

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

January 8, 2014
Agenda Item 6

December 11, 2013

Board of Supervisors Chambers
Martinez, CA

1. Vice Chair Dwight Meadows called the meeting to order at 1:31 p.m.
2. The Pledge of Allegiance was recited.
3. Roll was called. A quorum was present of the following Commissioners:
City Members Rob Schroder and Don Tatzin.
County Member Alternate Candace Andersen. County Members Federal Glover and Mary Piepho arrived at 1:44 p.m.
Special District Members Michael McGill and Dwight Meadows, and Alternate George Schmidt.
Public Members Don Blubaugh and Alternate Sharon Burke.
Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, LAFCO Planner Nat Taylor, and Clerk Kate Sibley.
4. Approval of the Agenda
Upon motion of Blubaugh, second by Tatzin, Commissioners unanimously adopted the agenda.
5. Public Comments
There were no public comments.
6. Approval of November 13, 2013 Meeting Minutes
Upon motion of McGill, second by Andersen, the minutes for the meeting of November 13, 2013 were approved, with Commissioner Tatzin abstaining.
7. LAFCO 09-05 – Annexation 168C to Central Contra Costa Sanitary District (CCCSD)
The Executive Officer provided an overview of a proposal filed by CCCSD to annex eight properties in two separate areas located in the unincorporated Martinez area of Alhambra Valley. All property owners have petitioned for annexation; three (parcels 1, 2 and 8) already receive out of agency wastewater service and a fourth property (parcel 4) has been developed but is on septic currently. The properties are all deemed “agricultural” but there is no agricultural use at this time, and no Williamson Act restrictions. All of the properties are outside the countywide Urban Limit Line (ULL). The Environmental Impact Report (EIR) was deemed adequate for LAFCO’s purposes. LAFCO received two comment letters regarding the proposed annexation from individuals who reside outside the annexation area: Mr. Olson, President of the Alhambra Valley Improvement Association, expressed opposition to the annexation and various concerns; and Mr. Radosevich raised concerns regarding the proximity of the annexation area to the ULL and to the John Muir National Historic site.

In response to questions from Commissioner Tatzin, the Executive Officer confirmed that all properties are in an unincorporated area; that the County’s General Plan policies discourage the extension of urban services outside the ULL; and that this area has been in the City of Martinez’s SOI since at least 1975.

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Russ Leavitt, representing CCCSD, pointed out that the aging septic systems in the Alhambra Valley area have been deemed marginal by County Environmental Health, and that this annexation would not induce growth beyond the County's General Plan and the Alhambra Valley Specific Plan.

In response to Commissioner McGill's question, staff responded that service to this area was discussed in the LAFCO water/wastewater Municipal Service Review.

There were additional Commissioner questions relating to costs associated with sewer services and processing the annexation proposal.

Ted Radosevich, a landowner whose property is adjacent to the largest of the eight parcels in the annexation proposal, stated his objection to the annexation particularly of the one large parcel, which is next to a national park and should not be developed.

Seth Adams, representing Save Mt. Diablo, stated that his organization would not normally comment on territories outside of the Mt. Diablo area, stated his objection based both on the proposed area being outside the ULL, and that the proposed annexation would be growth inducing. He stated that this annexation vote would be a vote on whether or not LAFCO observes or violates the ULL and suggested that Commissioners consider annexing only those properties that are already receiving service. He also commented on the District's EIR, and options for modifying the ULL.

In response to a question regarding LAFCO's relation to the ULL from Commissioner Piepho, the Executive Officer stated that LAFCO is not bound by it. Further, Legal Counsel Sharon Anderson confirmed that extending an annexation beyond the ULL may violate the ULL but it is not illegal.

Jim Hein, owner of the largest parcel in the proposed annexation, stated that his family has owned this property since before the national park and the establishment of the ULL. The sewer line comes right up to the edge of his property already. He does not yet have a house on the property, but wants to be able to build there in the future.

Commissioner Schroder noted that parcels 4 and 8 of the annexation have city water; and asked if they get sewer service will they then develop? He also asked when the ULL would be coming up for review. Staff noted that there are no current development proposals for this property, and that the ULL is scheduled for review in 2016.

Commissioner Meadows commented on the boundary irregularities of the ULL throughout the County.

Commissioner Glover stated that he would like to take a closer look at the ULL in light of areas like this when the review comes up.

Commissioner Tatzin suggested annexing only parcels 1, 2, 4 and 8 (the properties with residences, three of which already receive wastewater service and the fourth that has city water and a marginal septic system). Further discussion ensued regarding the inadequacies of septic systems, annexing outside of the ULL, and the fact that special districts are not land use agencies.

Commissioner Tatzin moved, seconded by Commissioner Piepho, that the Commission approve annexation of parcels numbers 1, 2, 4 and 8. This failed by the following roll call vote:

AYES: Piepho, Schroder, Tatzin
NOES: Blubaugh, Glover, McGill, Meadows

Commissioner McGill moved that Commissioners approve Option 1 of the staff report (annex all eight parcels as presented). This failed with no second.

Commissioner Blubaugh moved, seconded by Commissioner Glover, that the Commission deny the application. This failed by the following roll call vote:

AYES: Blubaugh, Glover
NOES: McGill, Meadows, Piepho, Schroder, Tatzin

Commissioner Tatzin moved, seconded by Commissioner Piepho, that the Commission certify that it reviewed and considered the information contained in CCCSD District Annexation 168C – Alhambra Valley EIR as prepared and certified by CCCSD; approve the annexation of parcels numbers 1, 2 and 8 (those already with out of agency sewer service), with specified conditions; determine that the territory being annexed is liable for the continuation of taxes, assessments and charges; find that the subject territory is inhabited, has 100% consent of the affected landowners and registered voters, waive the protest proceeding, and direct staff to complete the proceeding. This passed by the following roll call vote:

AYES: Blubaugh, Piepho, Schroder, Tatzin
NOES: Glover, McGill, Meadows

Further discussion ensued regarding the dispensation of the remaining five parcels and whether they could be brought back to a future LAFCO meeting for further consideration without additional cost to the District. Mr. Leavitt also urged that the County make a real commitment to review the ULL in the Alhambra Valley area.

Mr. Leavitt asked for clarification on parcel 4, which has circumstances similar to those of the three parcels just approved for annexation: If it were to come to LAFCO with a need for out of agency service because of its failing septic, would it then have to go through this same process?

Commissioner McGill moved, seconded by Commissioner Piepho, that the Commission certify that it reviewed and considered the information contained in CCCSD District Annexation 168C – Alhambra Valley EIR as prepared and certified by CCCSD; approve the annexation of parcel 4 given its existing residence, marginal septic system, and the fact that it already has city water, with specified conditions; determine that the territory being annexed is liable for the continuation of taxes, assessments and charges; find that the subject territory is inhabited, has 100% consent of the affected landowners and registered voters, waive the protest proceeding, and direct staff to complete the proceeding. Following further discussion, this passed by the following roll call vote:

AYES: McGill, Meadows, Piepho, Schroder, Tatzin
NOES: Blubaugh, Glover

With further discussion of bringing the remaining parcels back for further action, Legal Counsel Anderson responded that the Commission closed the public hearing and took action on four parcels. The Commission can request a report in January regarding whether action on the remaining parcels can be continued for later action.

Upon motion by McGill, second by Piepho, Commissioners directed staff to report back in January on the possibility of taking further action on the remaining parcels. Commissioner Blubaugh voted against this.

8. Northeast Antioch Update

The Executive Officer reported that on Tuesday, November 26 the City of Antioch approved the property tax transfer and infrastructure agreements relating to Northeast Antioch (Areas 1, 2A and 2B) as approved earlier by the County Board of Supervisors.

Victor Carniglia, representing the City of Antioch, reported that the City has approved an agreement with PG&E for indemnification of the City and by association LAFCO on all three of the annexations. He looks forward to the Area 1 and Area 2B applications coming forward to LAFCO at the January 8, 2014 meeting.

Rich Seithel, representing the County, expressed his appreciation of Commissioners' patience throughout this process.

The Commissioners thanked City and County staff for their work.

Mr. Carniglia introduced Steve Duran, who will take the position of Antioch City Manager on January 1.

Upon motion of Piepho, second by Meadows, Commissioners accepted the report.

9. Actuarial Valuation and Post-Employment Healthcare Benefits

The Executive Officer reported that LAFCO currently has \$30,000 in its fund balance account, set aside to fund future costs associated with the employer's share of post-employment healthcare benefits for its three retirees and two current staff members. Staff has researched trust options for holding these assets. The preferred option is to participate with Contra Costa County in the Public Agencies Retirement Services. In order to participate in the PARS program, LAFCO must first conduct an actuarial valuation.

Staff has contacted two actuarial valuation firms that offer these services – the California Special Districts Association and Milliman. Based on services and cost, LAFCO staff proposes to retain the CSDA firm. Adequate funds are included in the FY 2013-14 budget to fund these services.

Upon motion of Piepho, second by Tatzin, Commissioners unanimously received the report.

10. Commissioner Terms

The Executive Officer provided an update of Commissioner term expirations and the procedures for filling vacancies.

In May 2014, the terms of four Commissioners will expire: County members Federal Glover and Mary Piepho, and Special District members Dwight Meadows and George Schmidt.

County Members are selected by the County Board of Supervisors, which typically makes its appointments in January. Staff will coordinate with County staff on these appointments.

Special District Members are selected by the 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 District Association, and report back to the Commission following the election in April 2014.

Upon motion of Tatzin, second by Blubaugh, Commissioners unanimously received the report.

11. Correspondence from CCCERA

There were no comments on this correspondence.

12. Commissioner Comments and Announcements

Commissioner McGill reported that he had attended two CALAFCO Legislative Committee meetings in the past month, as well as the UC Davis symposium on LAFCos.

13. Staff Announcements and Pending Projects

The Executive Officer drew Commissioners' attention to the pending projects list and the CALAFCO updates.

The meeting was adjourned at 2:49 p.m.

Final Minutes Approved by the Commission January 8, 2014.

AYES:

NOES:

ABSTAIN:

ABSENT:

By _____
Executive Officer