
- 3. Environmental: Helping native grasses to outcompete flammable invasives, carbon sequestration.

This project is not conveniently classified within the most common LAFCo criteria of: public health emergency, within sphere of influence, within urban limit line or intended to be annexed soon. It is a worthy project, however, as it enhances public fire safety, agricultural productivity, California native plant diversity, sequesters carbon and helps reduce erosion and flood risk. It is very clearly NOT a project that would promote urban sprawl, as this is East Bay Regional Park land and will never be developed for other uses.

This is a brief summary of the project: Install a water meter and a solar powered pump at an existing Martinez Water District facility and distribute water to cattle troughs on East Bay Regional Park District lands on the hills west of Martinez.

At present, grazing on these lands is limited/prevented by lack of water, impairing the control of fire fuel load. The lack of water also makes grazing economically unattractive. Lack of grazing favors invasive grasses over California Native grasses and forbs.

A short number of years ago, a fire came over the hills from Highway 4 and burned to the edge of town. It threatened the County Hospital, Alhambra High School and other infrastructure (actually burning one building). It burned the soccer stadium at the high school, and threatened the liquid oxygen tanks at the County Hospital. The threat is real and will not diminish in the foreseeable future.

Contra Costa County is in the process of developing policies that favor the economic vitality of agriculture in our county. By making these lands available to grazing, this project supports agricultural economic vitality.



(925) 672-4577 [PHONE (844) 206-6977 [ FAX 5552 Clayton Road, Concord, CA 94521

This project would enable Managed Rotational Grazing on these lands. Managed Rotational Grazing is short-term intensive grazing followed by an extensive rest period. The grazers "eat and move on" not to return until after the grazed land recovers. This was the grazing pattern that existed prior to the arrival of Europeans in California. Grizzly Bears and other predators kept the elk and pronghorns bunched up and moving.

Current practice is to use solar-powered portable electric fences to keep grazers bunched up and moving. This pattern favors California natives with their long roots and growing seasons. This not only benefits the rancher, but also helps California native grasses to compete against invasive plants such as Yellow Star Thistle and highly combustible invasive grasses thus reducing fire fuel availability.

Native plants' deep root systems also help winter rains to penetrate deeper into the soil, reducing storm runoff and erosion thus helping to reduce flood risk and creek channel siltation. Native plants also store (sequester) carbon underground, helping to mitigate against climate change.

In summary, this project has multiple benefits, and is in keeping with LAFCo's core mission. I strongly support its approval.

Sincerely,

Igor Skaredoff Board President Contra Costa Resource Conservation District



November 7, 2019

BOARD OF DIRECTORS Lisa M. Borba, AICP PRESIDENT

Connstance Holdaway VICE PRESIDENT

Ernesto A. Avila, P.E. Bette Boatmun John A. Burgh

GENERAL MANAGER

Jerry Brown

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

# Subject: LAFCO 19-06 City of Martinez – Out of Agency Service Request-Carquinez Strait Regional Shoreline

Dear Ms. Texeira:

The Contra Costa Local Agency Formation Commission (LAFCO) has an Out of Agency Service Request on its November 13, 2019 Agenda. The request is by the City of Martinez to extend municipal water service outside its jurisdictional boundary to two parcels owned by the East Bay Regional Park District (APN 368-060-005, 82.3 acres and 372-140-001, 70.8 acres). The City of Martinez proposes to provide water service from an adjacent water storage tank to the subject parcels to support cattle grazing as an efficient way of managing wildfire risk in this area.

The Contra Costa Water District (CCWD) is the sole wholesale (untreated) water service provider to the City of Martinez. CCWD obtains its primary water supply from the Central Valley Project (CVP) under a contract with the United States Bureau of Reclamation (Reclamation). The City of Martinez treats the water provided by CCWD and provides treated water service to retail customers within the City of Martinez.

The subject parcels that are to be provided water service by the City of Martinez are not currently within the CCWD service area boundary and have not been approved to receive water from the CVP. Under the terms of CCWD's water service contract, CCWD must obtain approval from Reclamation through its CVP Inclusion review process before any CVP water is delivered to the subject lands. CCWD does not object to the City of Martinez serving this area, however, the City of Martinez must complete Reclamation's CVP Inclusion process. Reclamation requires compliance with the National Environmental Policy Act and other Federal laws and may also require LAFCO approval of a separate Out of Agency Service Agreement for CCWD as the wholesale provider. Materials and documentation required as part of the Inclusion process, including any potential future LAFCO actions for wholesale service from CCWD, will be the responsibility of the City of Martinez. CCWD requests that LAFCO include the following condition in the resolution approving the out of service area agreement:

The City of Martinez will coordinate with the Contra Costa Water District to obtain Central Valley Project Inclusion review by the United States Bureau of Reclamation for the subject parcels. Lou Ann Texeira November 7, 2019 Page 2

Should you have any further questions please contact Mark Seedall at 925-688-8119 or mseedall@ccwater.com.

Sincerely,

Job Query

Jeff Quimby Director of Planning

JQ:kh

cc: Christina Ratcliffe, City of Martinez Allison Rofe, EBRPD

# **RESOLUTION NO. 19-06**

# RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION AUTHORIZING THE CITY OF MARTINEZ TO PROVIDE OUT-OF-AGENCY WATER SERVICE TO APNs 368-060-005 and 372-140-001 (CARQUINEZ REGIONAL SHORELINE) REVISED

WHEREAS, the above-referenced request has been filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the California Government Code); and

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

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this request including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, out of agency service approval is needed to provide water services to the properties owned by and under the jurisdiction of the East Bay Regional Park District (EBRPD) to support grazing activity, minimize wildfire potential, reduce soil erosion, and help maintain public parkland and rangeland; and

WHEREAS, the City of Martinez has considered the potential indirect effects associated with the requested LAFCO authorization (i.e., extension of water service to the subject properties) and has found the extension of such infrastructure to be exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to Sections 15303(d) and 15301(b).

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Contra Costa Local Agency Formation Commission as follows:

- A. Find that the project is exempt pursuant to sections 15303(d) and 15030(d) and 15030(d) of the CEQA Guidelines, consistent with the determination of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary and outside its sphere of influence to APNs 368-060-005 and 372-140-001 located southwest of 22 Carquinez Scenic Drive located in unincorporated Contra Costa County subject to the following terms and conditions:
  - 1. Water service is limited to providing water for grazing activities and to minimize wildfire potential on the subject parcels, and
  - 2. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions that challenge the out of agency service, and
  - 3. The City of Martinez and the EBRPD have signed a deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and run with the land so that future landowners have constructive notice that their property is encumbered by the DAA.

- 4. The City of Martinez will coordinate with the Contra Costa Water District to obtain Central Valley Project Inclusion review by the United States Bureau of Reclamation for the subject parcels.
- C. Approval to extend City of Martinez services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

PASSED AND ADOPTED THIS 13<sup>th</sup> day of November 2019, by the following vote:

AYES:

NOES:

**ABSTENTIONS:** 

ABSENT:

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: November 13, 2019

Lou Ann Texeira, Executive Officer



**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION** 40 Muir Road, 1st Floor • Martinez, CA 94553 e-mail: LouAnn.Texeira@lafco.cccounty.us (925) 313-7133

### **MEMBERS**

**Candace Andersen** County Member

**Federal Glover** 

### ALTERNATE MEMBERS

**Diane Burgis** County Member Stanley Caldwell Special District Member

Charles R. Lewis, IV Public Member

> Sean Wright City Member

August 13, 2019 Agenda Item 7

Lou Ann Texeira Executive Officer

Donald A. Blubaugh Public Member **Tom Butt** 

County Member Michael R. McGill Special District Member Rob Schroder City Member

City Member

Igor Skaredoff Special District Member

November 13, 2019 (Agenda)

Local Agency Formation Commission 40 Muir Road, 1<sup>st</sup> Floor Martinez, CA 94553

# Authorize Service Contract – 2<sup>nd</sup> Round Parks & Recreation Services **Municipal Service Review and Sphere of Influence Updates**

Dear Members of the Commission:

# DISCUSSION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that on or before January 1, 2008, and every five years thereafter, LAFCO review and update the sphere of influence (SOI) of each local agency, as necessary. As part of the SOI update, LAFCO must prepare a corresponding Municipal Service Review (MSR) to determine the range and adequacy of governmental services provided.

In April 2013, Contra Costa LAFCO completed its inaugural MSR cycle covering all 19 cities and 75 special districts. In conjunction with the MSRs, LAFCO updated the SOIs for most agencies. In August 2013, LAFCO initiated its 2<sup>nd</sup> round MSRs/SOI updates. To date, LAFCO has completed 2<sup>nd</sup> round MSRs covering water/wastewater (2014), reclamation/levee (2015), fire and emergency medical services (2016), healthcare services (2018), and "City Services" (cities and community services districts - "CSDs") (2019).

As part of the FY 2019-20 work plan and budget, the Commission approved preparing a 2<sup>nd</sup> round MSR covering parks & recreation services. MSR will focus on the following: 1) updating profile data including growth and population, finances (expenses, revenues, debt, reserves, rates/fees schedules, other fiscal indicators), and staffing/management; 2) capacity of public services, programs and facilities; 3) service to disadvantaged communities; 4) shared services/facilities and collaboration; 5) accountability, structure and efficiencies; and 6) governance structure options.

This MSR will cover city and district parks & recreation services and will include the cities, county service areas (CSAs), CSDs and recreation & parks districts (RPDs) as listed below.

Commissioner Terms 2020 – Executive Officer's Report November 13, 2019 Page 2

City of Antioch	City of Pinole	CSA R-7*				
City of Brentwood	City of Pittsburg	CSA R-9*				
City of Clayton	City of Pleasant Hill	CSA R-10*				
City of Concord	City of Richmond	Ambrose RPD*				
Town of Danville	City of San Pablo	East Bay Regional Park District (EBRPD)				
City of El Cerrito	City of San Ramon	Green Valley RPD*				
City of Hercules	City of Walnut Creek	Pleasant Hill RPD*				
City of Lafayette	CSA M-16*	Crockett CSD				
City of Martinez	CSA M-17*	Diablo CSD				
Town of Moraga	CSA M-29*	Town of Discovery Bay CSD				
City of Oakley	CSA M-30*	Kensington Police Protection & CSD				
City of Orinda	CSA R-4*					

### \*Includes SOI update

Contra Costa LAFCO completed its 1<sup>st</sup> round parks & recreation services MSR in 2010. The 2019-20 Parks & Recreation MSR will include SOI updates for the three independent parks & recreation districts and the eight CSAs, and will not include SOI updates for the cities or CSDs as these SOIs were updated in June 2019 in conjunction with the "City Services" MSR. Also, this MSR will not include an SOI update for EBRPD as Alameda LAFCO is the principal LAFCO for this district.

**Consultant Recruitment Process** - Contra Costa LAFCO relies primarily on consultants to prepare MSRs. On September 11, 2019, the Commission approved release of a Request for Proposals (RFP) and Scope of Services for the parks & recreation MSR. The RFP was released on September 12<sup>th</sup>, was sent to over 30 firms, and posted on the Contra Costa LAFCO, CALAFCO and California Special Districts Association websites. Proposals were submitted by the following three firms (copies of the proposals are available upon request):

- Economic & Planning Systems (EPS)/Berkson Associates
- Planwest Partners., Inc.
- QK

The proposals vary in terms of approach, number of team members, timelines, and cost. All three consultant teams bring extensive LAFCO and MSR experience, and it was a difficult decision.

A screening committee composed of LAFCO professionals including **Brendon Freeman**, Executive Officer, Napa LAFCO and **Rich Seithel**, Executive Officer, Solano LAFCO, along with your Executive Officer reviewed the proposals and interviewed the firms on October 25<sup>th</sup>. The interviews were structured, with questions designed to gauge the consultants' understanding of the required tasks, proposed approach to the MSR, experience and familiarity with LAFCO, knowledge of parks & recreation services, qualifications of personnel assigned to work on the MSR, budget, timeline and other factors.

Following the interviews, the committee concluded that while all of the firms are qualified and can provide the needed services, it is recommended that the Commission hire the team of EPS/Berkson Associates to prepare the 2<sup>nd</sup> round parks & recreation services MSR. Following the interviews,

LAFCO staff conducted a reference check and reviewed some of the firms' sample MSR work products; all were positive and support the committee's recommendation. The EPS/Berkson Associates team's proposal included creative and innovative metrics relating to park and recreation services. The team has significant experience working with LAFCOs and local agencies as summarized below.

EPS is a land use economics consulting firm with a local office in Oakland. The firm has prepared dozens of MSRs and LAFCO studies and has presented at CALAFCO conferences. EPS will team with Berkson Associates (see below). Richard Berkson was previously a Principal with EPS and a founding partner.

EPS has extensive LAFCO and local agency work in the greater Bay Area including economic, fiscal and service studies for East Bay Regional Parks, Alameda, Contra Costa, Monterey and Sonoma counties, and for LAFCOs around the State, including studies focusing specifically on parks and recreation services.

EPS submitted a thoughtful proposal with unique and creative features relating specifically to parks & recreation services, which sets the team apart from the other proposals.

Richard L. Berkson, Principal, Berkson Associates, has over 30 years of experience working with local agencies throughout California. Areas of expertise include government organization, fiscal, financial and market analysis, and public finance.

Mr. Berkson has prepared numerous LAFCO governance studies and MSRs; studies addressing incorporations, annexations, special district formations, consolidations, and dissolutions; design and preparation of financial strategy studies, capital and infrastructure plans, fee, tax and related studies.

Mr. Berkson has worked with Contra Costa LAFCO various MSRs and special studies, including the City Services MSR (2019), Healthcare Services MSR (2018), EMS/Fire MSR (2016), and special studies for the West Contra Costa Healthcare District (2016), the Rollingwood Wilart Park Recreation & Park District (2016), and the Mt. Diablo Healthcare District Reorganization (2011).

# **FINANCING**

Adequate funding is included in the FY 2019-20 budget to cover costs associated with this MSR.

# **RECOMMENDATION**

Authorize staff to execute a contract with EPS/Berkson Associates to prepare the 2<sup>nd</sup> round parks & recreation services MSR/SOI updates for the term December 1, 2019 through November 30, 2020 in an amount not to exceed \$115,000.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

c: Distribution



**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION** 40 Muir Road, 1st Floor • Martinez, CA 94553 e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 313-7133

### **MEMBERS**

**Candace Andersen** 

**Federal Glover** 

County Member Donald A. Blubaugh Public Member

County Member Michael R. McGill Special District Member **Rob Schroder** City Member

### ALTERNATE MEMBERS

**Diane Burgis** County Member Stanley Caldwell Special District Member

Charles R. Lewis, IV Public Member

Sean Wright City Member

November 13, 2019 Agenda Item 8

November 13, 2019

Lou Ann Texeira

Executive Officer

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

# **Legislative Update and Position Letter**

Dear Members of the Commission:

The first year of the 2019-20 legislative session is now complete. The deadline for the Governor to sign or veto bills was October 13<sup>th</sup>.

Here is a summary of the "Priority 1" LAFCo related bills. For a complete summary of all LAFCo related bills see Attachment 1.

- AB 1822 (Assembly Local Government Committee) Annual CALAFCO Omnibus Bill -• This bill contains minor technical changes and corrections to LAFCo law. The Governor signed the bill on 6/24/19.
- AB 1253 (Rivas) (CALAFCO sponsored bill) LAFCos and Grant Funding This bill would • require the Strategic Growth Council, until July 31, 2025, to establish and administer a LAFCo grant program to help fund studies and costs associated with initiating and completing district dissolutions. This is a two-year bill.
- AB 315 (Garcia) Local Government: Lobbying Associations: Expenditure of Public Funds-This bill would restrict moneys paid to or received by an association (e.g., CALAFCO) from a local agency (e.g., LAFCo) to primarily educational activities. This bill could have a significant impact on state associations including. CALAFCO has a "watch" on this bill. This bill will be taken up in 2020.
- AB 508 (Chu) Drinking Water: Consolidation and Extension of Service: Domestic Wells-• This bill allows the State Water Resources Control Board (SWRCB) to order an extension of water service to a disadvantaged community based on specific criteria., and does not require annexation in cases where that would be appropriate. CALAFCO has a "watch" on this bill. AB 508 was signed by the Governor.
- AB 600 (Chu) Local Government: Organization: Disadvantaged Unincorporated • *Communities (DUCs)* - This bill addresses annexation and the extension of water to DUCs. CALAFCO recently removed it opposition and continues to "watch with concerns." This bill was signed by the Governor.

**Tom Butt** City Member

Igor Skaredoff Special District Member

- *AB 1389* (Eggman) *Special Districts: Change of Organization: Mitigation of Revenue Loss-* 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. CALAFCO has a "watch" on this bill. AB 1389 may be acted upon in 2020.
- *AB* 1628 (Rivas) *Environmental Justice* This bill would revise the definition of "environmental justice." CALAFCO has a "watch" on this bill. AB 1628 was signed by the Governor.
- *AB 1751* (Chu) *Water and Sewer System Corporations: Consolidation of Service* This bill allows for water (public or small State) or sewer system corporations to file an application for consolidation with the SWRCB. CALAFCO has a "watch" on this bill. AB 1751 may be acted upon in 2020.
- *SB 272* (Morrell) *Fire Protection District Law of 1987* This 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. CALAFCO has a "watch" on this bill. SB 272 may be acted upon in 2020.
- SB 414 (Caballero) Small System Water Authority Act of 2019 This bill is sponsored by Eastern Municipal Water District and the California Municipal Utilities Association. SB 414 gives the SWRCB authority to mandate dissolution of existing drinking water systems (public, mutual, private) and authorize 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 three years. CALAFCO supports this bill. SB 414 may be acted upon in 2020.
- SB 646 (Morrell) Local Agency Utility Services: Extension of Utility Services The Mitigation Fee Act (MFA), among other things, requires fees for water and sewer connections, and capacity charges imposed by a local agency not exceed the estimated reasonable cost of providing the service, unless a question regarding the amount of the fee/charge imposed in excess of the reasonable cost of providing the service or materials is submitted to and approved by 2/3 of the affected voters. The MFA 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. CALAFCO had a watch on this bill. The Governor signed the bill on 7/10/19.

Legislative Update – Staff Report November 13, 2019 Page 3

On September  $10^{\text{th}}$  CALAFCO issued an urgent call for legislative action requesting that LAFCos send letters removing their opposition to *AB 600* and expressing ongoing concerns. In response to CALAFCO's request, and in accordance with the Commission's policy (see below), a letter from Contra Costa LAFCO was sent on September  $11^{\text{th}}$  (see Attachment 2).

Contra Costa LAFCO's legislative policy provides our LAFCO with flexibility to respond to urgent legislation that affects LAFCO. Specifically, the policy provides that in "situations when proposed legislation affecting LAFCO cannot be considered by the full Commission due to timing, the Executive Officer, in consultation with the LAFCO Chair (or Vice Chair in the absence of the Chair), is authorized to provide written or email comments communicating the Commission. The Chair or Vice Chair would review the letter or email prior to it being submitted. The Executive Officer will forward the email or letter to the Commission as soon as possible. The item will be placed on the next regular LAFCO meeting agenda as either "informational" or for discussion purposes."

# Informational only - no vote required

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

Attachment 1 – CALAFCO Legislative Report Attachment 2 – AB 600 - Letter Removing Opposition

#### 1

# 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: 9/13/2019-Re-referred to Com. on RLS. pursuant to Assembly Rule 96.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House					2nd H	louse		Conc.	Linoned	Veloeu	chaptered

#### 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 and 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.

### <u>AB 508</u> (Chu D) Drinking water: consolidation and extension of service: domestic wells.

Current Text: Chaptered: 9/27/2019 html pdf

#### **Introduced:** 2/13/2019

Last Amended: 8/12/2019

**Status:** 9/27/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 352, Statutes of 2019.

De	esk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
	1st House					2nd F	louse		Conc.	Enroned	veloeu	chaptered

#### Summary:

The California Safe Drinking Water Act requires the state board, before ordering consolidation or extension of service, to, among other things, obtain written consent from any domestic well owner for consolidation or extension of service. The act makes any domestic well owner within the consolidation or extended service area that does not provide written consent ineligible, until consent is provided, for water-related grant funding, as specified. The act also requires the state board, before ordering consolidation or extension of service, to 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 substantially 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 and requires the SWRCB to develop policies for this process by July 1, 2020. The bill 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.

#### (Chu D) Local government: organization: disadvantaged unincorporated communities. <u>AB 600</u>

Current Text: Chaptered: 10/8/2019 html pdf

# **Introduced:** 2/14/2019

**Last Amended:** 9/4/2019

Status: 10/8/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 612, Statutes of 2019.

	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1		1st H	ouse			2nd F	louse		Conc.	Enroned	veloeu	chaptered

### Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Existing law prohibits a local agency formation commission from approving an annexation to a city of any territory greater than 10 acres, or as determined by commission policy, where there exists a disadvantaged unincorporated community that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community into the subject city has been filed. This bill would clarify that the prohibition on approving an annexation involving a disadvantaged unincorporated community, as described above, applies to the annexation of territory greater than 10 acres, or smaller as determined by commission policy. The bill would also provide that the existing approval prohibition and the exemptions to the application requirement apply to the annexation of two or more contiguous areas that take place within 5 years of each other and that are individually less than 10 acres but cumulatively more than 10 acres.

### Attachments:

LAFCo Removal of opposition with concerns template 09 19 CALAFCO Removal of opposition but concerns 09 19 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:** Watch With Concerns

Subject: Disadvantaged Communities, Water

CALAFCO Comments: UPDATE: As amended September 4, 2019, the bill removes all of CALAFCO's direct policy concerns. The bill now provides clean up and clarification to 8(B) and 8(B)(i) by adding "disadvantaged" to unincorporated community; and prohibits the approval of an annexation of two or more contiguous areas that take place within 5 years of each other and are individually less than 10 acres but cumulatively greater than 10 acres. As a result of the changes in this version of the bill, CALAFCO has removed our opposition. We do, however, remain concerned over the lack of a holistic approach by the Legislature to address service delivery issues to DUCs and the definition of a DUC.

### 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)

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#### 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 CALAFCO Support letter Feb 2016

#### 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 indepth 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, Wieckowksi, 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 int he 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 2year 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.

### <u>AB 1389</u> (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)

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#### 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: Chaptered: 9/27/2019 html pdf Introduced: 2/22/2019 Last Amended: 8/26/2019

**Status:** 9/27/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 360, Statutes of 2019.

1	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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### Summary:

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, among other things, coordinate its efforts and share information regarding environmental justice programs with various federal agencies. Existing law defines "environmental justice" for these purposes to mean the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies. This bill would revise the definition of "environmental justice" to also include the meaningful involvement of people of all races, cultures, incomes, and national origins with respect to those same actions, and would provide that "environmental justice" includes, among other things, the availability of a healthy environment for all people.

### Position: Watch

### Subject: Environmental Justice

**CALAFCO Comments:** Amended on August 26 to reflect work between CALAFCO, the author and sponsors of the bill, the definition change in section 56668 now contains a definition specific to the context of the section rather than the same definition contained in 30107.3 of the Public Resources Code (which has been amended via this bill). It expands the scope of the definition of environmental justice (as one of the factors to be considered in the review of a proposal) to include national origins and a reference to the effects of pollution not being disproportionately borne by any particular population or community.

### <u>AB 1751</u> (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:** 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/12/2019)(May be acted upon Jan 2020)

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#### 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 would authorize a water or sewer system corporation to file an application and obtain approval from the PUC 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. The bill would require the commission to approve or deny the app. Unless the commission designates a different procedure because it determines a consolidation warrants a more comprehensive review, the bill would authorize a water or sewer system corporation to instead file an advice letter and obtain approval from the commission through a resolution 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.

### <u>AB 1822</u> (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.

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### Summary:

Currrent 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.

### **<u>SB 272</u>** (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 5 Eiscal Floor 1 Desk 2 Policy 5 Eiscal 5 Floor 1 Conf

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#### 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.

### **<u>SB 414</u>** (<u>Caballero</u> 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:** 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/21/2019)(May be acted upon Jan 2020)

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#### 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.

### **<u>SB 646</u>** (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.

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#### 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.

2

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:** 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/19/2019)(May be acted upon Jan 2020)

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### 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.

### <u>AB 818</u> (<u>Cooley</u> 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)

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### 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 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.

### <u>AB 1304</u> (<u>Waldron</u> 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)

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#### 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.

### **<u>SB 379</u>** (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.	Enrolled	Vetoed	Chantered
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#### 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.

**<u>SB 380</u>** (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.

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#### 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.

### **<u>SB 381</u>** (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.

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### 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)

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#### 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 (Aguiar-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.

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#### 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: Chaptered: 9/27/2019 html pdf

- Introduced: 2/20/2019
- Last Amended: 8/12/2019

**Status:** 9/27/2019-Approved by the Governor. Chaptered by Secretary of State - Chapter 356, Statutes of 2019.

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#### Summary:

Current law creates the Santa Clara Valley Open-Space Authority, and prescribes the jurisdiction and functions and duties of the authority. Current law authorizes the authority, among other things, to acquire, hold, and dispose of real and personal property, within the authority's jurisdiction, necessary to the full exercise of its powers. This bill would authorize the 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)

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#### 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)

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### 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.

#### **<u>SB 654</u>** (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.

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1st House	2nd House	Conc.	Veloeu	Chaptered

#### 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.

#### **<u>SB 780</u>** (Committee on Governance and Finance) Local Government Omnibus Act of 2019.

Current Text: Chaptered: 9/20/2019 html pdf

#### Introduced: 2/28/2019

Last Amended: 8/12/2019

**Status:** 9/20/2019-Approved by the Governor. Chaptered by Secretary of State. Chapter 329, Statutes of 2019.

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

#### 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 and 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

11/5/2019 11:02:59 AM



#### MEMBERS

Igor Skaredoff

Special District Member

Log Ann Texeira Executive Officer

**Candace Andersen** County Member Donald A. Blubaugh Public Member

Tom Butt

City Member

**Federal Glover** County Member Michael R. McGill Special District Member Rob Schroder

City Member

ALTERNATE MEMBERS

**Diane Burgis** County Member Stanley Caldwell Special District Member

Charles R. Lewis, IV Public Member Sean Wright City Member

Attachment 2

September 11, 2019

The Honorable Kansen Chu California State Assembly State Capital Room 3126 Sacramento, CA 95814

#### Subject: *Removal of Opposition - AB 600* (as amended September 4, 2019)

Dear Assembly Member Chu:

The Contra Costa Local Agency Formation Commission (LAFCo) has been following your bill, Assembly Bill 600. As a result of the amendments in the September 4, 2019 version of the bill, we are removing our opposition.

While we are removing our opposition, we still have concerns related to disadvantaged unincorporated communities (DUCs).

LAFCos are aware of and concerned about the disparity of local public services, especially for residents and properties located within these communities. All Californians deserve adequate and safe drinking water and wastewater facilities. We encourage the Legislature to look at service delivery issues and annexation of these communities with a more holistic approach rather than the piece-meal one bill at a time approach.

Allowing residents to say they want services extended does not ensure the service provider will extend the services. Further, extending services without annexation disenfranchises an already disenfranchised community by creating a taxation without representation situation for them. Without annexation the residents have no say in who represents them on the Board of the service provider (via election), nor does it allow them to have a voice should rate issues appear on the ballot. It creates a situation in which they cannot be a full participant in the governance of their own community.

Additionally, one of the primary statutory purposes of LAFCo is to ensure orderly growth. Extending services on an individual basis or by service category without annexation only serves to undermine the very purpose of jurisdictional boundaries and sphere of influence plans.

We strongly believe that local control is best and that decisions should take local circumstances and conditions into account. This means that there is no "one-size fits all" solution.

We also believe a collective stakeholder dialogue with reasonable and systemic solutions to the problem coupled with adequate funding for infrastructure and maintenance are required to solve this complicated statewide issue of addressing the needs of these communities. We suggest the definition of a DUC be re-examined and updated to reflect the true nature and scope of a disadvantaged community.

Please contact me with any questions you have about the removal of our opposition to AB 600 or our ongoing concerns.

Sincerely,

Tom Butt, Chair

Contra Costa LAFCo

c: Jimmy MacDonald, Consultant, Assembly Local Government Committee William Weber, Consultant, Assembly Republican Caucus Anton Favorini-Csorba, Consultant, Senate Governance & Finance Committee Ryan Eisberg, Consultant, Senate Republican Caucus Pamela Miller, Executive Director, CALAFCO



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION 40 Muir Road, 1st Floor • Martinez, CA 94553 e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 313-7133

#### MEMBERS

Candace Andersen County Member

Donald A. Blubaugh

Public Member

Tom Butt

City Member

n

Federal Glover County Member Michael R. McGill

Special District Member

Rob Schroder

City Member

#### ALTERNATE MEMBERS

Diane Burgis County Member Stanley Caldwell Special District Member

Charles R. Lewis, IV Public Member

> Sean Wright City Member

**Igor Skaredoff** Special District Member

November 13, 2019

Contra Costa Local Agency Formation Commission 40 Muir Road, 1<sup>st</sup> Floor Martinez, CA 94553

#### First Quarter Budget Report - Fiscal Year 2019-20

Dear Members of the Commission:

This is the first quarter budget report for FY 2019-20, which compares adopted and actual expenses and revenues for the period July 1, 2019 through September 30, 2019.

The LAFCO operating budget includes several components: salaries/benefits, services/supplies, a contingency/reserve fund, Other Post-Employment Benefits (OPEB) Trust and retirement prefunding account. The budget is based on the "bottom line," which allows for variation within line item accounts if the overall balance remains positive. Funds may not be drawn from the contingency/reserve without Commission approval.

The LAFCO budget is funded primarily by the County, cities and independent special districts, with each group paying one-third of the LAFCO expenses. The County pays one-third and the city and district shares are prorated based on general revenues reported to the State Controller's Office. LAFCO also receives revenue through application fees and interest earnings.

#### DISCUSSION

On June 12, 2019, LAFCO adopted its final FY 2019-20 budget with total appropriations of \$1,080,493, which includes an \$80,000 contingency/reserve fund, a contribution of \$40,000 to fund the OPEB liability, and a contribution of \$30,000 to pre-fund LAFCO's retirement account with the Contra Costa County Employees' Retirement Association (CCCERA).

With 25% of the fiscal year elapsed, the Commission's first quarter expenditures are \$200,502 or 18.6% of total appropriations. The Commission budgeted \$530,435 in *salaries/benefits* for FY 2019-20; at the end of the first quarter, actual expenses total \$148,195 or 28% of the budgeted amount. This amount includes the \$30,000 CCCERA liability payment. The Commission budgeted

Lou Ann Texeira Executive Officer

> November 13, 2019 Agenda Item 9

\$380,058 in *services/supplies*; and at the end of the first quarter, actual expenses total \$52,307 or 14%.

The primary sources of revenues are local agency contributions, application fees, and available fund balance. Total revenues received during the first quarter are \$1,063,313 (including fund balance) or approximately 98% of projected revenues. We are pleased to report that all cities, independent special districts and the County have remitted their annual contributions to LAFCO; and there are no outstanding payments.

As for application fees, first quarter FY 2019-20 application activity is comparable to FY 2018-19 activity. During the first quarter of FY 2019-20, LAFCO received two new applications, and during the first quarter of FY 2018-19 LAFCO also received two new applications.

Other revenues include investment earnings through the OPEB trust account, which remains in that account, and fund balance. We budget fund balance to offset agency contributions. The FY 2019-20 budget includes \$170,000 in budgeted fund balance.

Account	FY 2019-20	First Quarter	
	<b>Final Budget</b>	Actuals	
Salaries & Benefits	\$ 530,435	\$ 118,195	
Services & Supplies	380,058	52,307	
Contingency/Reserve	80,000	0	
OPEB Trust	40,000	0	
CCCERA Pre-Fund	30,000	30,000	
Total Appropriations	\$1,080,493	\$ 200,502	
Agency Contributions	\$ 885,493	\$ 885,493	
Application/Other Revenue	25,000	9,532	
Interest Earnings	-	-	
Fund Balance	170,000	170,000	
Total Revenues	\$1,080,493	\$1,065,025	

See table below for a summary of first quarter expenditures and revenues.

No budget adjustments are recommended at this time. LAFCO staff will continue to closely monitor the budget, and keep the Commission apprised.

#### **RECOMMENDATION**

It is recommended that the Commission receive the FY 2019-20 first quarter budget report.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553 e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 313-7133

**ALTERNATE MEMBERS** 

**Diane Burgis** 

County Member

Stanley Caldwell

Special District Member

Charles R. Lewis, IV

Public Member

Sean Wright

City Member

November 13, 2019

Agenda Item 10

#### **MEMBERS**

**Federal Glover** County Member Michael R. McGill Special District Member

Public Member Tom Butt

Rob Schroder

City Member

**Candace Andersen** 

County Member

Donald A. Blubaugh

City Member

Igor Skaredoff Special District Member

November 13, 2019 (Agenda)

Contra Costa Local Agency Formation Commission 40 Muir Road, 1<sup>st</sup> Floor Martinez, CA 94553

#### **Commissioner Terms - 2020**

Dear Members of the Commission:

This is an update regarding Commissioner terms and the process for filling vacancies.

The authority and procedures for appointing Commissioners are set forth in the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH). All terms of office on LAFCO are four years, expiring on the first Monday in May, unless otherwise specified.

In May 2020, the terms of five Commissioners will expire: County Member Diane Burgis (Alternate), City Member Tom Butt (Member), Special District Member Mike McGill (Member), and Public Members Don Blubaugh (Member) and Chuck Lewis (Alternate). The selection process per the CKH and Commission policies for the County, Special District and Public members is summarized below:

County Members – appointed by the Board of Supervisors. LAFCO staff will coordinate with County staff regarding the upcoming vacancy, and report back to the Commission following the appointments. The Board of Supervisors typically makes its appointments in January each year.

City Members - selected by the Contra Costa City Selection Committee. LAFCO staff will coordinate with the Executive Director of the Contra Costa Mayors Conference and City Selection Committee, and report back to the Commission following the appointment in April 2020.

Special District Members - selected by the Independent Special District Selection Committee through the local chapter of the Special Districts Association. LAFCO staff will conduct the election in conjunction with the Contra Costa Special Districts Association, and report back to the Commission in April 2020.

Public Members - appointed by the other members of the commission subject to the affirmative vote of at least one City member, one County member and one Special District member as required by statute. The Commission's policies provide for a public member recruitment process as well as an alternate selection process are summarized below:

The method for selecting public members is determined by the City, County and Special District members. At least four affirmative votes are required to appoint the public members, and there must be at least one vote from each of the other member categories: City, County and Special District.

Lou Ann Texeira Executive Officer Unless the Commission gives alternative direction, the following procedure is used to recruit and select public members of Contra Costa LAFCO.

- *Public announcement of the vacancy.*
- Committee appointed by the Chair, consisting of a City member, County member and Special District member, screens applications and letters of interest.
- A committee composed of part or all of the Commission conducts interviews of selected applicants.
- The committee makes recommendations to the Commission.
- The Commission may conduct subsequent interviews and make a selection.

The use of any alternative selection process requires at least four affirmative votes, and there must be at least one vote from each of the other member categories: City, County and Special District.

A public member who is appointed following the Public Member Recruitment Process may be re-appointed under an alternative selection procedure once. Any subsequent reappointments require use of the Public Member Recruitment Process.

Following a public recruitment process in 2018, Commissioner Lewis was appointed to an unexpired two-year term filling a vacancy created by the departure of Sharon Burke. Commissioner Lewis indicates that he would like to continue to serve as the Public Member (Alternate).

Following a public recruitment process in 2012, Commissioner Blubaugh was first appointed to Contra Costa LAFCO. After serving a 4-year term, he was re-appointed by the Commission in 2016 using the alternative selection process. Pursuant to the LAFCO policies, a *public member who is appointed following the Public Member Recruitment Process may be re-appointed under an alternative selection procedure once. Any subsequent reappointments require use of the Public Member Recruitment Process.* Commissioner Blubaugh indicates that he would like to continue to serve as the Public Member.

Should the Commission decide to move forward with a recruitment for the Public Member seat(s), the recommended timeline for completing the recruitment and appointing the public member(s) is as follows:

- January 6, 2020 Announcement is distributed to the LAFCO distribution list, is posted on the Contra Costa LAFCO website, and is published in local newspapers
- ✤ February 14, 2020 Recruitment closes
- February 28, 2020 Screening committee completes review of applications and determines which applicants to interview
- ✤ March 2020 Screening committee conducts interviews and prepares a recommendation
- April 8, 2020 Commission considers applicants, screening committee's recommendation, and makes the appointment(s)

#### **RECOMMENDATIONS**

- 1. Provide direction regarding the appointment and/or recruitment of the Public Member seats; and
- 2. If the Commission proceeds with a recruitment for the Public Member seat(s), the LAFCO Chair should appoint a screening committee comprised of one City, one County and one Special District member; and
- 3. Provide other direction as desired.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER



**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION** 40 Muir Road, 1st Floor • Martinez, CA 94553 e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 313-7133

#### **MEMBERS**

**Candace Andersen** County Member

Donald A. Blubaugh

**Federal Glover** County Member Michael R. McGill

#### ALTERNATE MEMBERS

**Diane Burgis** County Member **Stanley Caldwell** Special District Member

Charles R. Lewis, IV Public Member

> Sean Wright City Member

November 13, 2019 Agenda Item 11

Lou Ann Texeira Executive Officer

Public Member **Tom Butt** 

Special District Member **Rob Schroder** City Member

City Member

Igor Skaredoff Special District Member

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

Richard N Knowles

BOARD MEETING

#### **Regular Board Meeting**

November 13, 2019 Agenda Item 12

SEPTEMBER 25, 2019 - 9:00AM

<u>Agenda</u> <u>Packet</u>

# The Retirement Board May Discuss And Take Action On The Following:

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.

#### **CLOSED SESSION**

3. The Board will go into closed session pursuant to Govt. Code Section 54957 to evaluate the performance of the following public employee:

Title: Chief Executive Officer

#### **OPEN SESSION**

- 4. Review of report on Growth Sub-portfolio, including managers.
- 5. Presentation of the Contra Costa County Employees' Retirement Association employer audit report.
- 6. Consider authorizing the attendance of Board:
  - a. Siris Capital 2019 Annual LP Conference, November 14-15, 2019, New York, NY.
  - b. 2020 Aether Annual Meeting, Aether Investment Partners, LLC, January 22-23, 2020, Denver, CO. (Note: Potential conflict with meeting)
- 7. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

BOARD MEETING

#### **Regular Board Meeting**

OCTOBER 9, 2019 - 9:00AM

<u>Agenda</u> <u>Packet</u>

## The Retirement Board May Discuss And Take Action On The Following:

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.
- 3. Approve minutes from the August 28 and September 11, 2019 meetings.
- 4. Routine items for October 9, 2019.
  - a. Approve certifications of membership.
  - b. Approve service and disability allowances.
  - c. Accept disability applications and authorize subpoenas as required.
  - d. Approve death benefits.
  - e. Accept Asset Allocation Report.
  - f. Accept Liquidity Report.

#### CLOSED SESSION

5. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

Member	Type Sought	Recommendation		
Randall Crane	Service Connected	Service Connected		
Theresa	Non-Service Connected	Non-Service Connected		
Draper	Non-Service Connected			

#### **OPEN SESSION**

- 6. Consider and take possible action to accept the GASB 68 Report from Segal Consulting.
- 7. Presentation from Segal Consulting regarding the December 31,

#### 2018 Valuation Report.

8. Presentation on mental health conditions.

- 9. Consider authorizing the attendance of Board:
  - a. Trustees' Roundtable, CALAPRS, October 25, 2019, Oakland, CA.
- 10. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

#### BOARD MEETING

#### Regular Board Meeting

OCTOBER 23, 2019 - 9:00AM

<u>Agenda</u> <u>Packet</u>

# The Retirement Board May Discuss And Take Action On The Following:

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.
- 3. Approve minutes from the September 25, 2019 meeting.
- 4. Consider and take possible action to adopt the December 31, 2018 Valuation Report and contribution rates for the period July 1, 2020—June 30, 2021.
- 5. Consider and take possible action to amend the Retirement Board's Regulations.
- 6. Consider and take possible action to authorize the CEO to execute a contract with LRWL Inc. for pension administration system consulting services.
- 7. Review of risk diversifying sub-portfolio.
  - a. Report from staff
  - b. Presentation from AFL-CIO Housing Investment Trust
- 8. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

#### **BOARD MEETING**

#### **Special Board Meeting**

NOVEMBER 6, 2019 - 9:00AM

Agenda Packet

# The Retirement Board May Discuss And Take Action On The Following:

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.
- 3. Approve minutes from the October 9, 2019 meeting.
- 4. Routine items for November 6, 2019.
  - a. Approve certifications of membership.
  - b. Approve service and disability allowances.
  - c. Accept disability applications and authorize subpoenas as required.
  - d. Approve death benefits.
  - e. Accept travel report.
  - f. Accept asset allocation report.
  - g. Accept liquidity report.

#### CLOSED SESSION

 The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

Member	Type Sought	Recommendation	
Neal Bassett	Service Connected	Non-Service Connected	
Tracy Kenney	Service Connected	Service Connected	
Alex Ray	Service Connected	Service Connected	

- The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:
  - a. CCCERA v. Salgado, Contra Costa County Superior Court, Case No. MSC19-00580

#### **OPEN SESSION**

7. Presentation of the Actuarial Audit Report by Cheiron.

- 8. Consider and take possible action concerning the SACRS legislative proposals to be voted on at the November 2019 SACRS Conference.
- 9. Consider authorizing the attendance of Board:
  - a. General Assembly, CALAPRS, March 7-10, 2020, Rancho Mirage, CA.
  - b. Advanced Principles of Pension Management for Trustees, CALAPRS, March 30-April 1, 2020, Los Angeles, CA.
- 10. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments



September 20, 2019

1112 I Street, Suite 300 Sacramento, California 95814-2865 T 916.231.4141 or 800.537.7790 \* F 916.231.4111

Maximizing Protection. Minimizing Risk. \* www.sdrma.org

November 13, 2019 Agenda Item 13

Mr. Tom Butt Chair Contra Costa Local Agency Formation Commission 40 Muir Road 1st Floor Martinez, California 94553

#### Re: President's Special Acknowledgement Award – Property/Liability Program

Dear Mr. Butt:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Contra Costa Local Agency Formation Commission's Governing Body, management, and staff towards proactive risk management and loss prevention training for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Property/Liability Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. Your agency's efforts have resulted in no "paid" property/liability claims for the prior five consecutive program years including 2018-19. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as Contra Costa Local Agency Formation Commission that SDRMA has been able to continue providing affordable property/liability coverage to over 500 public agencies throughout California. While 424 members, or 84%, in the property/liability program had no "paid" claims in program year 2018-19, 270 members, or 53%, had no paid claims for the prior five consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2018-19 earned two credit incentive points (CIPs) reducing their annual contribution amount, and members with no "paid" claims for the prior 5 consecutive program years earned three additional bonus CIPs.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate your Governing Body, management, and staff for your commitment to proactive risk management and loss prevention training.

Sincerely, Special District Risk Management Authority

Mike Scheafer, President Board of Directors

A proud California Special Districts Alliance partner. California Special Districts Association 1112 I Street, Suite 200 Sacramento, California 95814-2865 T 877.924.CSDA (2732) \* F 916.442.7889 CSDA Finance Corporation 1112 I Street, Suite 200 Sacramento, California 95814-2865 T 877.924.CSDA (2732) \* F 916.442.7889

SDRMA

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

oknowledgemeni resident's Obeciai

The President of the Special District Risk Management Authority

Hereby gives special recognition to

# **Contra Costa Local Agency Formation Commission**

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Property/Liability Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period and excludes property claims. Congratulations on your excellent claims record!

4

Mike Scheafer, SDRMA Board President

September 20, 2019 Date



1112 I Street, Suite 300 Sacramento, California 95814-2865 T 916.231.4141 or 800.537.7790 \* F 916.231.4111

Maximizing Protection. Minimizing Risk. \* www.sdrma.org

September 20, 2019

Mr. Tom Butt Chair Contra Costa Local Agency Formation Commission 40 Muir Road 1st Floor Martinez, California 94553

#### Re: President's Special Acknowledgement Award - Workers' Compensation Program

Dear Mr. Butt:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Contra Costa Local Agency Formation Commission's Governing Body, management, and staff towards proactive loss prevention and workplace safety for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Workers' Compensation Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. Your agency's efforts have resulted in no "paid" workers' compensation claims for the prior five consecutive program years, including 2018-19. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as Contra Costa Local Agency Formation Commission that SDRMA has been able to continue providing affordable workers' compensation coverage to over 440 public agencies throughout California. While 280 members, or 64%, in the workers' compensation program had no "paid" claims in program year 2018-19, 127 members, or 28%, had no paid claims for the prior five consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2018-19 earned two credit incentive points (CIPs) reducing their annual contribution amount, and members with no "paid" claims for the prior five consecutive program years earned three additional bonus CIPs. Also, members without claims receive a lower "experience modification factor" (EMOD), which also reduces their annual contribution amount.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate your Governing Body, management, and staff for your commitment to proactive loss prevention and safety in the workplace.

Sincerely, Special District Risk Management Authority

Mike Scheafer, President Board of Directors

A proud California Special Districts Alliance partner.

California Special Districts Association 1112 I Street, Suite 200 Sacramento, California 95814-2865 T 877.924.CSDA (2732) \* F 916.442.7889 CSDA Finance Corporation 1112 I Street, Suite 200 Sacramento, California 95814-2865 T 877.924.CSDA (2732) \* F 916.442.7889

SDRMA

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

emen President's Specia

The President of the Special District Risk Management Authority

Hereby gives special recognition to

# **Contra Costa Local Agency Formation Commission**

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Workers' Compensation Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period. Congratulations on your excellent claims record!

Mike Scheafer, SDRMA Board President

September 20, 2019 Date

#### MEMORANDUM

#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION 40 Muir Rd, First Floor + Martinez CA 94553 + (925) 313-7133 +

November 13, 2019

November 13, 2019 Agenda Item 15a

**TO**: Each Member of the Commission

**FROM**: LAFCO Executive Officer

SUBJECT: Highlights of 2019 Annual CALAFCO Conference

Commissioners, guests and LAFCO staff attended the 2019 Annual CALAFCO Conference in Sacramento (October 30-November 1). The conference was well attended with approximately 280 attendees, guests and speakers representing 48 of the 58 LAFCos.

The conference theme was *Connecting California* and provided timely sessions. General sessions included "Stress-testing LAFCos and Local Agencies in Changing Times, It Takes a Village: State, County and LAFCo Collaboration to Solve a Local Problem, Leading Your LAFCo Into the Next Decade With Courage and Independence and LAFCO Legislative Update: 2019 Legislative Impacts on LAFCo.

Breakout sessions included Water, Water Everywhere But Not a Drop to Drink, The Legislative Menu: Plan it Rather Than be Served On It, Innovations in Service Delivery: Doing Government Differently, MSRs: You Get Out What You Put In, Housing is a Municipal Service: Opportunities and Challenges for LAFCos in Addressing the Housing Call, and What's Your Story? Crafting and Communicating a Compelling LAFCo Narrative.

The conference drew expert speakers including representatives from the Governor's Office of Planning & Research, Public Policy Institute of California Water Policy Center, State Water Resources Control Board, State Assembly Member Mike Gipson, Curt Pringle - Former Speaker and Member of the California State Assembly, business professionals from BioFiltro and ESRI, Mark Arax – Award Winning Journalist and Best-Selling Author, and LAFCo Commissioners, staff and local government officials from around the State.

The conference included a mobile workshop to the Port of West Sacramento and the Farmers Rice Cooperative, which included visits to the newly redeveloped Bridge District and to the West Sacramento Community Center (a LEED certified facility). The conference also included a LAFCO 101 session, regional caucus meetings and elections, the annual CALAFCO business meeting, the annual awards ceremony, CALAFCO Board of Directors meeting, and a CALAFCO legislative update.

I am pleased to announce that Contra Costa LAFCo Commissioners were named "*Most Effective Commission*" at the annual CALAFCO conference. Also, Commissioner McGill was appointed as Chair of the CALAFCO Board of Directors.

All conference material is available on the CALAFCO website at <u>www.calafco.org</u>.

The 2020 CALAFCO Conference will be held in Monterey (October 21 - 23).

#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION PENDING PROPOSALS – November 13, 2019

LAFCO APPLICATION	RECEIVED	STATUS
LAFCO No. 10-09 - Town of Discovery Bay Community Services District (DBCSD) sphere of influence (SOI) Amendment (Newport Pointe): proposed SOI expansion of 20 <u>+</u> 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 <u>+</u> 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 <u>+</u> 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 <u>+</u> 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 <u>+</u> 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 <u>+</u> acres located east of the City of San Ramon and the Town of Danville	May 2016	Currently incomplete
LAFCO No. 19-06 – City of Martinez Out of Agency Service (Carquinez Scenic Drive)	Oct 2019	On Nov 2019 agenda
LAFCO No. 19-07 – City of Martinez Out of Agency Service (Birch Street)	Oct 2019	Under review
LAFCO No. 19-08 - West County Wastewater District (WCWD) Urban Title Annexation (323 Brookside Drive) – proposed annexation of 3.1 <u>+</u> acres (APN 408-201-017)	Oct 2019	Under review

# Bay Area Streets and Roads Deliver Smoother Ride As Cities, Counties Put Gas Tax Dollars to Work



Monday, November 4, 2019 Contact: John Goodwin, MTC (415) 778-5262 Randy Rentschler, MTC (415) 778-6780

Bay Area cities and counties largely improved the quality of the pavement on their local street and road networks in 2018. Data released today by the Metropolitan Transportation Commission (MTC) show the region's nearly 43,500 lane-miles of local streets and roads registered an average pavement condition index (PCI) score of 67 out of a maximum possible 100 points last year, as calculated on a three-year moving average basis. This marks the third year in a row that the regional average has reached 67 points. With more state dollars flowing to cities' and counties' pavement programs after the November 2017 start of the Senate Bill 1 fuel tax increases, the Bay Area's one-year average PCI score for 2018 ticked up one point to 68.

"MTC's goal is to bring all the Bay Area's transportation assets into a state of good repair," explained MTC Chair and Alameda County Supervisor Scott Haggerty. "For local streets and roads, that would mean boosting the regional average PCI score to about 85 points. So there's a lot of work ahead for cities and counties all around the Bay Area. But after just one full year of SB 1 funding, the numbers are already moving in the right direction and we expect to see faster improvement over the next few years."

PCI scores of 90 or higher are considered "excellent." These are newly built or resurfaced streets that show little or no distress. Pavement with a PCI score in the 80 to 89 range is considered "very good," and shows only slight or moderate distress, requiring primarily preventive maintenance. The "good" category ranges from 70 to 79, while streets with PCI scores in the "fair" (60-69) range are becoming worn to the point where rehabilitation may be needed to prevent rapid deterioration. Because major repairs cost five to 10 times more than routine maintenance, these streets are at an especially critical stage. Roadways with PCI scores of 50 to 59 are deemed "at-risk," while those with PCI scores of 25 to 49 are considered "poor." These roads require major rehabilitation or reconstruction. Pavement with a PCI score below 25 is considered "failed." Among the region's three largest cities, San Francisco last year climbed higher into the "good" category by raising its three-year moving average score from 70 to 72, while San Jose (65) and Oakland (54) remained in the "fair" and "at-risk" classifications, respectively.

Dublin once again topped the list of Bay Area pavement rankings for the 2016-18 period, reporting an average PCI score of 86. Other cities with three-year PCI scores in the "very good" range include Clayton and Palo Alto (84); Daly City and El Cerrito (83); Brentwood (82); Cupertino, Foster City and unincorporated Solano County (81); and Colma, San Ramon and Union City (80).

The lowest-ranked pavement in the Bay Area was found in Petaluma, which recorded a PCI score of 45 for 2016-18. The only other jurisdiction with a three-year average PCI score in the "poor" range is Larkspur (46). But the Marin County city's one-year PCI score for 2018 climbed eight points to 54, ranking among the biggest year-over-year increases of any Bay Area city. Larkspur's city government has made pavement maintenance a top priority, and voters in recent years have twice approved local sales tax measures dedicated to rehabilitating the city's 65 lane-miles of local streets.

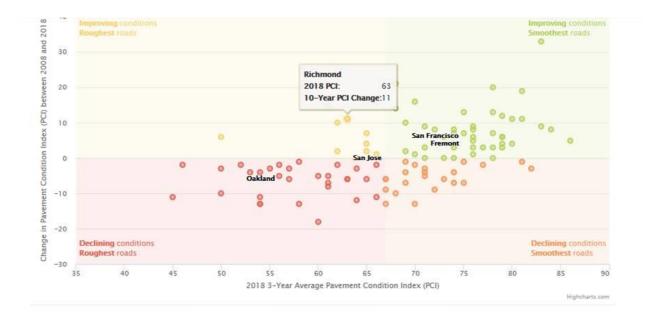
"The first was a half-cent for five years, passed in 2013," explained Larkspur public works director Julian Skinner. "We developed a five-year investment plan and showed that our needs were much greater than could be addressed with the five-year tax. But we also showed it would help us from falling farther behind the curve. Once we had a three-year record of doing the paving projects we had promised, voters in 2017 approved an open-ended renewal of the tax at three-quarters of a cent. We're now in year one of a new five-year plan, by the end of which every street in Larkspur will have been paved, and our annual pavement maintenance needs will be reduced to a level that can be sustained with local funding."

MTC's Local Streets and Roads Committee later this year will recognize the Contra Costa County city of Clayton for having the best overall pavement management program of any Bay Area jurisdiction; the cities of Cupertino, Dublin and Palo Alto for their high PCI scores year after year; and the Marin County city of Mill Valley for the biggest one-year PCI increase in the region. Mill Valley last year raised its one-year score by 13 points to 73 from 60 in 2017.

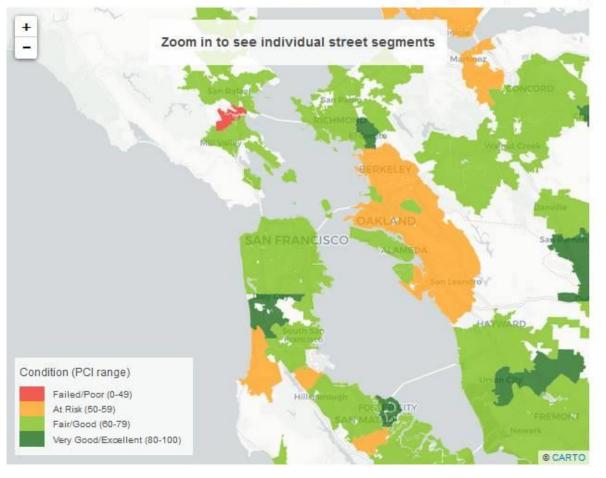
The complete 2018 Pavement Conditions Summary — including percentages of local roadways in various conditions, and a listing of average PCI scores for the arterials, collector roadways and residential streets for all Bay Area counties and cities — may be accessed <u>here</u>.

MTC's Vital Signs website <u>www.vitalsigns.mtc.ca.gov/street-pavement-condition</u> provides even more detailed information on pavement conditions in each of the Bay Area's nine counties and 101 cities, including both block-by-block analyses and a record of every municipality's average PCI score for each year from 2003 through 2018.

MTC is the transportation planning, financing and coordinating agency for the nine-county San Francisco Bay Area.



#### 2018 Street Pavement Condition by City and by Street Segment



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# Council unanimously agrees to move forward with annexation exploration

Dana Guzzetti | October 30, 2019 | 0 Comments



#### Tweet Tweet

MARTINEZ, Calif. – At the end of a well-attended, Oct. 23 public study session, the City council directed staff to investigate the feasibility of annexing four areas contagious to city boundaries. Those areas are Mountain View, Vine Hill, North Pacheco, and a portion of Alhambra Valley.

Reportedly a previous effort to annex North Pacheco failed. There were 70 votes in that election the votes in favor of annexation failed to meet the 50 percent plus one minimum. Some claimed that tenants voted in an election that is only for property owners. During public comment, several people complained that the city had not informed them of meetings and failed to communicate well enough on annexation plans.

Councilman Mark Ross reminded the audience that the study session was just that. He saw it as a chance for the council to stay within the requirement of the Brown Act, discuss the pros and cons of annexation, and give orders to staff to collect the kinds of information needed to decide whether to try to annex any, some, or all of the areas mentioned.

Councilwoman Lara DeLaney said as long as the feasibility study that was done for the failed North Pacheco effort can be updated, the City might find efficiency and cost savings by doing a study on all of the areas at once. If they find feasibility doubtful in any area, they could drop that effort and concentrate on feasible areas.

DeLaney agreed with Councilmembers Noralea Gipner and Debbie McKillop that the city should make a more robust effort to keep the public informed this time, and perhaps take an online survey early in the process. All of the council members said they want to give the public objective, accurate information about the costs and benefits of annexation.

"We should be as bold as possible. This is the greatest opportunity for growth, and there could be some cost savings," DeLaney said. "Pacheco Blvd. is the entryway to the city. It needs improvement."

#### Community Calendar



The Martinez News-Gazette Community Calendar for local events.

#### martinezgazette.com

On January 17, 2018 the Gazette website database was lost. The back-up file was corrupted. After several weeks of attempts our website host was unable to recover our lost files.

We now have to rebuild our site from scratch. The stories and photos have to be re-uploaded on to martinezgazette.com.

We apologize for this inconvenience and we appreciate your patience as we rebuild the site.

#### About Us

The Martinez News-Gazette, established in 1858, is one of the oldest continuously operating newspapers in the United States, and one of the first newspapers in California. The bi-weekly serves the county seat of Contra Costa in the San Francisco Bay Area. You can reach us at (925) 228-

#### Council unanimously agrees to move forward with annexation exploration : Martinez News-Gazette

For example, Mayor Rob Schroder said there would be city taxes, such as Measure H (funds park improvements) but residents of the unincorporated areas that annex, would lose a county policing tax. He said the after-annex zoning is required to be exactly the same as the county zoning for at least two years.

There was a letter from the Alhambra Valley Improvement Association president, and a few public comments against annexation. That is where the annexation map showed the future city boundary going beyond the Urban Limit Line. The council unanimously agreed that they do not want to expand beyond the Urban Limit line.

Schroder has held a seat on the Local Agency Formation Commission (LAFCO), which has the authority to approve city boundary adjustments and annexations.

He said there are areas outside the city where the City of Martinez provides water services, and LAFCO frowns on that. The agency was formed to counter what occurred in the Los Angeles area when it grew at a rapid, uncontrolled rate that is described as urban sprawl, according to Schroder.

Christina Ratcliffe, Martinez community and economic director development subsequently said city planning policy is also opposed to providing services to an unincorporated area because it does lead to urban sprawl. Limiting urban sprawl is intended to preserve open space and prime agricultural lands, and provide government services efficiently, according to Ratcliffe.

After the meeting Ratcliffe, Martinez explained the city's position this way, "For many years, the City has processed applications for out of agency water service in these areas in anticipation of future annexation." It is a city goal to annex those areas by 2010, she said.

The city required the property owners to sign deferred annexation agreements, so those areas, so those water customers will automatically count in favor of annexation. The Mountain View neighborhood is the only exception since it preceded LAFCO.

A Pacheco Blvd. resident said he is satisfied with the Contra Costa County Sheriff's service in his neighborhood and he does not want to change it, but McKillop said sometimes there is confusion over who should answer a call in her neighborhood, which she said is near the city boundary.





#### **Recent Posts**

Firefighters quickly douse brush fire near Alhambra Creek

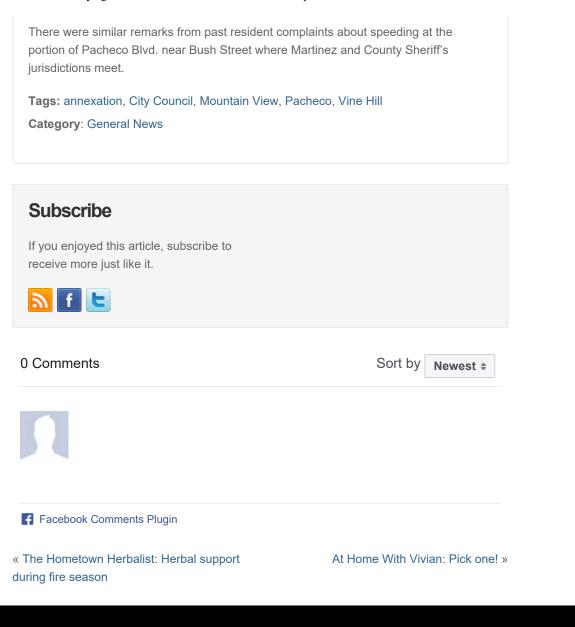
At Home With Vivian: Pick one!

Council unanimously agrees to move forward with annexation exploration

The Hometown Herbalist: Herbal support during fire season

Brush fire causes evacuations near Forest Way and Alhambra Ave.

#### Council unanimously agrees to move forward with annexation exploration : Martinez News-Gazette



#### **Martinez News-Gazette**

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#### Vox

# **3** key solutions to California's wildfire safety blackout mess

#### Grid hardening, land-use reform, and restructuring PG&E, oh my.

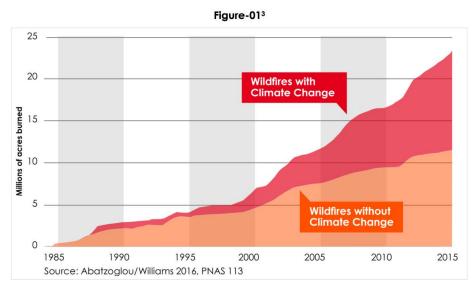
By David Roberts@drvoxdavid@vox.com Oct 22, 2019, 10:30am EDT

Seemingly overnight, California has been forced to confront a grim new reality: Hundreds of thousands of its residents are <u>regularly going to have their power cut off</u> for days at a time so that their electric utilities can avoid starting wildfires.

The problem — which I described in detail <u>last week</u> — is intrinsic to what the state is trying to do, namely deliver electricity to millions of residents in often mountainous, forested areas growing hotter and dryer every year. There is probably no way for utilities to do that without starting some fires and/or cutting off the power to avoid them. (Southern California Edison is <u>thinking of cutting off power this week</u>.)

But California is doing just about everything to make the problem worse and handle it poorly. Even as global warming extends its droughts, decades of poor forest and land management have made the state a tinderbox. More and more Californians are living in the most remote, fire-prone areas in the state, doing too little to make their houses and communities resilient in the face of fire. Meanwhile, the state's biggest utility, PG&E, is a debt-ridden, mismanaged omnishambles currently being chewed over by a bankruptcy court. Covering its enormous maintenance and fire-prevention backlog is going to cause rates to rise even as power becomes less reliable.

It is the proverbial perfect storm, a collision of nature's wrath and human myopia. There is much blame to spread and much suffering to come.



So what can California do about it? Must it accept having the nation's highest electricity rates and least reliable electric power? Is this, in fact, the "new normal"?

It's complicated.

On one hand, as long as the state gets hotter and dryer and people keep pushing the boundary of wilderness, there will be wildfire risk from electricity infrastructure. No amount of forecasting or tree-trimming can eliminate the possibility of high winds blowing electrical lines into dry vegetation and starting fires, not with hundreds of thousands of miles of overhead lines to contend with. The choice between the uncertain but terrible risk of a fire and the certain but manageable risks of a deliberate blackout will likely remain a recurrent feature of electricity management in California, in perpetuity. That much is the new normal.

But California can do better or worse in these conditions. It can grow more resilient and learn to better manage risks. The state's fate is still in its own hands.

Confronting its latest electricity crisis will require reform across a number of institutions, policies, and practices. The reforms fall into four broad categories: hardening the grid and improving the fire safety of grid infrastructure; changing housing and land-use policies that encourage people to move outward into fire-prone areas; reforming a dysfunctional and bankrupt PG&E; and making the electricity system more localized through solar panels, batteries, microgrids, and other forms of distributed energy.

That's a lot! In this post, we'll take a close look at the first three. The fourth, which I consider the only true long-term solution to California's mess, we'll save for a post of its own.

#### There are ways to make the grid less fire-prone, but they are expensive and slow

<u>California's SB 901</u>, passed late last year, requires all state utilities to submit <u>wildfire mitigation plans</u>. The overwhelming focus of those plans is on reducing wildfire risks around existing grid infrastructure.

One strategy is grid hardening: replacing old transmission towers and power poles with new, stronger, more fire-resistant ones; replacing worn-out parts; updating power lines with <u>synchrophasors</u> and other tech that can help grid operators detect and limit faults more quickly; insulating lines; and using remote and drone sensing to identify far-off problems quickly.

Grid hardening also involves the brute-force problem of inspecting and properly trimming around the state's 250,000 miles of overhead power lines. PG&E is responsible for 100,000 miles of those lines, and many of them go through the state's most remote regions. It could hire every qualified tree trimmer in the country, and it would still take years to get out from under its "vegetation management" backlog. (Utility line work is not easy; among other things, it is one of the <u>10 most dangerous jobs</u> in the US.)

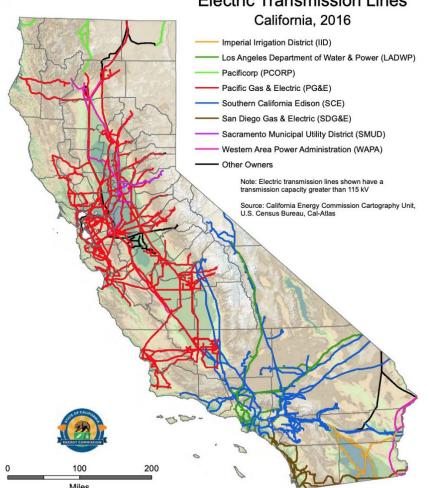
Grid hardening can also, in some cases, involve burying power lines. However, while underground lines are certainly safer when it comes to sparking wildfire, they are not entirely safe (earthquakes, animals, and weather can get to them) nor are they suitable in every area. They are also incredibly expensive: <u>According to PG&E</u>, the cost of converting an overhead distribution line to an underground line is about \$3 million a mile, more in dense urban areas. It's between \$1 and \$3 million a mile to build them new, depending on the circumstances.

If PG&E buried all its distribution lines, <u>it would have to recoup around \$15,000</u> from every one of its customers. And that's just distribution lines. Burying high-voltage transmission lines that travel hundreds of miles through forests and over mountains would be a financial (and environmental) nightmare.

Where undergrounding does happen, it is slow. PG&E says it will <u>take five years just to do it in Paradise</u>. Fewer than 100 miles a year are undergrounded; at that rate, it will take PG&E <u>1,000 years</u> to bury them all.

Undergrounding might play a limited role in select locations — probably urban locations, for safety and aesthetic reasons, and a few key high-risk long-distance lines — but it is far from a silver bullet. (People fascinated by this subject, as many seem to be, can check out <u>this 2012 report</u> from the Edison Electric Institute and <u>PG&E's factsheet</u> on it.)

Alongside grid hardening is fire safety. In 2007, San Diego Gas & Electric (SDG&E) was blamed for wildfires in San Diego County; investigators found it hadn't done proper vegetation management. It ultimately paid \$2.4 billion to settle lawsuits related to those fires. It wanted to pass on remaining costs. some \$379 million, to ratepayers in the form of higher rates, but the California Public Utility Commission (CPUC) wouldn't let it. The case was appealed all the way up to the California Supreme Court, which found against SDG&E. Earlier this month, the US Supreme Court announced that it would not take the case, leaving SDG&E to eat the costs. (This ruling is relevant to how PG&E's liability will ultimately be



# **Electric Transmission Lines**

Since 2007, the scare of those lawsuits has prompted SDG&E to spend \$1.5 billion upgrading its fire detection and response capabilities. And in its recently announced wildfire mitigation plan, it proposes spending \$3 million more on such measures as aggressive grid hardening and vegetation management, improved meteorology with more weather stations, more remote, high-definition cameras for fire-detection, a multi-level community outreach and education program, and a series of community resource centers where people can go when power is shut off to receive information and basic needs. (T&D World — yes, there is a T&D world — has a great piece on ways to reduce transmissionsystem wildfire risk. CPUC's Elizaveta Malashenko also has a good piece rounding up options.)

divided up.)

These are the same basic measures that all of California's utilities must ultimately take, but SDG&E already has a huge head start, which is one reason its plan has a lower price tag. PG&E says its wildfire mitigation plan will cost \$2.3 billion to implement, in part reflecting its much larger and more difficult territory and in part reflecting its decades of delayed upkeep. And even that plan is only a start. Speaking to the Press Democrat, Sonoma County Board of Supervisors Chairman David Rabbitt "questioned whether the new proposal went far enough, noting for example that PG&E plans to harden 150 miles of electrical wires, while Sonoma County alone has over 7,000 miles of PG&E wires."

It will take a decade for PG&E to implement its plan to catch up with SDG&E. Meanwhile, it is less than one-third finished with its 2019 tree trimming. For it and for all California utilities, investments in grid hardening and fire safety will be an ongoing affair, not something that is ever completed.

Ultimately, no amount of grid hardening or fire safety can compensate for the fact that California's forests are now tightly packed with dry dead trees, the result of decades of mismanagement. Cal Fire, the state agency charged with fire safety, is trying to catch up, but it has <u>a long way to go</u>.

### California's troubled forests

## \*\*\*

#### 33 Million

Number of forested acres in California



#### 138 million Number of dead trees in California

Contract of the second



#### 40,000 Acres

500.000 Acres

Number of acres Cal Fire clears each year

Number of acres Cal Fire\* aspires to clear each year



### \$800

Average cost per acre to fight a fire



\$150

Average cost per acre to clear a forest by controlled burn

\* California Department of Forestry and Fire Protection

Source: Little Hoover Commission report on forest management in California, February 2018

Power lines strung through those forests are going to start wildfires. They can be minimized but not eliminated.

#### California must reverse the housing crisis that's sending people out of cities into remote, forested areas

As I explained in the last post, some of the factors that have increased wildfire risk are out of the hands of power utilities. Most notably, the risk is increased when Californians move to fire-prone areas, receive subsidized insurance, settle in communities with insufficient fire readiness and evacuation plans, build houses from materials vulnerable to fire, and surround those houses with flammable shrubs and trees. Most of those choices are now incentivized by state law and regulation; none are

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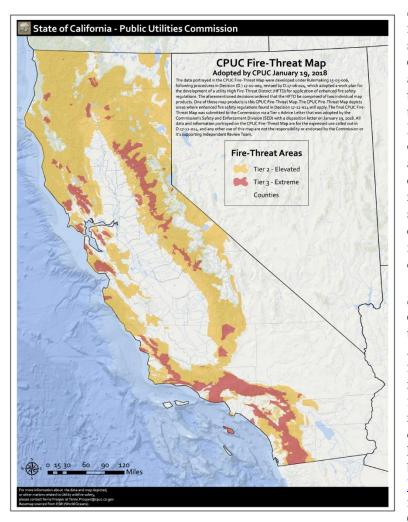
particularly discouraged.

Unless it wants to become a perpetual rolling disaster, California will eventually have to address all parts of its land-use and housing crisis.

First, foremost, and above all, California must build more housing in its cities. When people come to the state, they want to live in cities, near jobs. But incumbent homeowners fight to preserve exclusionary zoning and it becomes next to impossible to build anything, so existing housing stock becomes prohibitively expensive (the median home price in San Francisco recently hit <u>\$1.7 million</u>); new development is dominated by small, high-end units; and homelessness increases. Working-class families flee to where they can afford to live, to the suburbs, the exurbs, and eventually out into the undeveloped wilderness, where they bump up against wealthy tech execs with second homes.

The centrifugal force pushing people out of cities must be reversed by both <u>widespread upzoning</u> and aggressive <u>social housing and homelessness policies</u>. Unfortunately, California doesn't have a great record on this. Earlier this year, a suite of bills backed by Gov. Gavin Newsom that would have helped the housing and affordability crises <u>died in Sacramento</u>.

(More promising: a few weeks ago, Newsom signed a bill that would <u>legalize accessory dwelling units</u> (ADUs) on all single-family lots. In Vancouver, British Columbia, a <u>third of single-family homes now</u> <u>have ADUs</u>.)



Speaking of centrifugal force, Prop 13 needs to go. That amendment to the state constitution, passed in 1978, establishes that properties are assessed for property taxes only when they are sold (otherwise property taxes can rise just 2 percent a year). Businesses and homeowners can sit on a building for decades and pay absurdly low property taxes, depriving localities of billions in revenue and pushing them to systemically advantage new development over infill. A ballot measure to repeal the commercial half of Prop 13 is on the ballot in 2020.

Second, insurance rates must eventually be allowed to reflect the true risks of living in fire-prone areas. Already, homeowners in high-risk or fire-damaged areas are seeing their rates double or triple. This is being framed as a "<u>crisis</u>" because high rates can slow growth in those areas, or price people out. More and more high-risk homeowners' insurance is being taken on by <u>California's FAIR</u> <u>Plan</u>, an industry-funded, bare-bones insurance of last resort. The California Department of Insurance

<u>reports</u> that FAIR policies rose by 177 percent between 2015 and 2018; more than half are now in fireprone areas.

The unavoidable truth is that when people move to those areas, it creates risk. If insurance doesn't fully cover the risk, someone else will. And insurance rates are beginning to fall short. "Homeowners' coverage, an \$8 billion-a-year business in California, has become an unmitigated disaster for carriers," reports the Sacramento Bee. "For every \$1 they collected in premiums from Californians last year, they paid \$1.70 in claims, according to data collected by the Department of Insurance." That might just be a one-time spike in claims, but given everything we know about California forests, probably not.

So on one side, you have homeowners angry that insurance rates are rising, and on the other, you have the economics of homeowners' insurance turning sour for the industry. There is going to be intense pressure on California legislators to fill in this gap with some kind of public subsidy.

They should resist. <u>Speaking to the Bee</u>, state Insurance Commissioner Ricardo Lara said, "we need to take proactive steps to protect our consumers." He proposes, for instance, subsidies for low-income homeowners in these areas.

There's an equity argument for that, but state officials shouldn't do much more. If private insurance rates don't pay for these risks, taxpayers will. It's unclear why a state facing intense wildfire risk should subsidize people living in fire-prone areas.

No one wants to say it out loud, but it may simply be that people shouldn't live in tier 3, high-risk fire zones in the wildland-urban interface (WUI), and the 15 percent of Californians that live in them now will eventually have to move, just as southern Floridians will eventually have to <u>move out of flooded coastal</u> areas. Denser, safer areas of the state will have to make room for them.

Another route would be to simply prohibit development in some areas, but given the housing crisis, state lawmakers are leery of anything that might suppress new housing construction. Newsom says he doesn't want to limit where people can live because it violates California's "pioneering spirit," but really, no one wants to confront the united might of angry state developers and homeowners.

Finally, developers and homeowners must be pushed to use fire-resistant materials and to clear their properties of flammable materials. When they don't, they put entire communities at risk.

But this is also a political challenge. Last week, Newsom vetoed <u>AB 1516</u>, which would have required homeowners to clear a "defensible space" around their property, <u>saying</u> that it "takes a broad swath" approach that does not reflect the needs of individual communities. (He did not explain what part of neighborhood character is served by unsafe buildings.)

Meanwhile, building inspections are <u>falling woefully short</u>. Cal Fire has inspected only a tiny fraction of buildings — just 6 percent in some fire-prone areas of northern California.

How cooperative will California homeowners be in this undertaking? Well, let's check in on the Berkeley Hills, where city officials are trying to create a few small no-parking zones so that emergency vehicles can access the area's narrow, winding streets. Berkeleyside <u>reports</u>:

Despite the program proceeding slowly on just three streets (Alvarado, Bridge, and Vicente roads) and assurances that the program would maintain "<u>some parking for the neighborhoods</u>," residents are already warning Wengraf that they plan to fight.

"One woman on Tamalpais told me she'd lay down in the street and block our trucks," said Wengraf. "Some people think they own the street in front of their houses."

Residents in the Oakland hills are protesting the same thing. Some homeowners, resident Daniel Matthews told the East Bay Times, "have no parking, so if you say 'no one can park in the street,' then I don't know what they're doing."

Meanwhile, over in Mill Valley, the city council passed an ordinance requiring around 75 percent of residents (the ones who live in the WUI) to remove plants and other flammable materials from the area immediately around their homes. Oops. After a homeowner revolt and a packed-to-spillover meeting in September, the Marin Independent Journal <u>reports</u>, "the council voted unanimously to amend the municipal law so that the hardscape would be voluntary, rather than mandatory as originally proposed."

There is no end to local stories like this. All the while, <u>new developments are being proposed and</u> <u>approved in high-risk areas</u>, often with the complicity and encouragement of local officials.

Local officials simply don't want to limit local growth or inconvenience local residents. It's a collective action problem, and the answer — on building codes, zoning codes, and other issues with direct impact on the state's collective safety — is for state lawmakers to implement equitable state-wide solutions. Local control over land-use cannot be allowed to drag the state into perpetual crisis.

Californians, from entitled homeowners to cowardly public officials, bear plenty of responsibility for the wildfire crisis, which is not unrelated to the state's housing crisis, for which they also bear plenty of responsibility. They can't just blame all of this on utilities.

Nonetheless, their biggest utility, PG&E, really does suck. So let's take a look at what to do about that.

#### The question of how to reform PG&E is vexed. Vexed, I tell you.

For the long-term health of the state's electricity system, one of its most urgent, consequential, complicated, and difficult tasks is fixing PG&E. And despite what many people seem to think, there is no simple or easy answer for how to do that.

Right now, the utility is in bankruptcy court. Its fate lies in the hand of Judge Dennis Montali.

PG&E shareholders have submitted a plan for reorganization, but a few weeks ago, Montali <u>ruled</u> that shareholders would no longer have the exclusive right to form a plan. He opened up proceedings to a separate plan submitted by a set of bondholders allied with groups representing fire victims. The two factions are now vying in court.

It is difficult, from the outside, to assess which of the <u>two plans</u> is better. PG&E shareholders and their Wall Street backers want to raise money for both debts to pay off creditors and equity to invest in grid safety. They propose a cap of \$18.9 billion on fire payouts, and since they agreed a few weeks ago to settle insurance claims for \$11 billion, that would leave about \$8 billion to compensate individual fire victims.

The plan alienated fire victims, who then allied with bondholders (who had already tried unsuccessfully to submit a plan of their own) to create a plan the judge accepted for consideration.

The bondholder plan would treat existing shareholders much more harshly, dilute the stock more, put more money toward debt, create a bigger fund to pay for fire claims, and leave bondholders and fire victims with the largest stake in the company. It would also fire PG&E's entire board of directors, ensuring the replacements <u>included</u> "one seat to the company's employees, one seat to a ratepayer advocacy group, and one seat to the state wildfire fund."

It might be easy to see the shareholders as the bad guys in this fight, since they're mostly the ones who mismanaged PG&E for so long, but it's not that simple.

For one thing, it seems relevant that the bondholders in question are dominated by Elliott Management, which is run by <u>Paul Singer</u>, a longtime GOP mega-donor who recently <u>warned</u> that "socialism is on the march again." Singer is chair of the board of trustees for the libertarian Manhattan Institute, which frequently argues against renewable energy.

Elliott is widely known for its <u>adversarial approach</u>, buying up stock in companies, firing boards and CEOs, investing heavily in bankruptcy lawyers, and stripping companies back to core functions that provide reliable shareholder returns. It is the <u>largest investor</u> in <u>serially bankrupt coal giant Peabody</u> <u>Energy</u>. It's a <u>big investor</u> in FirstEnergy, which is <u>also in bankruptcy</u> and has a long record of seeking and receiving bailouts. (The utility will profit from <u>Ohio's terrible recent energy bill</u>.)

Singer is known for pushing utilities to adopt a "back to basics" approach, which among other things tends to mean ditching renewable energy. In 2017, Elliott invested heavily in NRG Energy, which shortly thereafter announced a "transformation plan" that would "raise \$2.5 to \$4 billion by divesting 50 to 100

percent of its NRG Yield renewable energy business and some of its conventional energy assets." Last year, Elliott and Bluescape Resources <u>called for an overhaul</u> of Sempra Energy, in which they shared a 5 percent stake. Among their recommendations was that Sempra sell its renewables division. (The company ultimately didn't, though it did "streamline" in a number of ways.)

The hedge fund business model is to focus on immediate returns to shareholders at the expense of diversification and long-term investing. That model might benefit PG&E investors more in the near term — it might even benefit existing wildfire victims more in the near term — but what the state needs now more than ever is some long-term thinking.

PG&E couldn't just ditch renewables in California as Singer has counseled utilities elsewhere. The CPUC and legislators will force it to obey existing clean-energy mandates. And the sheer size and significance of PG&E give it some stability. But having Singer involved in shaping the company's future is, at the very least, of dubious value in a state committed to decarbonization.

So for now it's hedge fund versus hedge fund, with Californians pinning their hopes on a bankruptcy judge to ensure that they see some of the proceeds and that PG&E starts doing what's right.

Another wrinkle: Through a quirk of bankruptcy law, any new wildfire-damage claimants that come along during bankruptcy are automatically put in line for payment ahead of "pre-bankruptcy creditors," including pre-bankruptcy fire victims. Yet those pre-bankruptcy creditors must be paid in full before PG&E can exit bankruptcy. So additional wildfires this season or next could delay PG&E's exit and drive up its liabilities, possibly to the point that it will be difficult to attract private investment at all. It's a ticking time bomb.

Very few bankruptcy proceedings deal with an entity this large and this connected to the public welfare, with such giant, unpredictable, ongoing liabilities. It's a bit of a nightmare.

Some on the left <u>advocate</u> for making PG&E a public utility, having California buy it outright and possibly break it up into smaller municipal utilities. But these arguments rarely grapple with the trade-offs; they proceed directly from "PG&E is guilty of criminal mismanagement," which is indisputably true, to "PG&E should be public," skipping several important steps in between. (Note: The restructuring plan put forward by bondholders and wildfire victims explicitly disavows municipalization, mainly because the utility union opposes it.)

For one thing, PG&E being so big has the effect of socializing costs among its 5.4 million electricity accounts. As places like San Francisco <u>municipalize</u>, the wealthiest ratepayers with the cheapest electricity will peel off, leaving (often poorer) residents of more sparsely populated areas facing everrising costs, further accelerated by wildfires. Whatever you think of rural residents paying more for electricity, it raises serious equity issues and promises political blowback.

Regardless, municipalization could take years, a decade or more, as it <u>did in Sacramento</u>, especially if PG&E fights it, as it likely will. San Francisco is <u>attempting it now</u> and San Jose is <u>considering it</u>, but it's still too early to know if the process has gotten any easier. It is unlikely to prove a short-term solution in either case.

For another thing, PG&E doesn't just come with assets. It comes with \$30 billion in debt and virtually unlimited liabilities.

The problem isn't just existing debt. If California took over PG&E, all those decisions about whether or not to shut down the electricity grid to avoid wildfires would be made by public officials. All responsibility for raising electricity rates to invest in grid hardening (*while* regularly cutting off

electricity) would fall to public officials. All the liability for wildfire damages caused by power lines would be born by Californian taxpayers. The state would effectively be inheriting a shitshow of private capital's making, allowing private capital to escape paying for it.

Given how little the state has been able to do to solve the housing crisis, it is at the very least not obvious that it would do a better job handling this adjacent crisis. (All that said, at least one state senator is <u>looking into legislation</u> that would make PG&E public.)

#### PG&E's profits need to be tied to doing a good job

Ultimately, the question of public versus private is somewhat orthogonal to the quality of utility service — there are dirtier and cleaner municipal utilities, dirtier and cleaner IOUs, good and bad actors in both categories. A better lens through which to view the debate is one that is virtually absent from the conversation around PG&E: the incentive structure in which utilities operate.

As a fully regulated, investor-owned utility, PG&E does not make profits for its investors through the sale of electricity. It only recoups costs on power sales. (It is a monopoly, and no monopoly can be allowed to set the price of its own product.)

Rather, investors make money through a guaranteed rate of return on investments approved by the CPUC, generally investments in building and maintaining grid infrastructure. Naturally, this gives PG&E great incentive to pitch the CPUC on new investments. Getting new ones approved — "rate basing" them (i.e., raising customer rates to pay for them) — is how the company best serves shareholders.

Actually making those investments, ensuring quality service, is largely left in the utility's hands. That creates an incentive to keep returns high for shareholders by skimping on implementation, which PG&E did repeatedly.

It also creates an incentive to avoid anything that might lead customers to need less utility infrastructure, like energy efficiency, batteries, or microgrids. All those things are against shareholders' interests. That's why IOUs tend to invest only as much in them as required by law, and no more. They want to build more stuff, not less stuff.

The problem here is not so much the profit motive as what makes profits. The incentive structure is completely wrong.

That <u>can be fixed</u>. Regulated monopoly utilities are not operating in free markets; they are operating in environments built entirely by law and regulation. The fact that they make profits solely through big capital investments is an artifact of that regulatory environment. The environment could be designed to produce other results.

This is not the place to get into utility regulatory design (I recommend the <u>Regulatory Assistance Project</u> for a deeper dive), but the key concept to understand is "performance-based regulation." The goal is to reduce the amount of IOU shareholder compensation that comes from fixed returns on investments and increase the amount that comes from variable returns on performance-based metrics.

In plain English, that means reforming regulations so that utilities make more money if they achieve particular outcomes. Those outcomes can be determined by legislators and PUCs, ranging from service uptime (minimizing blackouts) to customer satisfaction, renewable-energy penetration, electrification, efficiency, or resiliency.

Other, incremental efforts to adjust PG&E's incentives are forlorn. Earlier this year, California state Sen. Scott Wiener <u>introduced a bill</u> that would fine PG&E for planned blackouts. His reasoning was that the utility now has enormous financial incentive to avoid wildfires but very little incentive to avoid blackouts. And that is true, as far as it goes, but it is an incredibly crude instrument for balancing PG&E's incentives. It would make more sense to simply tie PG&E's profits to reliable power delivery.

Another necessary regulatory reform is to break up governance of the electricity transmission and distribution systems. Local electricity distribution systems need to get smarter, able to generate, store, and manage more of their own power, and they need to be run by local entities.

In other words, California needs a more distributed energy system. That is the only true long-term solution to the wildfire mess. It's going to happen one way or another, so the state ought to do it deliberately and equitably, with some foresight (as much as that might break precedent).

The question of how to properly distribute power — the electrical kind and the political kind — is a complicated subject in its own right. I will dive into that in my next post.

## Martinez News-Gazette

# **Martinez to explore annexation in public study session Wednesday night**

### Dana Guzzetti | October 21, 2019 | O Comments

City planners will hold a public study session to provide information and gather public comments on the potential annexation of four unincorporated pocket neighborhoods that are contiguous to city boundaries.

All of them are in the city's sphere of influence, some already receive water service from Martinez, and have signed deferred annexation approvals. In a May meeting, the City Council identified the annexations as one of the city's top five goals for the next two years.

The four areas under consideration are Alhambra Valley, and three enclaves between Pacheco Blvd. and I-680 including Vine Hill, Mountain View, and North Pacheco Boulevard. (SEE MAP BELOW)

The Annexation study session will be on Wed., Oct. 23 at 6:00 p.m., an hour prior to the regular city council meeting at City Hall, 525 Henrietta Street, Martinez. Members of the public will be allowed to comment.

First, the council wants to confirm that there is public support for annexation in those areas. Then the city will also have to do a financial and legal analysis to confirm that it is financially feasible and check a 1980 Master Tax Agreement between Contra Costa County and the City of Martinez, according to a brief report by Christina Ratcliffe, economic and development director.

The Alhambra Valley annexation will involve annexing land outside the Urban Limit Line. The City recently annexed a small piece of land in the Alhambra Valley that required moving the Urban Limit Line. Annexations or municipal boundary adjustments have to be approved by the Contra Costa Local Agency Formation Commission (LAFCO). Martinez Mayor Rob Schroder is a LAFCO commissioner who has publicly defined LAFCO requirements in past council meetings.

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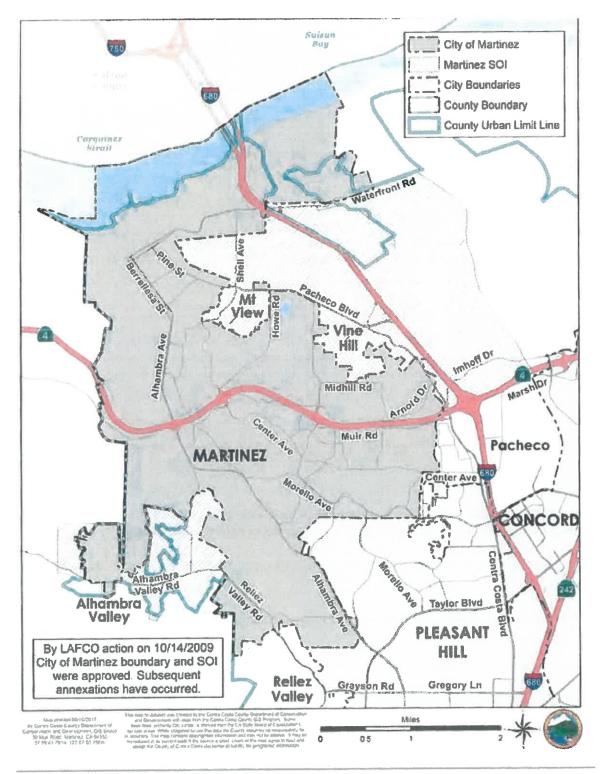


Figure 10.1. City of Martinez Municipal Boundary and Sphere of Influence
June 2019

 Tags: Alhambra Valley, annexation, Martinez City Council, Mt. View, Pacheco, Vine Hill

 Category: General News

### San Francisco Chronicle

# California likely to see a dry winter, a federal report warns. But nothing's certain

Kurtis Alexander Oct. 17, 2019 Updated: Oct. 17, 2019 8:22 p.m.

The coming winter is likely to be dry in California, and drought conditions may begin to emerge in the central part of the state, federal climate experts warned Thursday.

But forecasters with the National Oceanic and Atmospheric Administration also said weather patterns are fickle this year, and there's no clear sign that another prolonged drought like the one that squeezed California earlier this decade will settle in.

"It's something to keep an eye out on and see how the winter progresses," said David Miskus, a meteorologist at NOAA's Climate Prediction Center in College Park, Md. "By February and March, it might become wet again."

The long-term forecast for California is part of the federal government's "2019-20 Winter Outlook." As with California, the annual report remained somewhat tentative with its projections for most of the country, largely because telltale weather patterns like El Niño are absent from the picture this year.

Without a dominant atmospheric driver, forecasters anticipate wide swings in temperature and rainfall from December to February, not unlike what <u>the folksy Farmers' Almanac</u> predicted this year when it called for a Polar Coaster.

Still, federal scientists believe that most states, including California, will be warmer than average this winter. No state is projected to have lower-than-average temperatures.

Precipitation will be more variable, they say. Higher levels of rainfall are more likely in the northern tier of the continental U.S., Hawaii and Alaska, while lower levels of rain are more likely along the western part of the Gulf of Mexico as well as in Northern and Central California.

Without an El Niño or a La Niña pattern over the Pacific Ocean, meaning no significant anomalies in tropical sea surface temperatures, the forecasters fell back on less-predictive weather phenomena, including the Madden-Julian Oscillation and the Arctic Oscillation. These more intermittent and roving atmospheric patterns can whip up winds and clouds in certain parts of the globe — or not — depending on their position.

Such influences favor warm, dry weather along the West Coast in the coming months, according to the outlook, though there's no evidence such conditions will persist.

A warm patch of water in the northeastern Pacific, sometimes called the Blob, could also contribute to higher temperatures and less rain in California, though that effect is likely to be minimal and short-lived as well, according to the outlook.

Many forecasters outside the Climate Prediction Center downplayed the utility of the government's outlook, citing the difficulty of making long-term projections.

"They were predicting dry weather for California the last two years," said Bryan Allegretto, cofounder of the popular forecasting website OpenSnow.com, noting that the federal outlook fell short both times. "A short-range oscillation can change the entire season in three weeks."

While past winters started dry, Allegretto said, late-season fronts quickly turned them around. Last winter, a record wet February brought the seasonal snowpack in the Sierra to a whopping 202% of average.

The Climate Prediction Center acknowledges its outlooks have shortfalls, though it cites a track record of being right more often than being wrong.

The federal government's report does not include projections for snowfall, partly because it's difficult to predict. Allegretto, who's not a meteorologist but is known for his accurate long-range snow forecasts, said he wasn't about to hazard a guess this early in the season.

Because some recent winters have been wet and California's big reservoirs are fuller than average, prophesies of a dry year ahead are not as worrisome, though the question of snow remains germane.

Sierra snow is critical to the state's water supply. Even after a wet winter season ends, melting snow continues to fill reservoirs, providing a boost that cities and farms have come to rely on. The warming climate, however, has meant less snow in recent decades.

"We're seeing an ever-increasing fraction of our precipitation as rain," said Randall Osterhuber, a snow hydrologist at the <u>UC Berkeley Central Sierra Snow Laboratory</u> in Soda Springs (Nevada County).

Osterhuber said the changing balance of rain and snow has important implications for California's future water picture, but the trend has little use in year-to-year forecasting.

"This does not mean that next year is going to be rainier than last year," he said. "Ask me in May, and I'll tell you all about this winter."

# Transparency Certificate of Excellence Awarded to East Contra Costa Fire Protection District

Press Release



Brentwood, CA — East Contra Costa Fire Protection District received the District Transparency Certificate of Excellence by the Special District Leadership Foundation (SDLF) in recognition of its outstanding efforts to promote transparency and good governance.

"This award is a testament to East Contra Costa Fire Protection District's commitment to open government," said, Fire Chief Brian Helmick. "The entire district staff is to be commended for their contributions that empower the public with information and facilitate engagement and oversight." To receive the award, a special district must demonstrate the completion of essential governance transparency requirements, including conducting ethics training for all board members, properly conducting open and public meetings, and filing financial transactions and compensation reports to the State Controller in a timely manner.

"I am ecstatic to hear that we have worked through the process, to acquire this certificate of excellence," said, President Brian Oftedal. "It is extremely important to me, that we are accessible, promote transparency and maintain public trust." The application process to obtain this certificate is not easy. There is an extensive list of requirements. "I am thrilled that we are now able to showcase East Contra Costa Fire Protection District's commitment to transparency."

SDLF is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation, and other recognition programs.

Special districts are independent public agencies that deliver core local services to communities, such as water, wastewater treatment, fire protection, parks and recreation, healthcare, sanitation, mosquito abatement, ports, libraries, public cemeteries and more. Districts are established by voters and their funding is approved by voters to meet specific needs through focused service. They can be specially molded to serve large regions or small neighborhoods depending on the need.

ABOUT THE EAST CONTRA COSTA FIRE PROTECTION DISTRICT: The East Contra Costa Fire Protection District is a rural-funded fire district that protects a population of more than 120,000 across its 249 square-mile service area. The District provides firefighting personnel, emergency medical services (basic life support) and fire prevention to the residents and businesses of the cities of Brentwood and Oakley as well as the unincorporated communities of Discovery Bay, Bethel Island, Knightsen, Byron, Marsh Creek, and Morgan Territory.

Learn more at www.eccfpd.org or social media via Facebook (East Contra Costa Fire Protection District),, Instagram (@east\_contra\_costa\_fire), Twitter (@ECCFPD ) or our YouTube channel (East Contra Costa Fire Protection District)

## Western Water

# **Recharging Depleted Aquifers No Easy Task, But It's Key To California's Water Supply Future**

### WESTERN WATER NOTEBOOK: A UC Berkeley symposium explores approaches and challenges to managed aquifer recharge around the West

Gary Pitzer

#### October 10, 2019

To survive the next drought and meet the looming demands of the state's groundwater sustainability law, California is going to have to put more water back in the ground. But as other Western states have found, recharging overpumped aquifers is no easy task.

Successfully recharging <u>aquifers</u> could bring multiple benefits for farms and wildlife and help restore the vital interconnection between groundwater and rivers or streams. As local areas around California draft their groundwater sustainability plans, though, landowners in the hardest hit regions of the state know they will have to reduce pumping to address the chronic overdraft in which millions of acre-feet more are withdrawn than are naturally recharged.

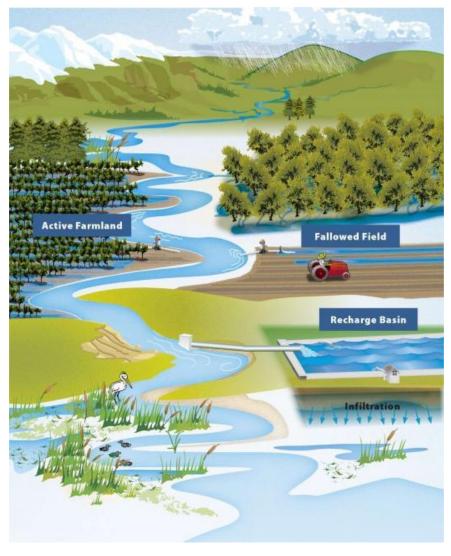
It's not a new problem, but one that is emblematic of California's long-standing separation of surface water and groundwater in its management oversight. Some say it's a problem the state should have been working on long ago as other states around the West have done.

"We are so far behind everybody else," said Felicia Marcus, former chair of the State Water Resources Control Board. "As we get to the point where managed aquifer recharge is the obvious answer to a regular person, a regular person would assume we're already doing this."

Until the passage of the <u>Sustainable Groundwater Management Act</u> (SGMA) in 2014, there was no statewide governance regulating groundwater pumping. California was the last state in the West to address its groundwater crisis with regulation.

Landowners could take as much as they wanted, if it was put to a beneficial use. In good times, with stable imported water deliveries and relatively healthy aquifers, pumping is not a problem. But decades of overdraft have put a significant dent in parts of the San Joaquin Valley. The land surface has <u>literally sunk in certain areas</u> because of the large-scale pumping of water. Finally, in 2014, lawmakers sought to put the brakes on the problem with SGMA. <u>Sustainability plans</u> required under SGMA for the most overdrafted areas are due in January 2020.

Heavily opposed during its introduction and still facing resistance today, SGMA emphasizes a ground-up approach that requires local leaders to devise the means to bring the most severely depleted aquifers into balance in the next 20 years.



This schematic illustrates different ways managed aquifer recharge can be accomplished. (Source: California Department of Water Resources)One way to do that is by managed aquifer recharge, or MAR. Surface water or flows from storm-swollen rivers are steered onto land where the water percolates into the ground. It is a straightforward process that works within the right parameters, experts say.

"Recharge is just engineering," Tom Cech, co-director of the <u>One</u> <u>World One Water Center</u> at Metropolitan State University of Denver, said at the symposium. "It's finding the pipes and a location."

On average, aquifers provide about 40 percent of the water used by

California's farms and cities in a normal rain year, and significantly more in dry years. There's a growing recognition that surface water and groundwater are connected: Surface waters gain volume from the inflow of groundwater through the streambed. That volume is lost when groundwater pumping rates exceed natural recharge.

Managed aquifer recharge projects strive to replicate the natural process in which winter rains soak into the ground and replenish water above and below ground. However, projects require extensive monitoring and management to be successful. Farmers for years inadvertently recharged their aquifers through flood irrigation of certain crops and orchards. If they're asked to act intentionally to recharge, they want assurances they can reap the benefit.

There is "significant potential" to increase MAR on farmland if local agencies adopt better incentive systems and water accounting. ~Public Policy Institute of California

"If we put water in, we want to retain the right to take it out," Don Cameron, vice president and general manager of <u>Terranova Ranch</u>, 25 miles southwest of Fresno, said at the Berkeley symposium. Terranova has been a leader in using winter runoff to flood its fields for groundwater recharge. "To me that's the incentive for a grower to do groundwater recharge. I want water security just as much as anyone else does."

In the West, managed aquifer recharge projects in Colorado, Idaho and Washington state are looking to boost depleted aquifers while at the same time strengthening streamflow and benefiting the environment. "Any time you have more water in the river, it's good for everyone," said Jennifer Johnson, hydrologic engineer with the U.S. Bureau of Reclamation's <u>Pacific</u> <u>Northwest Region's</u> Water Management Group, which is working to replenish aquifers in the Yakima River Valley in south central Washington.

#### Leaving Water in the Ground

In California, every drop of surface water is accounted for, even the bonus flows that come during very wet years.

In the strict, defined world of the state's water rights, quantity, beneficial use and avoiding wasteful use is paramount. Beneficial use means exactly that. It's the water people use at home each day, the irrigation that raises crops and the hydroelectric power so crucial as a renewable energy source.

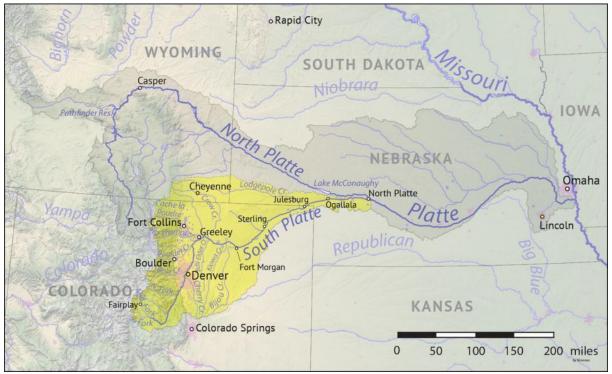
It's also the water that pulses through major waterways, keeping fish like salmon alive and healthy as they migrate to and from the ocean.

While helpful, the act of storing water to recharge aquifers is not a designated beneficial use, according to the State Water Board. Obtaining a water right to divert water to underground storage means identifying the eventual beneficial use of that water, the board says. That could include uses that allow for water to remain in the aquifer, such as to prevent land subsidence.

That process is not as difficult as it sounds because a wide interpretation exists for beneficial uses, especially as it relates to avoiding some of the undesirable results identified in SGMA.

Managed aquifer recharge and groundwater banking are essentially the same practice with different outcomes. Managed aquifer recharge boosts overall health of aquifers and nearby rivers and streams. In some instances, some of the water can be pumped back up. In groundwater banking, water is intentionally injected or percolated strictly for later withdrawal. Groundwater banks such as those in the southern San Joaquin Valley store vast quantities of imported water that faraway partners use through a complicated exchange process.

The key is having the available water to get into the ground — not always an easy task. "We've had two very wet years recently, but in most years, we don't really have excess surface flows that can be recharged to groundwater, at least not in significant amounts," said Dave Owen, professor at <u>UC Hastings College of the Law</u>. "And even when we do have flood flows, they aren't always in the places that most need" the water.



#### Incremental Implementation - Colorado and Idaho

<u>The South Platte River Basin is shaded in yellow. (Source: Tom Cech, One World One Water</u> <u>Center, Metropolitan State University of Denver.)</u>Managed aquifer recharge is instrumental in preserving the health of the South Platte River in northeastern Colorado, where groundwater pumping has been depleting flows in the river. There, well owners have been paying taxes and annual assessments since 1973, in part to construct groundwater recharge sites.

In 2006, due to a drought and changing legal parameters, the annual assessments were increased 400 percent and about \$100 million of bonds have been approved since then by voters. Some of those funds were used to construct recharge projects, said Cech with Metropolitan State University in Denver.

In Idaho, about a third of the state's economy relies on the agricultural products from the region known as the Eastern Snake River Plain Aquifer in southern Idaho. A decade ago, with the water table dropping, lawmakers saw the coming crisis and adopted a comprehensive water management plan for the area.

Idaho decided to tackle managed aquifer recharge from a state perspective because of the scale of the project (10,000 square miles), the aversion to a new tax and the realization that the cost of

#### doing nothing was not acceptable. ~Wesley Hipke, recharge program manager with the Idaho Department of Water Resources

"The declining spring river flows as a result of the declining aquifer would have resulted in curtailing most of the groundwater users in the area," said Wesley Hipke, recharge program manager with the <u>Idaho Department of Water Resources</u>. "This would not only have affected agriculture, but also the cities and towns and related industries that are currently in place."

Idaho decided to tackle managed aquifer recharge from a state perspective because of the scale of the project (10,000 square miles), the aversion to a new tax and the realization that the cost of doing nothing was not acceptable, Hipke said.

"Obviously without a stable water supply, the prospect of future growth is slim," he said.

The state's plan outlined the means to manage overall water demand while increasing aquifer recharge and reducing withdrawals. Grabbing as much natural flow as possible, the plan's aim is to reach 250,000 acre-feet of annual recharge by 2024.

#### **Challenges and Potential for MAR in California**

As vital as groundwater is to California's water supply, the extent of expanded managed aquifer recharge remains to be seen. Aquifers are recharged naturally every time it rains and snows, but carefully managed recharge is happening on a limited basis.

"There's no question it can expand. The question is by how much," said Owen with UC Hastings.

In its review of groundwater recharge, the <u>Public Policy Institute of California</u> noted in September that a key challenge is inadequate conveyance for moving storm flows to suitable recharge locations. There is "significant potential" to increase MAR on farmland if local agencies adopt better incentive systems and water accounting, PPIC wrote.

Getting water in and out of aquifers using MAR is a big challenge, from an infrastructure standpoint of getting the water when it's available and moving it to where it can sink into the ground, Owen said in an interview. In addition, there's not a perfect accounting process for tracking those water molecules. Even in cases where groundwater is being banked, getting the water back out that someone has put in can be complicated in aquifers with "unrestrained, poorly regulated" pumping.

"If you put water into a bank, you may have a legal right to withdraw it," Owen said, "but that legal right does you no good if someone else has pumped out the physical water."

Reach Gary Pitzer: <u>gpitzer@watereducation.org</u>, Twitter: <u>@gary\_wef</u> Know someone else who wants to stay connected with water in the West? Encourage them to <u>sign up</u> for *Western Water*, and follow us on <u>Facebook</u> and <u>Twitter</u>.

#### **Further Reading**

- *Western Water:* As Deadline Looms for California's Badly Overdrafted Groundwater Basins, Kern County Seeks a Balance to Keep Farms Thriving, <u>March 28, 2019</u>
- *Western Water:* Imported Water Built Southern California; Now Santa Monica Aims To Wean Itself Off That Supply, Feb. 28, 2019
- *Western Water:* California Leans Heavily on its Groundwater, But Will a Court Decision Tip the Scales Against More Pumping? <u>Oct. 19, 2018</u>
- *Western Water:* Novel Effort to Aid Groundwater on California's Central Coast Could Help Other Depleted Basins, <u>May 4, 2018</u>

## East Bay Times

# Editorial: Brentwood should reject sprawl; vote no on Measure L

Ballot measure in special Nov. 5 election would bust the city's growth boundary for 2,400 new homes



(Judith Prieve/Staff)

Measure L would expand Brentwood's Urban Limit Line to allow construction of 2,400 homes north of Balfour Road and east of Deer Valley Road.

By East Bay Times editorial |

PUBLISHED: October 4, 2019 at 5:10 am | UPDATED: October 4, 2019 at 6:37 am

Brentwood voters are being asked in a special election Nov. 5 to expand the city's growth boundary on its western border and approve construction of 2,400 new homes.

This at a time when traffic on Highway 4 remains horrendous, East County has the Bay Area's worst jobs-housing imbalance, and the city already has room for 6,526 new homes within the existing city limits.

Voters should reject more suburban sprawl by voting no on Measure L, developer Blackhawk-Nunn Partners' initiative for the so-called Vineyards at Deer Creek project. The proposal for 815 acres northeast of the corner of Balfour and Deer Valley Roads calls for 225 acres of open space, 20 acres of commercial development that could include senior care facilities, 15 acres set aside for recreation facilities and the 2,400 homes on the remaining 555 acres.

Of those 2,400 homes, 80 percent would be restricted to residents age 55 and older, which in theory would temper the commute traffic impacts. However, that still leaves 480 homes with no such restrictions.



Moreover, the project contains no restrictions on the order of construction. The developer could first build the 480 homes that would generate the most traffic. Then, after 20 years, there would be nothing preventing the City Council from lifting the age restriction on the requirements for the remaining homes.

The Bay Area desperately needs more housing. But it needs smart growth, with homes near transit and jobs. East Contra Costa has little of either and there's no sign that will change.

The cities along the Highway 4 corridor from Pittsburg to Brentwood have an average of just four jobs for every 10 residents in the workforce. No other part of the Bay Area is worse. East County needs a lot more jobs before it adds more housing.

Half of the area's current workforce must commute out to stay employed. No wonder the region's traffic is horrible. The

afternoon commute drive just from downtown Concord to Brentwood is usually about 40-50 minutes.

It's not going to get better. Most of the improvements to Highway 4 are complete. BART service is now open to Antioch, but there is no capital funding available to extend it to Brentwood.

We can't keep perpetuating this madness. Contrary to the myth promoted by many East County officials, building more homes there will not attract more jobs. That strategy has failed for four decades.

Even if it were true, there's plenty of land already available in Brentwood that doesn't require busting the city's Urban Limit Line. A new city study shows that there are 944 acres of land already available inside the city limits that could hold 6,526 new homes.

That's enough to increase the city's population of 63,000 people by another 19,000, far more than the region's roads can accommodate. If the city must build, it should use that land first rather than exacerbating the sprawl.

There's no justification for moving the Urban Limit Line to accommodate yet another 4,400 residents. Most environmentalists understand that. Which is why the Sierra Club and Greenbelt Alliance oppose Measure L.

Unfortunately, Save Mount Diablo is backing the measure. The land preservation group has been a leader in acquiring property to block development on the mountain and surrounding foothills.

But, this time, the group has struck a deal with the property owner for land on the east side of Mount Diablo near Clayton in exchange for its support of Measure L. Save Mount Diablo is putting its property acquisition goals ahead of good growth planning. That's disappointing.

Voters should remain focused on the objective: Encouraging smart growth by curbing suburban sprawl and, if possible, attracting jobs. It's imperative they don't make the situation worse.

Vote no on Measure L.

# **East Bay Times**

# Lafayette council member can discuss apartment project over developer's objections

City Council can't overrule Vice Mayor Candell's decision to 'unrecuse' herself, city review concludes.



Lafayette Vice Mayor Susan Candell and Mayor Mike Anderson listen to a speaker during the April 22 City Council meeting. Anderson, who has served as the city's mayor three separate times, was appointed to fill the term of Cameron Burks, who stepped down. Anderson, who was the vice mayor, nominated Candell as new vice mayor. (Jeffrey Heyman/City of Lafayette)

By Jon Kawamoto | jkawamoto@bayareanewsgroup.com | Bay Area News Group PUBLISHED: October 1, 2019 at 6:03 am | UPDATED: October 1, 2019 at 2:33 pm

LAFAYETTE — Lafayette Vice Mayor Susan Candell will be allowed to discuss a contentious 315-unit apartment project over the objections of the developer.

The City Council cannot force Candell to recuse herself on the Terraces apartment project, the city indicated in a statement after a review that took more than six weeks to complete.

The Terraces housing development was proposed in 2011 and has been marked by controversy and divisiveness from the start. The apartment complex application was put on hold in 2013 in

favor of a compromise plan between the city and developer for 44 houses, a community park, playground, athletic field, dog park and parking lot.

In 2016, a group opposed to the project, Save Lafayette, sued the city, eventually resulting in a referendum, Measure L, on the compromise housing plan in June 2018. Voters rejected the compromise. In response, developer O'Brien Land Company of Menlo Park resubmitted its original application for 315 apartments soon after the vote.

Candell, who campaigned against Measure L, said on Feb. 25 that she would recuse herself from discussion and votes about the project. But on Aug. 12, Candell said she would no longer recuse herself. She said she hired her own counsel, who advised that her earlier recusal was not necessary.

Attorney Bryan Wenter, representing O'Brien, argued in an Aug. 22 letter that Candell must recuse herself because of her "irrefutable conflict of interest based on her local and vocal opposition to the project."

He contended that O'Brien "has a constitutional right to due process that requires hearings before fair and unbiased decision-makers."

However, Lafayette rejected Wenter's request to prevent Candell from participating in the Terraces project application.

"There is no such obligation, and City Council members are not empowered to overrule a fellow council member's judgment with respect to such a matter," the city said in a Sept. 27 statement.

In response, Wenter wrote in an email: "We are extremely disappointed in council member Candell's decision to 'un-recuse' herself with respect to the Terraces of Lafayette apartment project.

"Council member Candell's personal decision to ignore the advice of the city's attorney remains in direct conflict with my client's constitutional right to due process and is a violation both of her oath of office and her fiduciary duties to the city of Lafayette," Wenter continued. "Nothing in the law supports council member Candell's decision. Indeed, the facts in this case are far more egregious than those in the leading cases."

Wenter said O'Brien is optimistic that the four other Lafayette council members will approve the project.

Candell said she did not have any comment on the city's statement.

### East Bay Times

# **Contra Costa supervisors back sales tax proposal for transportation work**

County board also endorses plan for spending funds should ballot measure pass



(Anda Chu/Bay Area News Group) Traffic flows along Southbound Interstate 680 in this view from Treat Boulevard in Walnut Creek, Calif., on Wednesday, Oct. 3, 2018.

By <u>Annie Sciacca | asciacca@bayareanewsgroup.com</u> | Bay Area News Group PUBLISHED: September 24, 2019 at 3:09 pm | UPDATED: September 29, 2019 at 3:43 pm

MARTINEZ — The Contra Costa County Board of Supervisors unanimously signaled their support Tuesday for a proposed sales tax measure and plan for spending the \$3.6 billion it's expected to generate over the next 35 years on transportation improvements.

The supervisors' endorsement was critical because without it the Contra Costa Transportation Authority could not pursue getting a tax measure on the March 2020 ballot. The transportation authority <u>wants a half-cent sales tax hike</u> to help finance transportation projects from July 1, 2020 through June 30, 2055.

It proposes to spread around the extra sales tax revenue to provide traffic-congestion relief on major corridors, improve roads and enhance alternative modes of public transit. About 54.6 percent of the money would be used for transit and alternative modes of transportation, 26.7 percent for local streets and roads and 18.7 percent for highways and freeways, according to county documents. County leaders hope the plan will lead to more bicycle lanes, walkways and free or reduced transit fares for students.

Contra Costa County passed its first transportation sales tax, Measure C, in 1988, and extended it through the subsequent Measure J half-cent sales tax, which expires in 2034. The money has paid for projects such as BART's extensions to Pittsburg and Antioch, construction of the Caldecott Tunnel's Fourth Bore, widening of Highway 4 and some transit centers.

According to the transportation authority, local funding from those measures helped attract \$4.1 billion from state, federal and regional sources. The county hopes to continue that trend with a new sales tax measure. In 2016, though, county voters rejected a half-cent transportation sales tax measure. Supervisor Karen Mitchoff said she knows people may balk at the increase after Californians recently approved a gas tax hike that took effect in July, but she said that the sales tax is crucial for accomplishing more.

"That gas tax was filling a hole for maintenance that was deferred for so long," she said, contending that the sales tax will instead help "modernize" the county's transportation infrastructure.

Critics consider sales taxes regressive because poor people spend a greater portion of their income on them than the wealthy. According to <u>an analysis by the Institute on Taxation and</u> <u>Economic Policy</u>, low-income families spend about three quarters of their income on items that are subject to sales taxes while middle-income families spend about half and the most wealthy households just about a sixth. Mitchoff acknowledged that combined with the Measure J half-cent tax that lasts until 2034, approval of another half-cent measure next year means county residents would pay a full cent.

"I know that's an issue for a lot of people, but we wanted this to be transformative, something different, something that will reduce your commute," Mitchoff said.

In arguing the need for another sales tax, Tim Haile, the authority's deputy executive director of projects, said new technology is presenting ways to reduce carbon emissions and streamline traffic. He notes that the county's population growth is straining the transportation infrastructure. Part of the plan is to motivate employers to create jobs in areas where there's already a lot of housing, the supervisors said before voting.

Supporters of a sales tax hike who attended Tuesday's meeting included a couple dozen union carpenters. Representatives of East Bay environmental and community groups such as TransForm and Greenbelt Alliance also support the plan, Hayley Currier of land use and transportation nonprofit TransForm told supervisors.

The groups have worked with the authority to make the spending plan more sustainable than the one shot down in 2016 by adding more money for bus, pedestrian and bike improvements and prioritizing projects that reduce vehicle miles traveled and greenhouse gas emissions, she noted.

"We're excited about the commitment to reaching communities of concern," Currier said.

Working with a variety of groups has helped secure more support for the plan, said Supervisor Federal Glover, who sits on the transportation authority's board along with Mitchoff.

To qualify for the ballot, the measure must get support from a majority of cities in the county. With that, the county supervisors in November would have to approve an ordinance placing the measure on the March ballot. Sales tax measures earmarked for specific purposes such as transportation typically must be passed by at least two-thirds of voters.

"It's a unique opportunity to ask residents, do you want to pay one half-cent more in sales tax to reduce your commute?" Supervisor Candace Andersen said.

### East Bay Times

# **Oakley Vice Mayor Doug Hardcastle to quit** with year left in term

Longtime East County businessman said he's ready to travel and enjoy his family



Oakley City Councilman Doug Hardcastle is photographed in Oakley, Calif., on Thursday, Sept. 29, 2016. (Doug Duran/Bay Area News Group)

By <u>Judith Prieve</u> | jprieve@bayareanewsgroup.com | Bay Area News Group PUBLISHED: September 25, 2019 at 4:25 pm | UPDATED: September 26, 2019 at 3:43 pm

Two-term Oakley Councilman Doug Hardcastle announced Tuesday he will step down in early November, a full year before his term expires.

The longtime Oakley businessman and vice mayor said Nov. 12 will be his last day in office after having served on the City Council since 2012.

"I have thought long and hard about this," he told the council. Asked by this news organization to elaborate, Hardcastle said his wife has always been there to support him and he's missed a lot of functions such as birthdays and anniversaries over the years. Since recently retiring from his business, he's been traveling and has missed some meetings.

"I just want to do other things now," he said. "It's difficult to do that when you are on council ... Now I'm freestyling — it's what everyone hopes to do eventually." Hardcastle, 68, has co-owned Hardcastle RV Center since his family opened the business in 1972, later moving to Oakley in 2005. But in May, he sold the business in preparation for his pending retirement.

Hardcastle ran for office on the platform that it was time for a businessman to have a voice on the council, stressing the need for a "more cooperative and friendly business environment" to attract business owners to the city.

Hardcastle, who served one term as mayor, saw the city's downtown transformed over the years from a busy highway to a more business-friendly, walkable district.

The vice mayor said his door was always open for residents to ask questions. When he was at the helm, he instituted monthly "Mayor at the Market" events so constituents could easily visit with him.

"A lot of people think we have more power than we actually do and my door was always open," he said. "I always looked at it as serving other people, not ruling over other people — trying to do things that were right for the community and speaking for everyone else."

He also was a director on the Ironhouse Sanitary District Boardfrom 2000 to 2012, including as president his final year.

In 2006, Hardcastle was honored as Oakley Business Person of the Year. He ran for District 3 Contra Costa County supervisor in 2016, but lost to another former council member, Diane Burgis.

"Doug had that knowledge, deep-seated knowledge from someone who has lived in the area for a long time and brought all his experiences to his position," fellow Councilman Kevin Romick later said.

City staff on Tuesday recommended the council appoint a replacement to avoid a costly special election because Hardcastle has only one year left on his term.

"We have a template, a process and we could start that process on Oct. 8," City Manager Bryan Montgomery said. "... Let's see who might be interested to replace the vice mayor."

Mayor Claire Alaura said there's no harm in starting the process before the official vote on how to fill the vacancy.

The council will consider its options on Oct. 8. On Wednesday, however, the city posted a notice of the vacancy and made application forms available in anticipation of possibly appointing someone to fill the vacant seat. If it does so, the candidates will be interviewed at the council's Nov. 12 meeting.

### East Bay Times

# Antioch to exempt affordable housing from building permit caps

Council introduces ordinance to amend residential growth management regulations



The new AMCAL Family and Senior Apartments in northeast Antioch will offer 394 affordable family and senior units in 11 three-story buildings. (Courtesy AMCAL Multi-Housing Inc.)

By <u>Judith Prieve</u> | jprieve@bayareanewsgroup.com | Bay Area News Group PUBLISHED: September 25, 2019 at 11:14 am | UPDATED: September 25, 2019 at 5:22 pm

ANTIOCH — The number of new building permits allowed each year in Antioch could grow now because the city will no longer count affordable housing as part of the 600-unit maximum it imposes.

That was the unanimous decision reached by the Antioch City Council on Tuesday night as it wrestled with ways to handle a year of rapid housing growth that could put the city over its maximum limit of new houses or apartments allowed.

"What it all boils down to is the city's policies regarding growth management," Community Development Director Forrest Ebbs told the council.

If the city did nothing, it would likely hit the limit soon when AMCAL Multi-Housing of Agoura Hills pulls its permits for a 390-unit affordable housing apartment complex. That's because the city is expected to issue some 300 permits this year on top of that, Ebbs said.

He called 2019 an "anomaly" because of the large AMCAL project, but said the city does expect more growth in the next five years — though not likely more than 300 units a year.

Maximums for growth management were established years earlier after Antioch underwent rapid growth in the 1990s. To reign in urban sprawl, residents overwhelmingly approved Measure U, an advisory that urged the city to slow down growth.

"The 1990s were a very prosperous time and in Antioch thousands of homes were built," Ebbs said. "But in 1998, the citizenry put together Ballot Measure U, with a goal of doing this with a little bit more thought about our infrastructure and our resources and our making sure our growth was not outpacing our ability to serve. And that's been a constant theme since then."

A direct result of Measure U was the city's Residential Development Allocation Program, a process in which applications were granted in return for a demonstration of community benefits, from 2002 to 2012. Before then, from 1989 to 2002, the city averaged 791 new units a year.But while the ordinance was in effect, the average was 198 units.

"Much of Antioch was built on that, but then the recession hit and growth really dropped off," Ebbs said.

At its height in 2001, Antioch approved 1,370 housing permits or a "rolling" average of 892 in five years, according to the staff report.

By 2014, two years after the Residential Development Allocation Program ended, the city adopted a residential growth management ordinance that amended the General Plan to modify the language addressing residential growth metering. Permits were capped at 500 a year, and if they went over that, the city had to develop a more complex program with 600 units set as the upper limit.

"The last few years were pretty quiet but this year has been a very busy year," Ebbs said in warning the city could reach its max early. "With AMCAL (building 390 units), obviously that throws a wrench in everything. It's going to result in us having to shut things down at some point."

Ebbs proposed two options: using a rolling five-year average for growth metering or taking the Planning Commission's idea of simply exempting affordable housing when the city does its count.

Council members Monica Wilson and Lamar Thorpe favored the idea of not counting affordable housing in the process.

"I am partial to the solution the Planning Commission came up with — it's an innovative idea that will accomplish our goals," Wilson said.

Antioch council member Lori Ogorchock wanted to particularly exempt projects in the low and very low affordable housing categories.

"The state, when we do our housing element (the city's goal for affordable housing), will look very favorably on a policy like that," Ebbs said. "It doesn't wrap affordable housing into our growth metering program. So it's a very progressive ... idea."

The council voted 4-to-0 to amend the ordinance, with Vice Mayor Protem Joy Motts absent.

### San Francisco Chronicle

# California's power supply is getting greener. It's still got far to go.

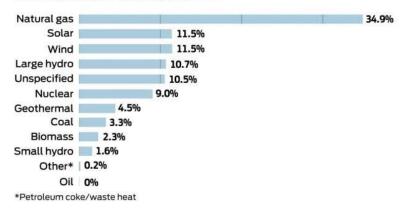
Mallory Moench

Sep. 23, 2019 Updated: Sep. 23, 2019 4 a.m.

Over the past decade, California has become a globally acclaimed leader on renewable energy. Fueled by aggressive public policies, plummeting solar prices and evolving technology, the state has

### California's electricity sources, 2018

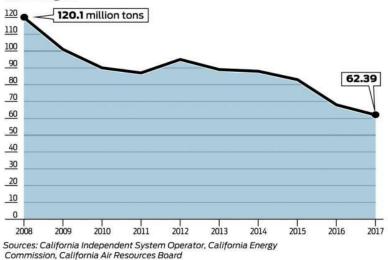
The state gets a third of its electricity from renewable sources including solar, wind and hydropower.



#### Electric power greenhouse gas emissions

CO<sub>2</sub> equivalent

Emissions from electric power generation in California have fallen by half since peaking in 2008. Coal has virtually disappeared from the grid.



John Blanchard / The Chronicle

cut greenhouse gas emissions from its electric power supply in half since their 2008 peak, according to the California Air Resources Board.

"It's really astounding how carbon dioxide emissions have been cut," said Anthony Kovscek, chairman of the energy resources engineering department at Stanford University. "It's been really remarkable how much renewable and solar we've been able to put on the grid and balance it."

In 2017, California was the nation's top producer of solar, geothermal and biomass energy, according to the U.S. Energy Information Administration. It ranks 48th in per capita energy use because of its mild climate and energy efficiency programs.

Last year, the California grid got 34% of its energy from renewable sources, according to the California Independent System Operator, which oversees the power supply for 80% of the state. That's halfway to the state's mandated goal of 60% zero-carbon energy sources by 2030 and on track for reaching 100% by 2045 — and it doesn't even count rooftop solar or large hydroelectric facilities.

With the state's expected population growth, rising temperatures and increase in electric vehicles, experts predict electricity demand will increase. So how will the state meet its ambitious goals? Experts said it's possible to get to zero carbon emissions, but the challenge is economics.

"The question isn't really whether it's doable, the question is what's it going to cost," said Maximilian Auffhammer, a professor of international sustainable development at UC Berkeley.

Much of California's success has been driven by top-down policies. The state pioneered energy efficiency after the 1970s energy crisis, noted Sally Benson, co-director at the Precourt Institute for Energy at Stanford University, followed by a slew of aggressive policies in the 2000s.

A landmark 2006 environmental law established a program for capping and cutting greenhouse gas emissions from utilities and other industrial companies, and the state has also progressively tightened renewable energy requirements for its three big electric utilities, including Pacific Gas and Electric Co.

The result: Coal use has plummeted. In 2008, California depended on coal for 18% of its energy. Today, it's only 3%, according to the California Energy Commission, and nearly all of that comes from out-of-state power plants.

### **Our Climate Challenge**

Utilities were forced to invest in renewables even before it was cost-effective, said Mark Specht, an Oakland energy analyst with the Union of Concerned Scientists. California hasn't focused on adding wind or hydropower plants — though there are long-term hopes for offshore wind and a proposed hydro plant in the Sierra Nevada — so it focused on solar.

Companies have improved technology and cut costs. Average installation prices for large-scale solar projects dropped by two-thirds from 2008 to 2017, according to a report last year by Lawrence Berkeley National Laboratory.

Solar rooftop installation multiplied from 28 megawatts in 2007 to 1,891 in 2018, according to data from the California Energy Commission and the California Public Utilities Commission. The state now leads the nation in rooftop solar installation, with nearly 1 million projects.

Starting next year, every new home built in California must have rooftop solar panels. Experts, especially economists, have challenged whether this is the best market to tackle, arguing that large-scale utility solar is more cost-effective.

Some experts say California has overbuilt solar — and depends too much on it for the future.

"Solar is not the silver bullet that's going to save us all," Specht said. "Reliability is becoming more and more of a concern. I think that to maintain reliability, we do need to be looking at other options than just chucking more and more solar onto the grid." The big issues facing solar are stability and storage.

"While we've made a lot of technological progress in renewable energy, we haven't figured out how to make the sun shine at night," said James Bushnell, a UC Davis economics professor focused on energy. "We've gone all in on solar rather than other energy resources that have potential for more diversity when they produce."

Benson said California produces about 11 gigawatts from solar daily — nearly half of the state's demand on an average spring day — which is more than it can store. Storing is the solution to the problem of high demand periods, like when the sun goes down and energy usage goes up.

The state has required a modest amount of storage, but batteries remain expensive.

Auffhammer said battery prices are trending down like solar panels did, but not significantly enough yet.

"The tipping point is where renewables are competitive at any point of the day, and you can't do that without cost-effective storage," he said.

Kovscek said the state should consider storage alternatives like batteries made of materials other than lithium-ions, pumped hydroelectricity — in which water is pumped uphill during times of excess electricity supply and released to generate electricity when demand is high — or turn to other renewables such as hydro and wind.

"If we take away those options and want to go to 100% renewables, electricity according to some estimates would be 30 times more expensive than it is today," Kovscek said. "How do you deliver that carbon-free electricity in a way that people will accept and is economic?"

California still relies on natural gas for a third of its energy supply, which accounts for the largest proportion of emissions from the state's electric sector.

"If California continues on its current trajectory of natural gas emissions, it's not going to meet the targets," said Geeta Persad, senior climate scientist at the Union of Concerned Scientists.

Most experts encouraged moving away from natural gas but keeping it as a backup. Benson said her research shows that the cheapest overall system is renewable-dominated — around 80% — with the remaining 20% natural gas offset by new, albeit expensive, technology to capture the carbon emissions and store them in the ground. There are no projects in California yet, she said.

Benson said she doesn't see any "enormous stumbling block" to get to California's 2030 goals of 60% renewables — but getting to 100% will require innovation, diversification and incentives.

"At the end of the day, it's important that someone has a holistic view," she said.

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# San Francisco Chronicle

# Richmond anti-violence program, known for payouts, helped cut gun-related killings

Megan Cassidy

Sep. 20, 2019 Updated: Sep. 20, 2019 1:15 p.m.



Sam Vaughn, program manager for the city of Richmond's Office of Neighborhood Safety, which runs the Operation Peacemaker Fellowship, poses for a portrait at City Hall in Richmond, Calif., on Thursday, Sept. 19, 2019.Photo: Michael Short / Special to The Chronicle

A Richmond anti-gun violence program known for its unconventional cash-for-good-behavior model now has scientific backing.

The city's <u>Operation Peacemaker Fellowship</u> contributed to a 55% drop in gun-related homicides and assaults between 2010 and 2016, according to a study published Thursday in <u>American</u> <u>Journal of Public Health</u>. The study was the first quantitative validation of the program, which supporters have held up as the key ingredient in Richmond's plummeting homicide rates over the last several years.

But the research also revealed an unexpected quirk: During this same time period, stabbings, beatings and other assaults and homicides that didn't involve a firearm rose 16%.

"What we expected to see was an effect on firearm violence and little to no effect on non-firearm violence," said the study's lead author, Ellicott Matthay, a postdoctoral scholar at UCSF's Department of Epidemiology and Biostatistics.

While the study confirms the program's overall success, Matthay said, it also highlights the need to monitor unintended consequences, especially as the model is adopted by other cities. Stockton and Sacramento have started their own versions of the program, and officials in dozens of other cities may do the same.

Operation Peacemaker was the 2010 brainchild of DeVone Boggan, then-director of Richmond's Office of Neighborhood Safety. The idea came at a time of near epidemic levels of gun violence. The city reached a rate of 46 homicides per 100,000 people in 2009, according to FBI data. Cities of similar size in California hovered around a rate of 5.

At the same time, the Richmond Police Department estimated that about 70% of the violent crimes were committed by just a handful of people, perhaps as few as 17, according to a <u>University of Southern California report</u>. That realization prompted city officials to embrace a radical plan.

They decided to zero in on the people who were committing the most gun-related crimes and enroll them in an intensive, 18-month, voluntary program that provided mentors, job training, substance abuse treatment and other support. Unlike some other anti-violence programs, Operation Peacemaker operates outside the purview of police departments, and it never shares information on its fellows with officers.

One controversial part of the program is that certain fellows are eligible to earn up to \$1,000 a month if they can hit goals outlined by their mentors and aren't involved in any shootings.

Critics said the cash bonus seemed to reward former criminals, while shutting out low-income people who stayed out of trouble.

But the program's supporters said the targeting has put a dent in shootings.

"If you really want to change gun violence, you have to invest in those who are most responsible for committing that gun violence," said Sam Vaughn, a former mentor for Operation Peacemaker and program manager for Richmond's Office of Neighborhood Safety.

Although other community programs and police leadership changed around the same time, Operation Peacemaker is primarily credited for falling homicide rates. Murders dropped more than 60% between 2009 and 2018, from 47 to 17.

Boggan said he wasn't particularly concerned about the small rise in non-firearm violence, and the program will remain focused on gun crimes.

"That's what makes our work as effective as it is," he said. "People have often tried to venture off into a wider space, but I believe that when you do that, that's when the problems begin to occur. The potency of what you're doing weakens."

Boggan, who has since left his position at the Office of Neighborhood Safety, founded the organization <u>Advance Peace</u> to help expand Richmond's program to other cities across the country.

The report's authors said non-firearm crimes may have risen because people were more likely to get involved in a fight if they believed the other person didn't have a gun.

Because the city is so hyper-focused on gun violence, it may not have been able to also focus on addressing the conditions that lead to violence, said co-author Melissa Barragan, a PhD candidate in the department of Criminology, Law and Society at the University of California, Irvine.

Vaughn, a former mentor for Operation Peacemaker and Program Manager for Richmond's Office of Neighborhood Safety, said targeting the other types of crimes would require more funding.

But when it comes to tackling the gun violence epidemic, he said the program has done its job.

"It's kind of like somebody saying, 'Too many people are dying in car accidents,' so they made seat belts; and then they were like, 'You know what, seat belts are bad because they're giving people whiplash," Vaughn said. "Thank god people are getting whiplash and not dying."

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### East Bay Times

# East Bay mayor claims 'lives will be lost' if Alta Bates closes

# Officials call on pressure on Sutter Health to keep medical center open.

By Jon Kawamoto | jkawamoto@bayareanewsgroup.com | Bay Area News Group PUBLISHED: September 18, 2019 at 7:11 am | UPDATED: September 19, 2019 at 8:38 am

EL CERRITO — An East Bay mayor is claiming that people will die needlessly if Sutter Health carries through with its plan to eventually shutter Alta Bates Medical Center as a full-service hospital in Berkeley.

"It's serious — lives will be lost, resources will be lost," said Albany Mayor Rochelle Nason, addressing a group of about 30 seniors at the Hana Gardens Senior Center in El Cerrito last week. "Disabilities and pain will be incurred which should not be incurred. This loss of hospital services is a very, very serious matter."

Nason and El Cerrito Mayor Rochelle Pardue-Okimoto said that the hospital closure would affect residents, the uninsured, homeless, UC Berkeley students and the elderly. Both mayors are members of a task force, convened by Berkeley Mayor Jesse Arreguin, that is working to convince Sutter Health to keep Alta Bates open.

Sutter Health announced in 2016 that it would close Alta Bates by 2030 rather than do a required seismic retrofit. Sutter Health also said it would move Alta Bates' emergency services from Berkeley to its Summit Hospital campus in Oakland's Pill Hill neighborhood, about three miles away. It plans to expand the emergency department at Summit to accommodate the added patients.

"Retrofitting or rebuilding the Ashby campus will result in years of disruption to patient care and significant impacts to the neighborhood, and under either scenario, the hospital would have to close for the duration of construction and patients would have to be relocated to a new, seismically safe facility," Sutter Health said in an email statement Monday.

"These challenges are not unique to Sutter Health, and would remain regardless of who is in charge of conducting seismic upgrade efforts. Berkeley area patients already receive care three miles away at Alta Bates Summit Medical Center in Oakland, a modern facility that meets today's seismic standards, including emergency-room patients who have been transported to this location."

For years, Alta Bates neighbors have been well-organized and vocal about hospital building projects and have worked with the city to require mitigation from Sutter Health for any construction. Berkeley has in the past has sued Sutter Health over Alta Bates expansion, and in 1983, the city and health care provider struck an agreement that hospital growth wouldn't impact neighborhoods surrounding the hospital.

Pardue-Okimoto, who has been a nurse at Alta Bates for 19 years, said Sutter Health has yet to reveal what it would cost to retrofit the Berkeley hospital.

"Sutter Health claims that it needs to consolidate services due to the cost of retrofitting Alta Bates in Berkeley," Pardue-Okimoto said. Yet "despite formal requests from the city of Berkeley, Sutter Health has not responded to the cost of a retrofit for Alta Bates nor has it provided the city of Berkeley with any formal plans for moving or shutting down services. As the mayor of El Cerrito, a nurse and a member of the community, I would like to see what the cost of the retrofit actually is."

Nason and Pardue-Okimoto cited findings in a 2018 report by UC Berkeley's Institute of Urban and Regional Development, which concluded that an Alta Bates closure would result in reduced access to prenatal birthing and neonatal care, increased crowding at emergency departments, increased wait times and increased travel times to emergency departments.

The UC Berkeley report also said the planned closure could hurt the poor, elderly and people of color. In 2016, about 63 percent of Alta Bates' patients and 56 percent of its emergency patients were people of color and 41 percent were uninsured. Pardue-Okimoto said one of Sutter Health's reasons for closing Alta Bates was because the hospital has been "hemorrhaging" money and "is not profitable enough" because of the high number of Medi-Cal patients it treats.

The report was commissioned mostly by Berkeley, as well as Richmond, Oakland, Emeryville, El Cerrito, Albany and San Pablo. Berkeley paid \$25,000 for the study and the other cities collectively matched that for a total of \$50,000.

Berkeley city officials want Sutter Health to either retrofit Alta Bates or sell it to another operator that would be willing to keep it open.

"El Cerrito, Albany, north Berkeley and south Richmond are all really approaching the status of a hospital desert where we just cannot get to services quickly enough, and it is a matter of great concern," Nason continued.

Nason noted that the region, at one time, also had Doctors Hospital in San Pablo, Herrick Hospital in Berkeley and UC Berkeley's Cowell Memorial Hospital. Doctors Hospital, which originally was Brookside Hospital, closed in 2015 and its health care district filed for bankruptcy in 2016 after years of financial losses. Herrick merged with Alta Bates in 1984 and is now part of Alta Bates Summit Medical Center.

#### If you're interested

What: Community forum on the planned closure of Alta Bates Medical Center Where: El Cerrito Community Center, 7007 Moeser Lane, El Cerrito When: 10 a.m.-noon Nov. 16 Information: Contact El Cerrito Mayor Rochelle Pardue-Okimoto at 510-215-4305 or at rpardueokimoto@ci.el-cerrito.ca.us

## East Bay Times

# Special election likely over Danville's 69house, open space project

Danville Town Council leans toward setting vote after opponents gather required signatures for referendum.



Bicyclists travel on Diablo Road between Mt. Diablo Scenic Boulevard and Green Valley Road in Danville, Calif., near the proposed Magee Ranch housing development, in 2015. (Doug Duran/Bay Area News Group)

By Jon Kawamoto | jkawamoto@bayareanewsgroup.com | Bay Area News Group PUBLISHED: September 18, 2019 at 12:12 pm | UPDATED: September 19, 2019 at 11:30 am

DANVILLE — The Danville Town Council is leaning strongly toward calling a special election over a disputed 69-house project that includes about 380 acres of open space and two miles of public trails.

The council voted Tuesday night to accept the signature results from the Contra Costa County elections office. The elections office certified that a referendum petition drive had enough signatures requiring the council to either rescind its approval of the Magee Preserve Project or call an election to let voters decide the fate of the project. The housing development, which has been in the works since 2011, was approved July 2 by the council.

A group called the Danville Open Space Committee collected 5,487 signatures. The county elections office certified more than 4,200 signatures, above the 3,007 signatures needed to call for a referendum.

At Tuesday's meeting, the council accepted the results and affirmed its vote approving the development project. Although several council members voiced the need to call a special election in March 2020, including Mayor Robert Storer, that issue will be decided at a future council meeting.

The Danville Town Council is scheduled to vote at its Nov. 5 meeting to set a special election on March 3, 2020. The council faces a deadline of Dec. 6 to reach a decision.

According to Danville Town Clerk Marie Sunseri, the cost of placing the referendum on the November 2020 ballot is estimated to cost \$37,583 to \$52,616. Sunseri said the cost of putting the measure on the March ballot would be an estimated \$60,132 to \$90,198.

The Magee Preserve Project by Davidon Homes of Walnut Creek calls for building the 69 houses on 29 acres of a 410-acre parcel, or 7 percent of the site off Diablo Road. The rest of the property would be open space, with two miles of public trails.

In addition to the Danville Town Council, the project is supported by the nonprofit conservation group Save Mount Diablo and at least four bicycle groups.

However, the Danville Open Space Committee has continued to oppose the project because it contends the development is essentially the same one approved by the council in 2013. That led to a lawsuit that ended up rescinding the council's 2013 approval. The town was ordered to redo its environmental impact report and address bicycle safety effects.

The committee contends that the proposal has not improved bicycle safety, will lead to more traffic and does not include parks or open space, despite the fact that the development would leave 381 acres as open space.

The disagreements between council members and the opponents flared once again at Tuesday's meeting, with those against the project speculating that the developer was trying to intimidate residents from signing the petition.

"We all have our comments, we all have our emotions in this and we've been involved in this since about 2013," said Mayor Storer. "I can certainly tell you that we unfortunately sit on two opposite sides of the aisle, and that's the way it's going to be."

Storer said he watched the people with the petition drive and said: "Unfortunately, the signature gatherers didn't tell the story correctly. That's how simple it is.

"I can tell you at the end of the day, the public will touch that property, we will be able to walk on the trails, bicycle safety will be bicycle safety," he continued. "A lot of us on this council believe that this is a wonderful project."

Storer said the petition said the town will take away open space, which he called "distorting the truth, and that's what I don't appreciate here, so the sooner we get this done, the better."



#### Published September 18th, 2019

### MOFD Station 41 rebuild will not happen this fiscal

#### year

#### By Nick Marnell

Though its 62-year-old Fire Station 41 was cited for replacement eight years ago, the Moraga-Orinda Fire District will not begin the station reconstruction until the 2021 fiscal year, despite the work having been scheduled for this fiscal year in the latest district long-range financial forecast. Also part of the postponed capital project is the rebuild of the district administrative offices, which sit adjacent to Station 41 on Moraga Way.

The fire station has been a target for rebuild since 2011, when the district Facilities Committee said the building suffered "health and safety, gender separation, firefighter housing and other deficiencies." Its report was issued before the approval of the Moraga Town Center Homes project, a development of 36 townhomes under construction next to the MOFD facility.

Because of the proximity of the townhomes to the MOFD training center, which has long been considered marginal for training activities, Fire Chief Dave Winnacker looked into not only the fire station rebuild but also station and administrative center relocation. One possibility was a land swap between MOFD and the Moraga School District for property adjacent to Joaquin Moraga Intermediate School for the fire station. But that concept has gone nowhere.

"I brought this matter to the board over a year ago, not to ask permission, rather to ensure that the public was aware two public entities were going to discuss, not negotiate, the possibility of a land swap," MSD Superintendent Bruce Burns said. "The MOFD chief and I last spoke in January, as I recall, and have had no conversations since. For MSD, and I suspect MOFD, there are far more pressing matters, such as MSD's reduction of \$1 million in revenue due to an expiring parcel tax and our work to reduce expenses for 2020-21."

Winnacker concurred that the district has more critical priorities in 2019. "With our limited resources, we are focused on vegetation mitigation and the completion of the North Orinda Shaded Fuel Break," the chief said. Admitting that the fire station is on its last legs, the chief said that in fiscal year 2021, the district may be in a better position to rehab Station 41. "It is a district goal," Winnacker said.

The district estimates \$7 million dollars to rebuild Station 41, and \$1 million for the reconstruction of the administrative center. The last of the five MOFD fire stations to be rebuilt this century will be Station 45 in Orinda, scheduled for a \$5 million facelift in 2022, per the district long range financial plan.

Reach the reporter at: nick@lamorindaweekly.com

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### **East Bay Times**

# Pleasant Hill council urges county to keep old library open until new one is finished

Welcome Area



Pleasant Hill is considering design plans for developing a new library, which would be one component of a project proposed for 15 acres at the intersection of Oak Park Boulevard and Monticello Avenue, currently referred to as "Oak Park Properties". (Courtesy Pleasant Hill)

By <u>Annie Sciacca | asciacca@bayareanewsgroup.com</u> | Bay Area News Group PUBLISHED: September 17, 2019 at 5:00 am | UPDATED: September 17, 2019 at 2:40 pm

PLEASANT HILL — Siding with residents, the City Council decided Monday to push for keeping the county library in Pleasant Hill open the whole time its replacement is being built.

After listening to more than a dozen residents and then debating the issue among themselves. council members agreed to urge the Contra Costa County Board to not close the library during construction, which is expected to take about a year and a half.

The council's move came after local residents for months had <u>expressed their frustration</u> at county and city meetings with the proposed library closure.

The new library is part of a 15-acre project at Oak Park Boulevard and Monticello Avenue that will also include a new park and 34 homes. The county, which owns the land, will transfer five acres of it to Pleasant Hill for the new library and ultimately sell the existing library site at 1750 Oak Park Blvd. to a developer to build the homes.

The decision to keep the library open while the new one is built ultimately rests with the county supervisors because the county owns the property.

County Supervisor Karen Mitchoff, who represents the district encompassing Pleasant Hill, has said the county needs to close the existing library as soon as possible to get the most it can from selling the land to a housing developer while the market is still strong.

The council approved a resolution expressing its "desire for the current library to remain open" during construction of the new library and noting that if it does close the city will work with the supervisors and library administration to provide "quality" library services in the meantime.

The original resolution urged the county to keep the existing library open "as long as feasible," but the council deleted those words after residents at the meeting asked it to take a stronger stand.

A temporary <u>library that will open at the Pleasant Hill Senior Center</u> until the new one is completed in fall 2021 will have staff, computers and about 10,000 items available for checkout. Programs such as storytime for small children will take place at Pleasant Hill Teen Center, and patrons will be able to order books and other items online and pick them up at the temporary library.

Whitney Baker, a literacy coach and Pleasant Hill mother, said "dispersing (the services) is not good enough."

"I understand everything that has brought us here," Baker said at the meeting. "However, we are sacrificing our current children for our future children."

She noted her son is in kindergarten at Pleasant Hill Elementary School, which doesn't have a full-time librarian. "It's hard to access," she said. For more complete library services, "we rely on our city to give that to us."

Councilmember Sue Noack was hesitant to ask the county to keep the old library open, pointing out that when city residents approved the Measure K sales tax to raise funds for a new branch, "we thought then the library was going to be on the current library site."

Early plans for the new library project called for the homes to be built on five acres behind the library and a park and sports fields on the site of the existing library later. But the county, city and city parks and recreation district realized later a better configuration would be to flip the sports fields and build the homes where the current library is.

Residents have criticized the elected officials for not making that decision clearer at the time.

The city was involved in the decision to swap the parcels, Noack said, partly because the initial three acres the county had planned to give for the library wasn't enough for parking. The land swap meant the library can share parking with the sports fields.

"I understand no one is happy about the library closing. None of us are terribly happy," Noack said. "On the other hand, we have to be a little respectful of the deal we made. (The county is) contributing to the roads, they gave us the land."

Still, Noack voted along with council members Matt Rinn, Tim Flaherty and Michael Harris to send the letter urging county supervisors to keep the library open. Mayor Ken Carlson was the only one to dissent. He had moved to postpone the resolution until January while a library task force explores alternative temporary services options. That resolution didn't get enough votes to pass.

## Danville 🔖 SanRamon

https://danvillesanramon.com/news/print/2019/09/13/danville-council-to-discuss-referendum-petition-fate-of-magee-preserve-project

Updated: Sun, Sep 15, 2019, 9:37 pm Uploaded: Fri, Sep 13, 2019, 11:52 am

### Danville council to discuss referendum petition, fate of Magee Preserve project

Citizen group's petition challenges council approval of 69 single-family homes at longdebated property

by Ryan J. Degan

The Danville Town Council is set Tuesday to consider validating a petition challenging its approval of the Magee Preserve development and contemplate whether to allow voters to make the final decision on the project.

The petition, delivered to town staff by a resident group dubbed Danville Open Space Committee, contained 5,487 signatures -- above the 3,007, or 10% of registered Danville voters, needed to potentially force the council's hand. Contra Costa County election officials reviewed the signatures and confirmed the petition cleared the threshold.

If they certify the validity of the petition on Tuesday, council members can either choose to repeal their approval of the Magee Preserve project outright, or let voters decide during a special election on March 3 or regular municipal election on Nov. 3, according to a staff report by city clerk Marie Sunseri.

Sunseri estimates that placing the issue on the March 2020 statewide primary election ballot would cost the town between \$60,132 and \$90,198 -- \$2 to \$3 for every registered voter. She added that placing the question on the November 2020 municipal election would be the cheaper option and is estimated to cost between \$37,583 and \$52,616 -- \$1.25 to \$1.75 per registered voter.

Proposed by Walnut Creek-based developer Davidon Homes, the Magee Preserve development project would consist of building 69 single-family homes on the south side of Diablo and Blackhawk roads, as well as a series of hiking and biking trails that would be open to the public.

Located on a 410-acre project site, the Magee Preserve would develop approximately 29 acres -- or 7% -- of the site, with the remaining 381 acres preserved as open space on a permanent basis.

Davidon's is the latest proposal for the Magee property that has been long eyed for development with housing, including a previous project version by SummerHill Homes that resulted in a lawsuit that reached the state Court of Appeal before that developer bowed out.

The Davidon project was signed off on by the council during its regular meeting on July 2, with council members stating that the project's superior environmental conservation and recreational benefits would prove to be a major boon for the town.

The council's approval was given over the objection of some residents who feared that the project would increase traffic in the area, limit evacuation routes in an emergency situation such as a fire

and obstruct parts of the area's open space -- among the arguments of the referendum petition proponents.

The Danville Town Council is set to review the Magee Preserve development project during its regular meeting 7:30 p.m. Tuesday, at the Town Meeting Hall, 201 Front St., Danville.

In other business, the council is set to hear a series of special presentations introducing new Danville Police Department personnel and recognizing the participants of the Town of Danville Government 101 Citizens Academy.

## Fresno Bee

# Dirty water fight brewing as Central Valley city refuses to help neighboring town

By Cresencio Rodriguez-Delgado

September 11, 2019 06:05 PM, Updated September 12, 2019 04:20 PM

The tiny South Valley community of Tooleville faced a major setback this week in its years-long struggle for clean drinking water – but advocates say the fight isn't over.

The Exeter City Council voted unanimously to scrap plans that would move Exeter's water system toward consolidation with neighboring Tooleville, a rural, unincorporated community of about 80 households that has struggled for years with dirty water.

The plan could have solved Tooleville's water issues, but Exeter officials feared the additional burden on the city's water system, which they said is already in need of repair.

"We have to take care of Exeter first," Exeter Mayor Mary Waterman-Philpot said Wednesday, a day after the council's vote. "We don't have the water capacity and the ability to service another community."

In August, the council approved the Water Master Plan, which examined the city's water infrastructure and its capacity to serve another community.

Waterman-Philpot said the plan showed the city would need to spend millions to upgrade its water lines, forcing officials to raise water and sewer rates for Exeter residents to fund the new services. The mayor said it wouldn't be fair to Exeter residents and the City Council is "not interested" in adding to the city's debt or stretching its workforce to help out Tooleville.

### 'Stunning' turn of events

Michael Claiborne is an attorney with the Leadership Counsel for Justice and Accountability who represented the Tooleville water board during the negotiations with Exeter.

He said Exeter's decision Tuesday night was "stunning" since the two groups seemed to be on a promising path.

"What they really did was delay for a year and a half ... and then reach a result that it appears they were always going to reach," Claiborne said. "They (the City Council) slammed the door shut pretty hard for completely unjustified reasons." Claiborne said he had discussions with state officials who said they were willing to work with Exeter to address debt refinancing and paying for new infrastructure.

Mayor Waterman-Philpot said the council never got anything in writing about how the state could fund or help Exeter in aiding Tooleville.

That's because the state can't commit until the water project application process is complete. Either Exeter or Tooleville must first submit a planning study for review by the state, according to Bryan Potter, State Water Resources Board Tulare District Engineer.

"They need to come to an agreement if that's what's going to happen," Potter said.

### **Decades-long water woes**

<u>Tooleville has struggled with dirty water for decades</u>. Tulare County reports on Tooleville's water found the system contained high concentrations of pesticides and other contaminants. And it's not the only Central Valley community facing the issues.

Pedro Hernandez, Leadership Counsel organizer who has worked closely with the Tooleville residents, said the plan for Tooleville now is to go straight to the state and force Exeter to help Tooleville. <u>A similar mandate was issued</u> for the city of Tulare to consolidate with the unincorporated neighboring community of Matheny Tract in 2016.

"We are going to have to go above the City of Exeter to the state," Hernandez said. "The state can do this and this failure to act in good faith is only building the case to mandate the consolidation."

Advocates said they're also exploring other funding possibilities but have yet to find a solution that doesn't involve Exeter throwing a lifeline to Tooleville.

City Manager Adam Ennis said the council is focused on addressing the city's budget and other city services.

"The city's got a lot of things going on right now," Ennis said. "They're (the council) seeing it as not a good time to add something else."