

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

MINUTES OF MEETING

March 9, 2011

Board of Supervisors Chambers - Martinez, CA

1. Chair McGill called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Seating of New Commissioner (City Alternate Member)

Tom Butt was elected by the City Selection Committee on March 3, 2011 to fill the Alternate City seat vacated by Don Tatzin. He was given the oath of office by County Counsel Sharon Anderson, and was formally welcomed to the Commission.

4. Roll was called. A quorum was present of the following Commissioners:

City Members Rob Schroder and Don Tatzin and Alternate Tom Butt.

County Members Gayle Uilkema and Alternate Mary Piepho.

Public Members Martin McNair and Alternate Sharon Burke.

Special District Members Michael McGill and Dwight Meadows and Alternate George Schmidt.

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

At this time Chair McGill recognized outgoing Chair McNair. The Commission thanked Commissioner McNair for his service as Chair in 2010.

5. Approval of the Agenda

Upon motion of Uilkema, second by Tatzin, the agenda was adopted.

6. Public Comments

There were no public comments.

7. Approval of February 9, 2011 Minutes

Upon motion of Tatzin, second by Piepho, the minutes for the February 9, 2011 meeting were approved unanimously.

8. LAFCO 10-11 - Central Contra Costa Sanitary District (CCCSD) Annexation 175

The Executive Officer provided an overview of a proposal filed by CCCSD to annex 108 properties located in 11 separate areas, primarily in Orinda with one property in Lafayette, to allow for the extension of sewer services and eliminate islands within the District. LAFCO staff noted that to date no protests had been received.

In response to a question from Commissioner Uilkema, Jarred Miyamoto-Mills, Principal Engineer for CCCSD, confirmed that the District conducts outreach through community meetings prior to submitting annexation proposals to LAFCO. He expressed appreciation of the County surveyor's and assessor's offices for their assistance in accurate preparation of this and the many other proposals being submitted to LAFCO.

The public hearing was opened. There were no other public comments.

Upon motion of Uilkema, second by Tatzin, the Commission unanimously closed the public hearing and certified that it reviewed and considered the information contained in the environmental documents; approved the proposal to be known as Annexation 175 to CCCSD, with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is inhabited, has less than 100% consent of the affected landowners and registered voters, that no affected landowners/registered voters opposed the annexation, that the annexing agency has given written consent to the waiver of conducting authority proceedings, waived the protest proceeding, and directed staff to complete the proceeding.

9. Fire Service Report

The Executive Officer provided a brief synopsis of the progression of fire service discussions and activities, and updated the Commission on February activities.

LAFCO staff noted that in February, West County fire agency representatives and LAFCO staff met to review and provide input on the draft study scope of services as prepared and revised by Citygate. The outcome of the discussion was that the local agencies, while recognizing the value of the LAFCO MSR process and opportunity for ongoing discussion of fire services, expressed little interest in pursuing another study at this time. Agencies continue to be financially constrained and would rather devote funding to critical services. Further, it is uncertain whether any new service or fiscal options or models will materialize as a result of such a study. Efforts are underway in both eastern and western parts of the County to address fiscal and service issues. Finally, there are a number of significant unknown funding issues, including potential tax measures and the State budget which may further impact services.

Patty McGoldrick, resident of Pinole, asked if LAFCO will pursue a study at this time, and if it will present information to the public about the costs of such a study.

Michelle Fitzer, Pinole Assistant City Manager, in response to Commissioner Uilkema's request, stated that the City was conducting meetings (March 8 and 9) to present a full report to the public. Ms. Fitzer added that she would be happy to meet with McGoldrick to provide additional information.

Discussion ensued regarding the next step to be taken.

Upon motion of Piepho, second by Tatzin, Commissioners unanimously accepted the staff report and requested that fire service agencies provide updates at the September 2011 LAFCO meeting, or earlier if appropriate (i.e., the success or failure of any June ballot measures or any revenue enhancement successes or failures at the local level); and include updates regarding any alternative service configurations that may be pursued.

10. Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) Updates

The Executive Officer presented an annual report on the status of MSRs and SOI updates, noting that LAFCO is nearing completion of the first-round MSRs.

A police service MSR is currently underway; the draft report will be discussed in April, and completion is scheduled for June. Finally, MSRs covering library services and miscellaneous county service areas are proposed for FY 2011-12. Healthcare services and water/wastewater services will be due for second-round MSRs beginning in FY 2012-13. There was discussion regarding the need for and breadth of the library service review.

Upon motion of Uilkema, second by Tatzin, Commissioners accepted the annual MSR status report and directed staff to proceed with the final first-round MSRs (library services and CSAs) in FY 2011-12.

Upon motion of Uilkema, second by Tatzin, Commissioners approved the recommended schedule as presented in the report.

11. Proposed LAFCO Budget for Fiscal Year 2011-12

The Executive Officer presented the proposed budget for FY 2011-12, including highlights of FY 2010-11 and FY 2011-12 expenditures and revenues, both of which reflect decreases due to reductions in Services & Supplies, with a decline in LAFCO applications and related processing costs, and the winding down of MSR activity. LAFCO staff also noted that the current fund balance is in excess of \$100,000, and as proposed, may be used to reduce the apportioned contributions from the County, cities, and special districts.

There was discussion regarding unfunded liabilities. Commissioner Tatzin suggested that staff establish a trust account using some of the fund balance to fund the LAFCO OPEB (Other Post-Employment Benefits) liability. LAFCO staff noted that the debt for UAAL is calculated within the annual prepayments LAFCO makes to Contra Costa County Employees' Retirement Association (CCCERA) and is amortized over 18 years.

Upon motion of Tatzin, second by Uilkema, Commissioners unanimously approved the proposed budget for FY 2011-12; directed staff to add a new expenditure line item for establishing an OPEB trust fund with \$30,000 from the fund balance; and directed staff to distribute the proposed budget to the County, cities, and special districts.

Upon motion of Tatzin, second by Uilkema, Commissioners set the public hearing to consider the final budget for May 11, 2011.

12. Call for Special District Risk Management Authority (SDRMA) Board Nominations

The Executive Officer stated that LAFCO is a member of SDRMA, which provides LAFCO's workers' compensation and property/liability insurance. As a result, Commissioners are eligible to be nominated for SDRMA Board seats.

No nominations were made.

13. Northeast Antioch Update

The Executive Officer referred to the joint letter from the City of Antioch and County Redevelopment included in the LAFCO agenda packet, which provided an update regarding the status of the tax-sharing negotiations in anticipation of annexation of Northeast Antioch.

Commissioner Meadows stated his disappointment with the report, the lack of urgency on the part of the agencies, and lack of any actual timeline. He expressed a desire to revisit the Commission's February 9th approval of the Out of Agency Service request through the reconsideration process. Commissioner McNair also expressed his disappointment with the monthly update.

Following discussion and a brief break, the Commission reconvened to discuss the details of the reconsideration process. LAFCO Legal Counsel reviewed the statute with the Commission noting the 30 day reconsideration period and the criteria for new or different information.

In response to questions about how LAFCO can regain its authority on this issue, it was suggested that a letter be sent to the City and County expressing the Commission's disappointment with the first monthly update and apparent lack of progress.

Commissioner Uilkema asked if the Executive Officer had received any new or different information since the Commission's February 9th action. LAFCO staff noted that following the February 9th LAFCO meeting, County Environmental Health (EH) contacted the LAFCO office asking about the status of the out of agency service request, and indicating that County EH had received a request from GenOn to pursue a temporary sewer holding tank, which seemed confusing given the Commission's approval for municipal sewer service. LAFCO staff would seek clarification.

Upon motion of McNair, second by Tatzin, Commissioners agreed to send a firm letter to elected officials of both the City and County, with copies to all involved parties, expressing extreme disappointment in the first monthly report and lack of progress; and that the letter should mention the potential for reconsideration. This letter will be signed by Commissioner McNair, who was Commission Chair at the time of the February 9 decision. Commissioner McGill abstained.

Commissioner Meadows indicated that he will submit a request for reconsideration.

14. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)

The Executive Officer presented recent correspondence from CCCERA.

15. Commissioner Comments and Announcements

None

16. Staff Announcements and Pending Projects

The Executive Officer drew Commissioners' attention to items in the agenda packet including the CALAFCO Legislative Report and pending proposals.

The meeting adjourned at 3:42 p.m.

Final Minutes Approved by the Commission on March 23, 2011.

AYES: McGill, McNair, Meadows, Schroder, Tatzin, Uilkema

NOES:

ABSTAIN:

ABSENT: Glover (M), Burke (A), Butt (A), Piepho (A)

By  _____
Executive Officer