



NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, March 12, 2014, 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 651 Pine Street, Six 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 925-335-1094. An assistive listening device is available upon advance request.

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

MARCH 12, 2014 CONTRA COSTA LAFCO AGENDA

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. Adoption of Agenda
4. Public Comment Period (please observe a three-minute time limit):
Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
5. Approval of Minutes for the February 12, 2014 regular LAFCO meeting

SPHERE OF INFLUENCE/BOUNDARY CHANGES

6. ***LAFCO 13-08 – Northeast Antioch Reorganization (Area 2A): Annexations to the City of Antioch and Delta Diablo Sanitation District and Detachment from County Service Area P-6*** – Consider reorganization proposal of 116± acres (19 parcels) located immediately west of State Route 160 and the Antioch Bridge; and consider related actions under the California Environmental Quality Act (CEQA). ***Public Hearing – Continued from February 12, 2014 Meeting***

BUSINESS ITEMS

7. ***Proposed Budget for FY 2014-15*** - the Commission will be asked to approve the proposed budget for FY 2014-15 ***Public Hearing***
8. ***Update on Contra Costa County's Emergency Medical Services Modernization Study*** - Receive update on the County's EMS Modernization study.

CORRESPONDENCE

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

INFORMATIONAL ITEMS

10. Commissioner Comments and Announcements
11. Staff Announcements
 - CALAFCO Updates
 - Pending Projects
 - Newspaper Articles

CLOSED SESSION

PUBLIC EMPLOYEE ANNUAL PERFORMANCE REVIEW – Title: Executive Officer

ADJOURNMENT

Next regular LAFCO meeting – April 9, 2014 at 1:30 p.m.

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting_archive.htm

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

February 12, 2014

March 12, 2014
Agenda Item 5

Board of Supervisors Chambers
Martinez, CA

1. Chair Dwight Meadows called the meeting to order at 1:30 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 Members Federal Glover and Mary Piepho, and Alternate Candace Andersen.
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, and Clerk Kate Sibley.
4. Approval of the Agenda
Upon motion of Tatzin, second by Blubaugh, Commissioners adopted the agenda.
AYES: Blubaugh, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: Glover
ABSTAIN: none
5. Public Comments
Vincent Wells, Local 1230 President, spoke regarding the financial issues facing East Contra Costa Fire Protection District.
6. Approval of January 8, 2014 Meeting Minutes
Upon motion of Piepho, second by Glover, the minutes for the meeting of January 8, 2014 were approved unanimously.
AYES: Blubaugh, Glover, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none
7. LAFCO 13-03 – Rodeo Marina Annexation to Rodeo Sanitary District (RSD)
The Executive Officer reported that this is an uninhabited area with fewer than 12 voters. As directed by the Commission, a protest hearing was held on February 10, 2014 to receive written protests from affected landowners regarding the proposal and determine whether a requisite protest exists. No written protests were filed against this annexation; consequently, it is ordered.
Upon motion of Glover, second by McGill, Commissioners unanimously received the Executive Officer's report.

DRAFT

AYES: Blubaugh, Glover, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

8. LAFCO 07-17 – PG&E Reorganization (Area 1): Annexations to the City of Antioch and Delta Diablo Sanitation District (DDSD) and Detachments from County Service Areas (CSAs) L-100 and P-6

The Executive Officer reported that this is an uninhabited area with fewer than 12 voters. As directed by the Commission, a protest hearing was held on February 10, 2014 to receive written protests from affected landowners regarding the proposal and determine whether a requisite protest exists. No written protests were filed against this annexation; consequently, it is ordered.

Upon motion of Piepho, second by Glover, Commissioners unanimously received the Executive Officer's report.

AYES: Blubaugh, Glover, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

9. LAFCO 13-08 – Northeast Antioch Reorganization (Area 2A): Annexations to the City of Antioch and Delta Diablo Sanitation District (DDSD) and Detachment from County Service Area (CSA) P-6

The Executive Officer provided an overview of a proposal filed by the City of Antioch to annex 116± acres to both the City and DDSD, to provide municipal services to a largely commercial and marina waterfront unincorporated area. This area would be simultaneously detached from CSA P-6. This area is part of the City's Eastern Waterfront Employment Focus Area. Due to recent annexation of Areas 1 and 2B, annexation of this area will prevent its becoming an island. The area is uninhabited, with fewer than 12 voters; thus, the Commission's action is subject to notice, hearing, and protest proceedings. The LAFCO Executive Officer is authorized to conduct the protest hearing.

City staff responded to questions from Commissioner Piepho asked about how police protection will be provided with the detachment of CSA P-6; if the tax sharing agreement covers this transfer of services; and whether land use designations mirror the County's current designations.

The Chair opened the public hearing.

Victor Carniglia introduced Tina Wehrmeister, City of Antioch Planning Director, who stated that a main sewer line is already available to this area, and that the City is willing to work with residents to find grants to help with new sewer hookups if their septics fail.

Don Wilson, Commodore of the Sportsmen Yacht Club, presented a letter and stated that the club's membership (over 200 individuals), as owner of the land, opposes this annexation.

In response to the Chair's question, Mr. Wilson responded that the Sportsmen Yacht Club does not have a backup plan if their septic fails.

Steve Klee, Chairman and Manager of the New Bridge Marina, strongly urged approval of the annexation, pointing out that septic systems are never ideal, and that a long-range plan for sewer is desirable. Additionally, they would welcome the Antioch police in the park adjacent to the New Bridge Marina, which serves as a staging area for boat thieves and drug sales.

The public hearing was closed.

Commissioner Piepho asked if the City had worked closely with the Area 2A community leading up to this. The Executive Office responded that the community meetings held over the past summer had been primarily for residents of Area 2B, but that the City has reached out to residents of Area 2A. Mr. Carniglia reported that he had met with the leadership of the Sportsmen Yacht Club and that they wanted to maintain the status quo of the area.

Commissioner Piepho suggested that the City hold another community meeting with the residents of Area 2A to educate, communicate, and inform them of what this annexation will mean. After discussion, Commissioner Glover moved, with a second by Piepho, that this item be continued until the March 12 meeting to allow time for a community meeting that will include City and LAFCO staff. The motion passed six to one.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Tatzin
NOES: Meadows
ABSENT: none
ABSTAIN: none

10. Second Quarter FY 2013-14 Budget Report

The Executive Officer provided a brief report on revenues and expenditures to date.

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

AYES: Blubaugh, Glover, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

11. Fiscal Year 2014-15 Budget/Work Plan Schedule

The Executive Officer presented the Fiscal Year 2014-15 budget schedule, with a proposed budget to be presented in March, followed by a final budget in May.

A significant aspect of the coming fiscal year's work plan is second round municipal service reviews (MSRs), with the Fire/Emergency Services MSR scheduled for FY 2014-15. There will be additional policies and procedures forthcoming as well.

Commissioner Tatzin suggested that some form of communications plan be developed for the public to better understand the MSR process and LAFCO's limitations. He also suggested that staff look at a League of California Cities financial analysis tool that is being provided to cities statewide; perhaps it is something that LAFCOs can use with their MSRs.

Commissioner Piepho suggested that it might be appropriate to ask each agency that is part of an MSR to post the final report on its own website, or at least post a link to the LAFCO website's MSR posting.

Upon motion of Tatzin, second by McGill, Commissioners directed staff to proceed with the Fiscal Year 2014-15 budget and work plan with a proposed budget to be presented at the March 12 LAFCO meeting, and a final budget at the May 14 LAFCO meeting.

AYES: Blubaugh, Glover, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

12. Update on Contra Costa County's Fire Service Study

The Executive Officer provided brief background on the history and status of the two separate studies currently being conducted by Fitch and Associates, one on fire services and the other on emergency medical services, with an aim to develop strategies for effectiveness and efficiencies. Following a series of stakeholder meetings and updates to the Board of Supervisors, on January 13, the County released the *Draft Evaluation and Options Appraisal Study* for fire services. The Commission's ad hoc committee (Commissioners Blubaugh and Tatzin and the LAFCO EO) reviewed the draft report and provided general and specific comments, and a public Town Hall meeting was held on January 22, where an overview of the draft report was presented and public comment was received. The overview included observations of CCCFPD's current operations, a fiscal analysis, and three short-term options that may sustain the District for the next three to four years. Options presented in the draft report include: Maintain status quo; Implement the Optimized Service Delivery Model Option (three/two response staffing); and Implement the Single Patch Alternative Responder Personnel Option.

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

AYES: Blubaugh, Glover, McGill, Meadows, Piepho, Schroder, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

13. CCCERA Correspondence

Commissioner McGill questioned the dates on this correspondence; it was attributed to a typo.

14. Commissioner Comments and Announcements

Commissioner McGill reported that he attended the CALAFCO Legislative Committee meeting on January 24 and the CALAFCO Board meeting on February 7. The Board adopted a formal structure for interacting with the legislative process in Sacramento. He will present this new policy process for adopting legislation at the Contra Costa Special District Association meeting, and when the Board meeting minutes are available will share them with Commissioners. The Board adopted priorities for the Legislative Committee, with the two top issues being disincorporation and joint power agreements, and admitted defeat on Section 56133 (out of agency service) and will defer to each LAFCo and their local policies. The CALAFCO Board also decided not to take on updates to the Revenue & Taxation Code at this time. The Board has officially adopted language pertaining to sustainable communities, among other issues.

Commissioner Meadows announced that he has applied to his board to nominate him for the regular seat on LAFCO for another four-year term.

15. Staff Announcements and Pending Projects

The Executive Officer drew Commissioners' attention to the pending projects list and the CALAFCO updates, adding further information about the Legislative Committee's work on the annual omnibus bill.

The CALAFCO Staff Workshop will be held in Berkeley in April, hosted by the Bay Area LAFCos, and the Annual Conference will be in Ontario. A call for session topics for the Annual Conference has been issued, and ideas are welcome. The Executive Officer is serving on program committees for both the Staff Workshop and the Annual Conference. Suggested topics for the Annual Conference at this time include water and drought, DUCs, MSRs, and sustainable communities.

At 2:25 p.m., Commissioners adjourned to Closed Session to discuss employee performance evaluations.

At 2:48 p.m., Commissioners reconvened and the Chair reported that the Commissioners will reconvene in closed session at the end of the March 12 meeting.

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

Final Minutes Approved by the Commission March 12, 2014.

AYES:

NOES:

ABSTAIN:

ABSENT:

By _____
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

March 12, 2014
Agenda Item 6

March 12, 2014 (Agenda)

LAFCO 13-08 Northeast Antioch Reorganization Area 2A - Annexations to the City of Antioch and Delta Diablo Sanitation District (DDSD) and detachment from County Service Area (CSA) P-6. *This item was continued from the February 12, 2014 LAFCO Meeting*

PROPONENT City of Antioch (by Resolution)

ACREAGE & LOCATION Area 2A comprises 116± acres (19 parcels) and is located immediately west of State Route 160 (Attachment 1).

PURPOSE Provide municipal services to the area, which is largely built out with marina commercial, storage and incidental uses, along with several dwelling units.

SYNOPSIS

This is one of three separate boundary reorganization proposals submitted by the City of Antioch to annex the greater Northeast Antioch area to the City and to DDSD. Both the PG&E Reorganization (Area 1) and Northeast Antioch Reorganization Area 2B were approved by the Commission on January 8, 2014. In total, these areas comprise 678± acres and have significantly different characteristics and land uses (Attachment 2).

This report is for Area 2A, a proposal to annex 116± acres (19 parcels) to the City of Antioch and to DDSD, and detach the same area from CSA P-6, the County police district.

DISCUSSION

The Cortese Knox Hertzberg Act (CKH Act) sets forth factors that the Commission must consider in evaluating any proposed change of organization or reorganization as discussed below (Gov. Code §56668). In the Commission's review of these factors, no single factor is determinative. In reaching a decision, each factor is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence of Any Local Agency:

LAFCO is charged with both regulatory and planning functions. Annexations are basically a regulatory act, while establishing spheres of influence (SOIs) is a planning function. The SOI is an important benchmark as it defines the primary area within which urban development is to be encouraged. In order for the Commission to approve an annexation, it must be consistent with the jurisdiction's adopted SOI. The annexation area is within both the City of Antioch and the DDSD SOIs, and within both the City of Antioch and County voter-approved Urban Limit Lines.

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

Area 2A is part of the City's Eastern Waterfront Employment Focus Area as identified in the City's General Plan. In 2011, the City and County formed a committee to develop and implement a joint economic development strategy for the Northeast Antioch area. This committee was instrumental in addressing some of the concerns relating to the reorganization proposals, including fiscal and infrastructure issues.

The land in Area 2A is largely built out and includes some underdeveloped properties. Existing uses are predominately marina, commercial, storage and incidental uses, along with several residential dwelling units. The City's General Plan designations for Area 2A include "Marina/Support Uses" and "Commercial." The City has rezoned Area 2A as "Urban Waterfront" and "Regional Commercial."

Surrounding land uses include the San Joaquin River to the north; Highway 160 and heavy industrial to the east; heavy and light industrial to the south; and heavy industrial to the west.

The current and proposed uses are consistent with the City's plan and rezoning designations. No changes in land uses are proposed.

Other factors relating to land use and growth that LAFCO considers in its review of a proposal are a regional transportation plan and regional growth goals and policies.

In consideration of these factors, LAFCO staff reviewed the *Plan Bay Area* which is a long-range integrated transportation and land-use/housing strategy through 2040 for the nine county San Francisco Bay Area. In July 2013, the *Plan* was jointly approved by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). The *Plan* includes the region's Sustainable Communities Strategy and the 2040 Regional Transportation Plan.

The *Plan* identifies Priority Development Areas (PDAs) - 25 in Contra Costa County, and Priority Conservation Areas (PCAs) - 12 in Contra Costa County. Area 2A is not identified as a PDA.

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

The State Department of Conservation produces a map every two years which identifies California's agricultural lands (e.g., Prime Farmland, Unique Farmland, Farmland of Statewide Importance, Farmland of Local Importance, Grazing Land, etc.) based on ratings that take into account soil quality and irrigation status.

Both LAFCO law and the California Environmental Quality Act (CEQA) provide their respective definitions of "agricultural land" and "prime agricultural land."

Under CEQA, the conversion of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance is considered a significant impact.

As noted in the City's environmental analysis, the Northeast Antioch reorganization area contains some Farmland of Statewide Importance and some Farmland of Local Importance in Areas 1 and 2B; however, there is no farmland located in Area 2A. Further, no portion of the reorganization area is under a Williamson Act Land Conservation Agreement.

4. Topography, Natural Features and Drainage Basins:

Area 2A is located just south of the San Joaquin River. A portion of Area 2A immediately adjacent to the San Joaquin River is located within a 100-year flood hazard zone. As discussed in the City environmental review, the City's project does not propose any new buildings or structures within an identified area of heightened flood risk.

The area has a relatively level topography. There are no other significant natural features affecting the proposal.

5. Population:

The area is designated primarily for marina, commercial, storage and incidental uses. There are an estimated four existing residential units in Area 2A, which appear to be caretaker quarters for existing storage facilities. Additionally, there is a small number of boat residents in the area. In accordance with the City's General Plan and zoning designations, no new residential development is proposed for this area. Thus, no increase in population is anticipated.

6. Fair Share of Regional Housing:

Pursuant to §56668 of the CKH Act, LAFCO must consider in the review of a proposal the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. Regional housing needs are determined by the State Department of Housing and Community Development; the councils of government throughout the State allocate to each jurisdiction a "fair share" of the regional housing needs. Given the current and proposed land uses in Area 2A, there is no impact to regional housing needs associated with the proposed reorganization.

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

In accordance with Government Code §56653, whenever a local agency submits an annexation application, the local agency must also submit a plan for providing services to the annexation area. The plan shall include all of the following information and any additional information required by LAFCO:

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

The City has provided a "Plan for Services" as required by statute. The level and range of services will be comparable to those services currently provided within the City. City services will be needed to support future development in the area. As part of the reorganization proposal, the City and County have entered into both tax sharing and infrastructure agreements.

Following annexation, the City will provide a range of municipal services to Area 2A, including police, streets and roads, street lighting, drainage, parks & recreation, library, and other services. Fire services will continue to be provided by the Contra Costa County Fire Protection District (CCCFPD).

Following annexation, the City will also provide sewer collection, and DDSB will provide sewer treatment and disposal. The City will provide retail water, and Contra Costa Water District (CCWD) will provide wholesale water to the City as summarized below. The City has existing sewer and water lines located within Area 2A that can serve the area following annexation.

Police Services – Law enforcement services are currently provided to Area 2A by the Contra Costa County Sheriff's Department. Upon annexation, police services will be provided by the City of Antioch, and the area will be detached from the County's police services district (CSA P-6) .

The City's standard for providing police services is 1.2 sworn officers per 1,000 residents. By including Community Service Officers in the sworn officer category, Antioch has maintained this ratio. Police response times are dependent on the agency's staffing level and size of the jurisdiction served. The Antioch General Plan establishes a response time goal of 7-8 minutes for Priority 1 (emergency) calls. The Antioch Police Department reports that the average response time is 11 minutes due to a lack of staffing. The City's CEQA document concludes that the three Northeast Antioch annexation areas would not significantly impact or worsen the ratio of police staff to population or adversely affect the response times.

Streets and Roads – The City indicated that the road network is already in place in Area 2A. The City anticipates that as development occurs in Northeast Antioch, appropriate frontage improvements will be made to existing public streets in this area. The City currently maintains 314 total centerline miles; 669 total lane miles. There is one mile of public streets within Area 2A that would be added to the City's road inventory following annexation.

Street Lighting - The City reports that there are several existing street lights in Area 2A in close proximity to Highway 160, which are installed and maintained by Caltrans. Any new street lights installed in Area 2A would be in conjunction with new development.

Drainage – The City indicates that there are currently no drainage facilities that serve the annexation area; however, there are two large storm drain trunk lines that cross Wilbur Avenue and drain into the San Joaquin River. The extent and location of any storm drainage improvements in Area 2A will depend on future development in the area. Capacity in the existing storm drain lines is limited, and significant new development within the Northeast Antioch reorganization area will require construction of a new outfall to the San Joaquin River. All new development in the annexation area must comply with provisions of various municipal, regional, State and federal requirements, including measures to remove pollutants from stormwater for compliance with the federal Clean Water Act and the National Pollution Discharge Elimination System (NPDES).

Parks & Recreation – The City of Antioch has 33 parks. The City's General Plan Performance Standards for parks propose five acres of improved public and/or private neighborhood parks and public community parkland per 1,000 residents, including appropriate recreational facilities. The City exceeds this standard when the trail system, the Costa Loma Regional Park, and the Lone Tree Golf Course are factored in. There are currently no public parks in the Northeast Antioch reorganization area.

The City operates a comprehensive recreation program including aquatics, sports, leisure time activities, community and cultural events, Prewett Family Water Park, Senior Center, youth activities, excursions, and 300 instructional programs for pre-school, youth, adult, seniors, and on-line.

The annexation is not expected to create any significant demand on the City's existing parks & recreation facilities and programs due to the limited number of residents in the area.

Other Services – The City provides a multitude of other services, including art & cultural, capital improvements, code enforcement, landscape maintenance, library and special services which will be extended to Area 2A following annexation.

Fire Protection – Fire and emergency medical services are, and will continue to be, provided by CCCFPD following annexation. There are four fire stations located in Antioch. Station 81 is located in the downtown area at 315 W. 10th Street; Station 82 is located at 196 Bluerock Drive, just west of Lone Tree Way in the south central portion of the City; Station 83 is located at 2717 Gentrytown Drive, just south of Buchanan Road in the western portion of the City; and Station 88 is located at 4288 Folsom Drive, just east of Hillcrest Avenue in the eastern portion of the City.

The City's CEQA document concludes that the annexation will result in no change to fire services and no impacts will occur.

Sewer Services – The City provides wastewater collection services, while DDS D provides conveyance, treatment and disposal services to the City.

Currently, Area 2A is served by onsite septic systems. Following annexation, municipal wastewater services will be available to the area. The existing sewer line in Wilbur Avenue, which runs along Area 2A's Wilbur frontage, was installed by PG&E in conjunction with LAFCO's previous Out of Agency service approval; the line was later extended by NRG. Given that the existing Wilbur sewer line is at the "doorstep" of the Area 2A properties, connecting to this sewer line will be straightforward. It should be noted that there are a number of deep parcels in the area that will require lengthy connections, some as long as 1,000 lineal feet.

The City's current population is 105,117 residents in a 28 square-mile service area. The City's wastewater collection system consists of 319 miles of gravity pipeline with three pump stations.

DDS D serves the cities of Antioch and Pittsburg and the unincorporated community of Bay Point. DDS D serves a population of approximately 190,567 residents in a service area of 49+ square miles. DDS D has over 49 miles of sewer main and five pump stations. The District's treatment plant capacity is 16.5 million gallons per day (mgd); in 2012, the average dry weather flow (ADWF) was 14.2 mgd.

Regarding capacity, the City's existing ADWF is 7.4 mgd; and the future ADWF is 10.7 mgd. The City estimates that the future peak dry weather flow (PDWF) is 16.8 mgd. DDS D allows an ADWF of 16.5 mgd. As noted above, during 2012, the ADWF influent to the treatment plant was 12.7 mgd; in 2005 and 2010, the ADWF influent to the treatment plant was 14.2 mgd and 13.2 mgd, respectively. It is estimated that all three reorganization areas (Areas 1, 2A, 2B) have an existing estimated ADWF of 2.42 mgd which will increase to 3.71 mgd at buildout.

Both the City and DDS D indicate that they have the capacity to serve the Northeast Antioch reorganization area.

8. Timely Availability of Water and Related Issues:

Pursuant to the CKH Act, LAFCO must consider the timely and available supply of water in conjunction with a boundary change proposal. In accordance with Contra Costa LAFCO

policies, any proposal for a change of organization that includes the provision of water service shall provide information relating to water supply, storage, treatment, distribution, and waste recovery; as well as adequacy of services, facilities, and improvements to be provided and financed by the agency responsible for the provision of such services, facilities and improvements.

The City provides water treatment and distribution services, with 328 miles of main, seven pump stations and 11 reservoirs. The City obtains a majority of its water supply from CCWD, along with diversions from the San Joaquin River.

CCWD's boundary encompasses 220± square miles in central and eastern Contra Costa County. CCWD's untreated water service area includes Antioch, Bay Point, Oakley, Pittsburg, and portions of Brentwood and Martinez. The District's treated water service area includes Clayton, Clyde, Concord, Pacheco, Port Costa, and parts of Martinez, Pleasant Hill, and Walnut Creek. CCWD also treats and delivers water to the City of Brentwood, Golden State Water Company (Bay Point), Diablo Water District (Oakley), and the City of Antioch. CCWD serves approximately 500,000 (61,085 water connections). The primary sources of water are the U.S. Bureau of Reclamation Central Valley Water Project and delta diversions.

Regarding the water distribution system, the City currently has existing "looped" water mains located in the Northeast Antioch annexation area, consisting of a 16-inch main that runs north/south along the length of Viera Avenue, a 12-inch water line that runs east/west along the length of Wilbur Avenue through Area 1, and 12-inch and 16-inch water lines that run along East 18th Street. Also, there is an existing 8-inch water line in Bridgehead Road that can serve properties in that area. These existing water lines provide the backbone of a future water delivery system that will ultimately be developed to serve properties and businesses located in the Northeast Antioch reorganization area.

The City, in its Water Master Plan, examined the City's ability to serve all three subareas. The analysis confirms that, given the City's allocation of raw water and the City's rights to future water supplies of raw water, and based on the City's current and planned treatment capacity, the City has the ability to provide potable water to all three subareas based on the level of existing and future development.

The City reports that most of the existing uses in Area 2A currently have City water; and that these water service connections pre-date LAFCO.

9. Assessed Value, Tax Rate Areas and Indebtedness:

The annexation area is within tax rate area 53004. The total assessed value (secured and unsecured) is \$18,346,281 (2013-14 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies, if applicable.

10. Property Tax Exchange

Revenue and Taxation Code §99(b)(6) requires adoption of a property tax exchange agreement by affected local agencies before the Commission can consider a proposed boundary change. Both the City and County have adopted resolutions approving a tax revenue allocation agreement covering all three annexation areas.

11. Environmental Impact of the Proposal:

The City of Antioch, as Lead Agency, prepared and adopted the Northeast Antioch Area Reorganization Initial Study/Mitigated Negative Declaration (IS/MND). The City's IS/MND identified potentially significant impacts resulting from Air Quality, Biological Resources, Cultural Resources, Hazards & Hazardous Materials and Noise. Mitigation measures have been provided for each potentially significant impact, reducing all to a less than significant level. Copies of the City's document were previously provided to Commissioners and are available for review in the LAFCO office. The LAFCO Environmental Coordinator finds the City's CEQA document sufficient for LAFCO purposes.

12. Landowner Consent and Consent by Annexing Agency:

At the February 12 LAFCO hearing, members of the Sportsman Yacht Club advised LAFCO that they did not want to be annexed to the City of Antioch. At the direction of the Commission, City, County and LAFCO staff met with members of the yacht club, and property owners and residents of Area 2A to hear their concerns. A community meeting was held on February 27 at 6:30 p.m. at the New Bridge Marina Yacht Club, located in Area 2A. There were over 50 attendees at the meeting. City staff prepared a Frequently Asked Questions Concerning Annexation (Attachment 3) which was distributed at the community meeting. At the meeting, City, County and LAFCO staff addressed a range of issues and questions. City staff responded to questions relating to water and sewer services, utility connection fees/rates and potential funding/grant options, zoning and land use, police and marine patrol services, the City's ability to serve the area, curbs and sidewalks, access roads and easements, code enforcement and eminent domain. County staff provided information regarding environmental health and septic system requirements. LAFCO staff provided information regarding LAFCO's role, mission and authority, LAFCO proceedings, protest thresholds, islands and Disadvantaged Unincorporated Communities (DUCs). The majority of attendees indicated opposition to the annexation.

In addition, after the February 12 LAFCO meeting, County Elections advised LAFCO that they had miscalculated the number of registered voters in the annexation area. County Elections reports that there are 13 voters in the annexation area, instead of nine, as previously reported. This makes the area "inhabited" instead of "uninhabited" as previously reported, and changes the protest proceedings and thresholds. Thus, the Commission's action is subject to notice, hearing, as well as protest proceedings. If the Commission approves the annexation as proposed, a subsequent notice and protest hearing will follow. Authority to conduct the protest hearing has been delegated to the LAFCO Executive Officer.

13. Boundaries and Lines of Assessment:

Area 2A is contiguous to existing City of Antioch boundary. A map and legal description to implement the proposed boundary change have been received and are subject to approval by the County Surveyor.

On January 8, 2014, the Commission approved the annexation of Area 1, which is adjacent to Area 2A. The annexation of Area 2A will prevent the area from becoming an island, which would be surrounded by the City of Antioch to the west and south, the City of Oakley to the east, and the San Joaquin River to the north.

14. Environmental Justice

One of the factors LAFCO must consider in its review of an application is the extent to which the proposal will promote environmental justice. As defined by statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

15. Disadvantaged Communities

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

16. Comments from Affected Agencies/Other Interested Parties

On February 26, 2014, LAFCO received a letter from Steve Klee, Chairman and General Manager, The New Bridge Marina, Inc., expressing support for the proposed boundary change (Attachment 4).

Members of the Sportsman Yacht Club expressed their opposition to the annexation at the February 12, 2014 LAFCO meeting and at the community meeting on February 27, 2014.

ALTERNATIVES FOR COMMISSION ACTION

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

Option 1 If the Commission needs more information, CONTINUE this matter to a future meeting. The LAFCO hearing may be continued from time to time but not to exceed 70 days from the date specified in the original notice (Gov. Code section 56666).

Since the February 12 LAFCO meeting, a number of issues relating to water service and the annexation boundary have arisen. Additional time is needed to research these issues, and for City staff to discuss these matters with the City Council. The Antioch City Council is expected to discuss the matter on March 25, 2014. Thus, it is recommended that the Commission continue the matter to the April 9, 2014 LAFCO meeting.

Option 2 Reopen public hearing to accept additional evidence and public comment, if any; close the public hearing and approve the reorganization as submitted by the City.

A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the Northeast Antioch Area Reorganization Initial Study/Mitigated Negative Declaration as prepared and adopted by the City of Antioch.

- B. Adopt this report, approve the attached resolution (Attachment 5), and approve the proposal, to be known as **Northeast Antioch Reorganization (Area 2A) - Annexations to the City of Antioch and Delta Diablo Sanitation District (DDSD) and detachment from County Service Area P-6** subject to the following:
1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
- C. Find that the subject territory is inhabited, and the reorganization is subject to a subsequent conducting authority (protest) hearing.

Option 3 Reopen public hearing to accept additional evidence and public comment, if any; close the public hearing and take the following actions:

- A. Certify it has reviewed and considered the information contained in the City's Mitigated Negative Declaration.
- B. Adopt this report and DENY the proposal.

RECOMMENDED ACTION:

Option 1

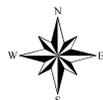
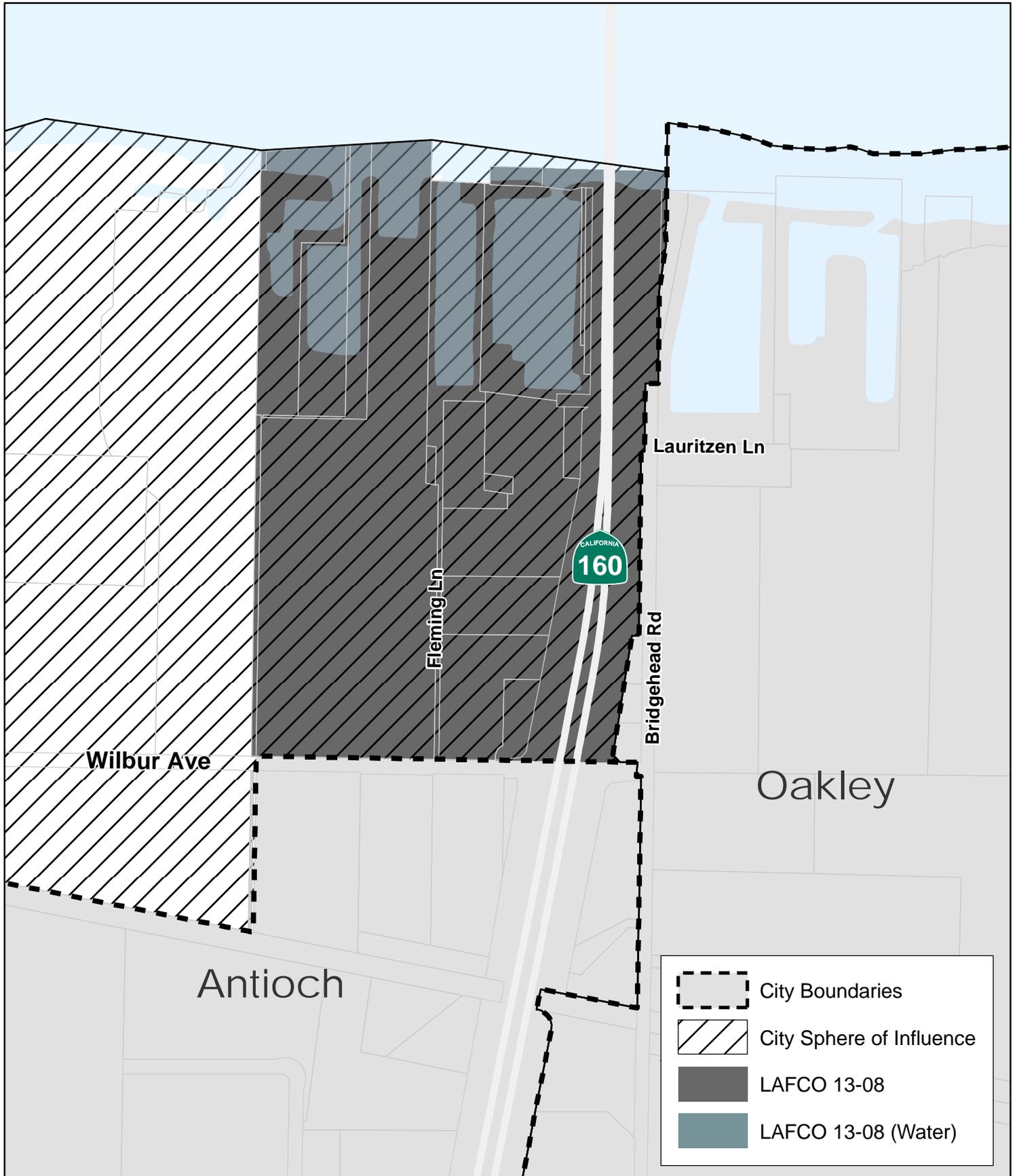
LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

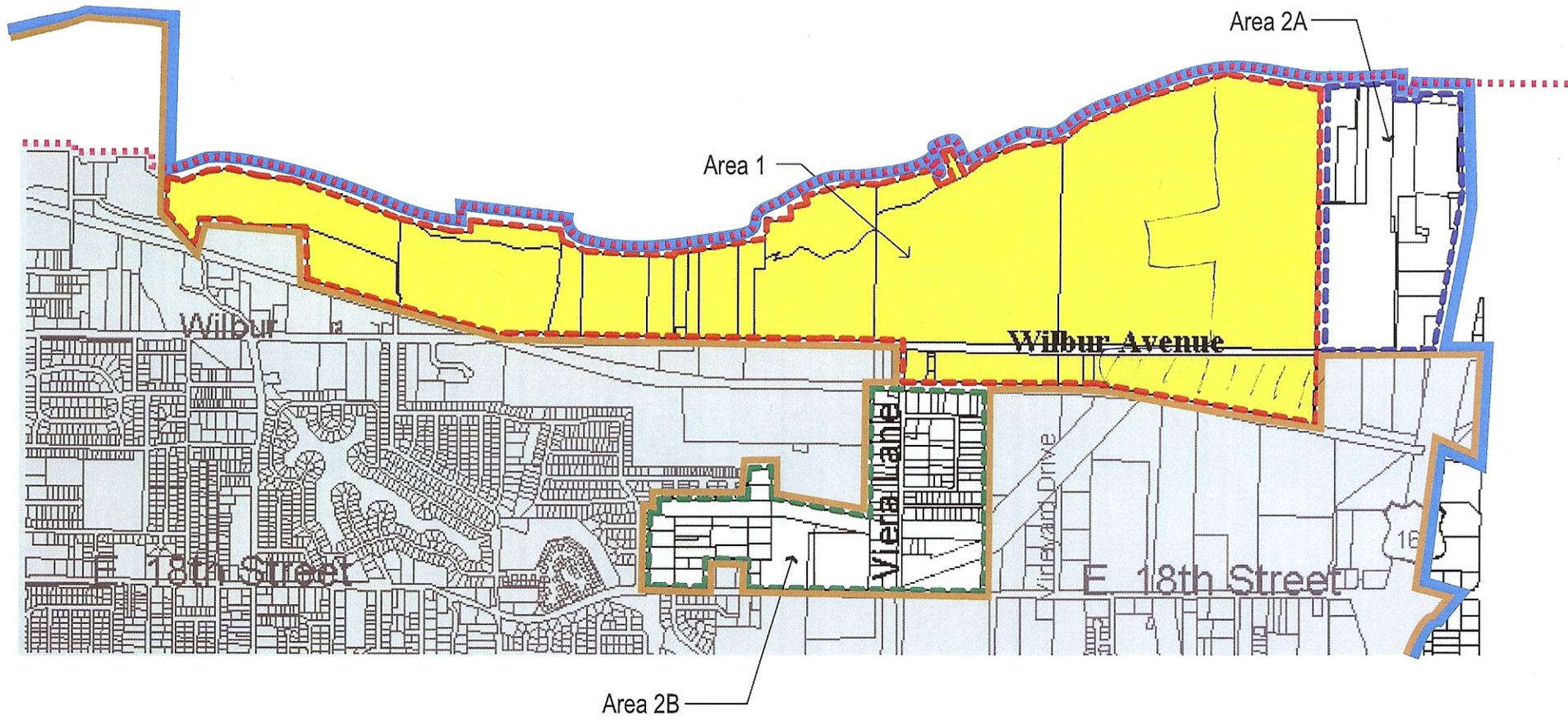
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Attachments

1. Map of Area 2A Reorganization
2. Map of Northeast Antioch (Areas 1, 2A and 2B)
3. Frequently Asked Questions Concerning Annexation
4. Letter dated February 22, 2014 from Steve Klee, Chairman and General Manager, The New Bridge Marina, Inc.,
5. Draft LAFCO Resolution – Area 2A

LAFCO No. 13-08 Northeast Antioch Area 2A Reorganization Annexations to City of Antioch and Delta Diablo Sanitation District Detachment from CSA P-6





LEGEND

- Urban Limit Line
- City Sphere of Influence (SOI)
- City Boundary
- DDSD Service Boundary and SOI
- Area 1
- Area 2A
- Area 2B

EXHIBIT 2
 Current Administrative Boundaries
 Industrial Areas Along Wilbur Avenue –
 Administrative Reorganization

February 27, 2014

**Frequently Asked Questions Concerning (FAQ's) Concerning Annexation,
and the Implications of Annexation for Annexation Area 2A
Updated February 27, 2014**

Part 1: Description of Annexation, LAFCO, and History

#1. What is annexation? Annexation is a process that permits a City or other government agency to add land to its boundaries. In order to annex land, a City must submit an annexation application with the agency known as the Local Agency Formation Commission (LAFCO). The City has submitted an application to annex Area 2A to the City of Antioch and to the Delta Diablo Sanitation District(DDSD) as part of the larger Northeast Antioch Annexation. Other annexation applications were also filed by the City as part of the Northeast Antioch Annexation process, as described in the following sections.

#2. What is LAFCO? Every County in California has a LAFCO. LAFCO is a State mandated independent agency, and is not part of any city, county or special district. LAFCO is responsible for overseeing orderly growth and development, including the extension of government services to those who need them. Before deciding whether to approve an annexation, LAFCO will hold public meetings to give interested parties the opportunity to express their opinions on the annexation.

The LAFCO Board typically meets in Martinez once a month, and consists of seven voting members: two members of the Board of Supervisors, two representatives from Cities, two representatives from Special Districts, and one "at large" public member, plus one alternate member in each category. For more information regarding Contra Costa LAFCO please visit the website at www.contracostalafco.org or call (925) 335-1094.

#3. What is Area 2A and what is the Northeast Antioch Annexation? Area 2A consists of approximately 94 acres, and is bounded by Hwy 160 on the east, the San Joaquin River on the north, the PG&E Gateway power plant on the west, and Wilbur Avenue on the south. The marinas, including New Bridge and Sportsman Yacht Clubs, are located in Area 2A. The proposed annexation of Area 2A is part of a much larger annexation referred to as the Northeast Antioch Annexation. The Northeast Antioch Annexation consists of a total of 678 acres and involves three separate annexation applications, consisting of proposals by the City to annex Area 1 (the large 481 acre industrial area centered on Wilbur Avenue), Area 2A (the 94 acre area just described), and Area 2B (the 103 acre residential area generally located near Viera Avenue, Saint Claire Drive and Trembath Lane).

#4. What is the history behind the proposed annexation of Area 2A? In 2007, the City submitted an annexation application to LAFCO requesting permission to annex Area 1 (the large industrial area along Wilbur Avenue). At that time, the City conducted polls to determine the interest of residents/property owners in annexing to the City and DDSD. This polling showed

that the majority of residents/property owners in Areas 2A and 2B opposed annexation to the City, while Area 1 supported annexation. Based on this polling, the City at that time declined to submit annexation applications for Areas 2A and 2B. In May 2012 LAFCO sent a letter to the City urging the City to submit annexation applications for Area 2A and Area 2B, in addition to the already received application for Area 1. LAFCO made this request of the City to avoid leaving small isolated unincorporated pockets of land that would be difficult for the County to efficiently serve. It is important to note that LAFCO's mission strongly discourages the continued existence and creation of small unincorporated "islands" surrounded by incorporated communities. In June 2012, the Antioch City Council, taking into consideration LAFCO's interests and concerns, directed City staff to submit annexation applications for Areas 2A and 2B.

After lengthy negotiations, the City and County in November 2013 approved agreements resolving how taxes from the annexation areas would be shared and infrastructure improvements implemented. With these agreements in place, LAFCO, on January 8, 2014 approved the annexation of Areas 1 and 2B to the City of Antioch and DDS. On February 12, 2014 LAFCO held a hearing to consider the annexation of Area 2A. Based on public testimony received during this hearing, LAFCO continued the hearing on Area 2A to the March 12, 2014 LAFCO meeting to allow time for City, County, and LAFCO staff to provide annexation related information to interested parties in Area 2A.

Part 2: How Annexation is Decided

#5. Who decides whether an annexation is approved or not? The LAFCO Commissioners are the ones who decide whether to approve an annexation application. This decision making process by LAFCO is conducted with public notice and a public hearing in which residents/property owners and other interested parties will be able to make comments and voice concerns. If LAFCO approves an annexation, then in most cases a "Protest Hearing" is scheduled. The protest proceedings are summarized below.

If there are 12 or more registered voters in the annexation area (i.e., "inhabited"), and if any voter or landowner objects to the annexation, then a Protest Hearing is held. If less than 25% of voters or landowners (owning at least 25% of the assessed value of land) file a written protest, then the annexation is ordered. If 50% or more of the voters protest the annexation, it is terminated. If at least 25% but less than 50% of the voters or landowners) protest the annexation, then the annexation is subject to approval by the registered voters.

If there are fewer than 12 registered voters in the annexation area (i.e., "uninhabited"), and less than 100% of the landowners have consented to the annexation, then a Protest Hearing is held. If written protests are filed by less than 50% of the landowners (owning less than 50% of the assessed value of land), the annexation is finalized and the land in question becomes part of the City. However, if 50% or more of the landowners (owning at least 50% of the assessed value of land) file a written protest, then the annexation is terminated.

Based on updated information LAFCO received from the County Registrar of Voters, there are currently 13 registered voters in Area 2A. Therefore, Area 2A under LAFCO requirements is considered to be “inhabited”.

#6. What are the next steps for the Area 2A annexation process, and how can residents/property owners have input and become involved in the process? As mentioned previously the Area 2A annexation was continued to the March 12, 2014 LAFCO meeting. At this upcoming meeting interested parties can speak and make comments to the LAFCO Commission during the public hearing. At the March 12, 2014 LAFCO meeting, the Commissioners will take one of the following actions, 1) approve the annexation (with or without conditions/amendments), or 2) deny the annexation, or 3) continue the matter to the April 9, 2014 LAFCO meeting.

Part 3: Fiscal Effects of Annexation, Taxes, Other Costs

#7. How would annexation effect the taxes paid by property owner in Area 2A? Any time the topic of annexation is raised, a question that typically comes up is how will annexation impact effect a property owners taxes. The short answer in almost cases is “not at all”! Many years ago before the passage of Proposition 13 in the late 1970’s, there could be a significant difference between property tax rates between different jurisdictions. However, Proposition 13 leveled the playing field, and with a few exceptions, property tax rates are uniform in California. The following is a brief summary of the tax implications of annexation for Area 2A:

- **Property Taxes: No increase.** Explanation: Property taxes will not be affected by annexation to the City, as the City and County property tax rates are the same. In addition, annexation will not trigger a reassessment of property.
- **Sales Taxes: Only impacts property and business owners buying or selling a taxable product within Area 2A.** Explanation: In November 2013 the voters of the City of Antioch passed a ½ cent temporary sales tax. A number of nearby jurisdictions have a similar tax, including the cities of Concord and Pittsburg. The impact of this sales tax would be either minor or nonexistent for most properties located in Area 2A given the lack of retail uses in Area 2A. As a sales tax, it would be paid by a customer buying a product or merchandise sold within Area 2A.
- **School Costs: No increase.** Explanation: Area 2A is already within the Antioch Unified School District. Annexation will have no impact on school costs, such as Mello Roos.
- **Cost of Business License: Slight cost reduction.** The City’s formula for computing the cost of business licenses in most cases results in a lower cost than a comparable County business license
- **Fire Service: No increase.** Explanation: Annexation will not change or impact in any way the delivery or cost of Fire Service to Area 2A. The ability to connect to City water through annexation should allow existing and any new structures to meet fire flow requirements.
- **Public Safety: Improvement in police service at no additional cost.** Explanation: Given the number sworn officers working for the City and proximity of those officers as compared to the County sheriff, the response time for Public Safety personnel will almost certainly

improve with annexation to the City. There will be no additional Public Safety costs to Area 2A due to annexation

Part 4: Zoning, Grandfathering of Existing Uses/Businesses

Aside from the fiscal or monetary impacts of annexation, the next most common concern raised in relation to annexation is based on the underlying assumption that Cities and Counties have significantly different development standards or land use requirements. The following section addresses these questions:

#8. What will be the impacts of annexation on Area 2A in terms of land use, zoning, and building code requirements?

- **Zoning and Land Use:** The City and County General Plan and Zoning requirements for Area 2A are similar. Both jurisdictions have the same type of water oriented Zoning Designations for the existing marinas, while the City and County have commercial and industrial requirements for the land located closer to Wilbur Avenue. In the cases where there are some differences in the details of the Zoning between the County and the City, such as setbacks, the City's Zoning Ordinance is structured in such a manner that it allows existing facilities to be "grandfathered" if they were legally developed in the County under standards that differ from the City's zoning requirements.
- **Building Code:** The City and County both rely on the same State Uniform Building Code. Therefore the same Building Code standards will apply to Area 2A irrespective of annexation status.
- **Road Standards, Sidewalks, and related Improvements:** One area of difference between the City and County are the standards that are used for public improvements, such as street widths, the use of sidewalks, street lights etc. Where the County may call for a rolled curb and sidewalk, the City may require a monolithic curb and detached sidewalk. However, these requirements are only applicable to improvements within the public right of way. The only public right of way in or adjacent to Area 2A is Wilbur Avenue. Therefore, the vast majority of parcels in Area 2A would not be affected by this underlying difference in City versus County right of way standards. In the case of parcels that have a Wilbur frontage, this issue of streets standards would only be triggered in the event of a major new development project being proposed for Area 2A

Part 5: Questions Concerning Connecting to City Utilities

#9. What utilities does the City have that can serve Area 2A, and can Area 2A property owners connect to those utilities? The City currently has both sewer and water installed on the north side of Wilbur Avenue immediately adjacent to Area 2A. The sewer line, at 15 inches in diameter, is sized to handle the ultimate projected waste water flow from the surrounding area. The line is also deep enough that it should allow existing buildings in Area 2A to gravity flow to the City's Wilbur sewer. When the Wilbur sewer line was built "stub outs" were constructed to

fronting properties on Wilbur Avenue to allow convenient sewer connections without having to tear up the street. The City also has a large water line located on the north side of Wilbur Avenue. The City's water system adjacent to Area 2A is "looped", which allows for the high pressure needed to meet typical building fire flow requirements.

All developed properties within Area 2A currently rely on onsite septic systems to handle waste water flow. It is the City's understanding that most properties within Area 2A currently have City water service. This existing water service was evidently granted prior to the existence of LAFCO. Under current LAFCO requirements, the City can only provide sewer and water outside its boundaries with an "Out of Agency Service Agreement" approved by LAFCO. LAFCO has typically been restrictive in approving these kinds of agreements, and LAFCO law only allows such an Agreement to be authorized if an annexation application is pending, or if there is an existing or impending threat to the health and safety of the public (e.g., failed septic system, contaminated well). As a result, the only practical way for parcels in Area 2A to hook up to the City's sewer system, or to secure increased water capacity from the City, is through annexation.

With annexation, any property within Area 2A can hook up to the City's sewer and water systems. While most parcels within Area 2A currently have City water service, any increase in the capacity of the existing water service, by either adding connections or upsizing the water line (for example to meet fire flow), would trigger a requirement for annexation. While the existing septic fields in Area 2A have been in operation a long time (in some cases over 50 years), the age of the septic systems in and of itself is a cause for concern. Another relevant factor is the proximity of Area 2A to the river, along with the high water table that comes with such proximity. Given the increasingly restrictive Federal and State Clean Water requirements, which are set up in a manner so as to progressively "ratchet up" their standards over time, the age of the existing septic systems and their proximity to the San Joaquin River should be a cause of concern for any Area 2A property owner. This ability to hook up to City utilities is likely the single most significant actual/potential benefit of annexation to the City.

#10. Will property owners be required to hook up to the City sewer/water systems after Annexation? The short answer is "no". Most properties within Area 2A will **not** be required to be hook up to City sewer, unless they are located a close distance from an existing sewer line as explained in the following section. Annexation will give property owner the option to hook up, which would not otherwise exist without annexation. The City's existing ordinance stipulates that any property in the City with a septic system that is located within 200 feet of a City sewer line is required within 30 days to hook up to the sewer line. The distance is measured from the location of the sewer connection in the building to the sewer line. Most properties in Area 2A would not be impacted by this requirement, given how far they are located from the Wilbur sewer line.

For most of Area 2A, annexation will give owners the option to hook up to sewer if and when their septic systems fails, or the repairs to the septic system approach the cost of connecting to City sewer. Without annexation property owners will not have this "fall back" option of connecting to City sewer.

#11. What can be done by the City or others to reduce or offset the utility hook up costs?

Neither the City nor DDSD offers waivers for the cost of connection fees, as public agencies cannot legally require rate payers to shoulder cost reductions for others. However, the City in the past has offered deferrals in paying such connection costs, where payments could be spread out over multiple years. Another possibility is the ability of the City to apply for and possibly secure grant funding from State and Federal agencies to pay for and otherwise offset the cost of connections fees, and costs such as running sewer laterals. There is a significant amount of grant funding currently available at the State and Federal level to address “clean water” issues.

It is important to note that while the City can fund improvements to public streets, such as installing sewer and water, the City can't legally do so on private property. The only public street in or adjacent to Area 2A is Wilbur Avenue. Wilbur already contains sewer and water lines adequate to serve Area 2A. Any sewer laterals connecting to Wilbur Avenue would be located on private property, and therefore could not be funded by the City.

#12: What are the Cost Implications of connecting or not connecting to City sewer?

While there are benefits to hooking to City utilities, what are the costs? In order to connect to City facilities property owners will need to construct laterals to the existing City facilities, pay connection fees, and close existing septic fields. These costs are discussed below (water connection costs are not discussed given that most parcels in Area 2A are already hooked up to City water).

Sewer Laterals: The costs of constructing sewer laterals from private property within Area 2A to the City utilities in Wilbur Avenue would be the responsibility to the property owner, not the City. This cost could be significant, particularly for the parcels near the river that are located as much as 800 to 900 feet from Wilbur Avenue. There may be an opportunity for property owners to share the cost of extending a sewer line that serves multiple properties. Given the length of laterals, soil conditions, and the high water table, properties owners may want to consult their own engineer to get an estimate of the cost of constructing sewer laterals.

Connection Fees: The City's current base sewer connection fee is \$2,229. Larger capacity connections depending on the use would increase on a sliding scale that can be found on the City's web site in the City's “Master Fee Resolution”. In addition to City fees, Delta Diablo Sanitation District (DDSD) has a base facility connection fee of \$5,033. DDSD charges are on a sliding scale based on water flow and are available on the DDSD web site.

Other Connection Related Costs: There would be a one time cost to abandon an existing septic field (typically \$2,500). In addition to connection fees, DDSD collects an annual base charge of \$262/year to fund their ongoing sewage treatment operation. The City charges \$123/year for maintenance of the sewer collection system. These amounts are typically collected with the property tax bill.

Potential Costs of Not Connecting to City Sewer: Any evaluation of the costs of connecting to City sewer needs to be balanced by the short and long terms costs of maintaining or improving

an existing septic field. In the short term, costs for a septic field would most likely be periodic pumping or minor repair costing from several hundred to several thousand dollars. However, at some point the septic system will inevitably need to be replaced due to failure and/or due to toughening State and Federal requirements. This is where the cost can be significant, as “state of the art” septic systems designed to handle the high water table could cost \$50,000 or more, and require regular inspection and maintenance.

Part 6: City’s Reasons for Requesting Annexation

#13. What are the City’s reasons for requesting the Northeast Antioch annexation, and what are the benefits to the City? The “history” behind the City’s submittal of the annexation application for Area 1, and the addition of Areas 2A and 2B is explained in “Part #1, Section 4” of this FAQ. The City has two key reasons for pursuing the Northeast Antioch Annexation, tax base and jobs, both of which are important to the City.

Tax Base: The annexation of the Northeast Antioch Area will increase the City’s annual property tax revenue by an estimated \$900,000 per year. The recently completed PG&E Gateway Power Plant, and the just completed NRG Marsh Landing Facility, account for almost \$1 billion in new assessed value. Annexation will allow the City to collect its share of this new tax base. In addition, both the City and the County could receive \$1 million (\$100,000/year for 10 years) in annexation “incentive funds” from NRG. It should be emphasized that the vast majority of this new annexation related revenue that would “flow” to the City post annexation will be generated by Area 1. Of the over \$900,000 in projected new property tax revenue the City will receive from the Northeast Antioch Annexation, approximately 97% will be generated by Area 1, with Area 2A only accounting for a little over \$12,700/year (about 1.4% of the total).

Jobs/Economic Development: The City’s other key reason for pursuing annexation of the Northeast Antioch Area is to enhance the region’s economic development potential in both the short and long term. The majority of the heavy industrial uses that previously occupied the area have disappeared over the years, in part due to State and Federal environmental regulations that restrict industrial uses from pumping water from the river and returning the processed water directly back to the river. Annexation to the City and DDSD would allow these large vacant and underutilized properties, as well as smaller parcels, to hook up to City utilities, thereby opening up hundreds of acres of land for new job creating industrial uses. New industrial development will further increase the area’s tax base, as well as bring new better paying jobs to the region.

If you need clarification on the preceding information, or have additional questions please contact Senior Planner Mindy Gentry (925) 779-7035 (mgency@ci.antioch.ca.us) or contact Victor Carniglia, Consultant for the City of Antioch at 925-779-7036 (vcarniglia@municipalresourcegroup.com)

THE NEW BRIDGE MARINA, INC.
216 Valparaiso Avenue* Atherton, California 945027* (650) 328-5776

February 22, 2014



Lou Ann Texeira
Executive Director LAFCO
LAFCO Offices-6th Floor
651 Pine Street
Martinez, Calif. 94553-1228

Dear Madam Director:

We at New Bridge Marina want to express our disappointment at the lack of understanding and failure to appreciate the benefits of annexation expressed by the multiple fractional interest Sportsmen owners at the public hearing on February twelfth.

As the property manager at New Bridge Marina for 38 years and with my real estate brokerage work in rural communities with Dr. John Timothy Winneberger (PHd, Berkeley) a recognized expert in septic drain field and sanitation matters, I know that all drain fields eventually fail and one must logically prepare a "back up plan" for that eventuality.

Then too, the total near lack of security, the multitudinous incidence of trespass, petty theft, and general lack of law enforcement I experienced for 20 years as an owner and property manager of the San Joaquin Yacht Harbor, next door neighbor to Sportsman Yacht Harbor, makes me wonder why these gentlemen are selling themselves short and acting in their own disinterest!

As a current next door neighbor to a favorite local drug dealing rendezvous site we will welcome the Antioch police Department with open arms and appreciation!!

Respectfully,

The New Bridge Marina, Inc
By Steve Klee Chairman and Manager

*Harbor Location: Hwy 160, foot of Antioch Bridge, Antioch, Calif. (925) 757-1500

RESOLUTION NO. 13-08

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
NORTHEAST ANTIOCH REORGANIZATION AREA 2A: ANNEXATIONS TO THE
CITY OF ANTIOCH AND DELTA DIABLO SANITATION DISTRICT AND
DETACHMENT FROM COUNTY SERVICE AREA P-6**

WHEREAS, the Area 2A reorganization (marina area) proposal 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 Government Code); and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of the Commission's consideration of the Area 2A proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the Area 2A proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, the Local Agency Formation Commission determines the Area 2A proposal to be in the best interests of the affected area and the total organization of local governmental agencies within Contra Costa County;

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

1. The Commission finds that as a Responsible Agency under the California Environmental Quality Act (CEQA), it has reviewed and considered the information contained in the Northeast Antioch Area Reorganization Initial Study/Mitigated Negative Declaration as prepared and adopted by the City of Antioch.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:

**NORTHEAST ANTIOCH REORGANIZATION AREA 2A: ANNEXATIONS TO THE
CITY OF ANTIOCH AND DELTA DIABLO SANITATION DISTRICT AND
DETACHMENT FROM COUNTY SERVICE AREA P-6**

4. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
5. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.

Contra Costa LAFCO
Resolution No. 13-08

6. The City of Antioch delivered an executed indemnification agreement between the City and Contra Costa LAFCO providing for the City to indemnify LAFCO against any expenses arising from any legal actions challenging the Area 2A reorganization.
7. The territory proposed for reorganization is inhabited and is subject to conducting authority (protest) proceedings.
8. All subsequent proceedings in connection with the Area 2A reorganization shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 12th day of March 2014, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

DWIGHT MEADOWS, 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: March 12, 2014

Lou Ann Texeira, Executive Officer



Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member
Federal Glover
County Member
Michael R. McGill
Special District Member

Dwight Meadows
Special District Member
Mary N. Piepho
County Member
Rob Schroder
City Member

Don Tatzin
City Member

ALTERNATE MEMBERS

Candace Andersen
County Member
Sharon Burke
Public Member
Tom Butt
City Member
George H. Schmidt
Special District Member

March 12, 2014 (Agenda)

March 12, 2014
 Agenda Item 7

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

Proposed FY 2014-15 LAFCO Budget

Dear Members of the Commission:

BUDGET SUMMARY

The proposed FY 2014-15 budget (attached) includes appropriations totaling \$764,959 and reflects an overall increase of \$2,943 (0.4%) as compared to the FY 2013-14 budget. The increase is primarily attributable to increases in employee salary/benefit costs. Included in the total appropriations for FY 2014-15 is an \$80,000 contingency reserve fund, which is comparable to the current year's reserve. It is anticipated that FY 2014-15 actual revenues will be on par with FY 2013-14 revenues, with a comparable level of application activity. Details regarding expenditures and revenues are presented below.

EXPENDITURES

The expenditure portion of the budget is divided into three main objects: Salaries & Benefits, Services & Supplies, and Contingency.

Salaries & Benefits

In FY 2013-14, the Commission maintained a staffing level of two full-time employees; no change in LAFCO staffing is proposed in FY 2014-15. Of the 12 urban LAFCOs, Contra Costa LAFCO is one of four that operates with fewer than three full-time employees.

The amount budgeted in FY 2013-14 for *Salaries & Benefits* is \$351,936; the amount proposed for FY 2014-15 is \$388,585, reflecting an increase of \$36,649 or 10.4%. The difference is attributable to projected increases in employee salary, retirement, health care and workers compensation costs. The Contra Costa County Employees' Retirement Association (CCCERA) has informed LAFCO that both the employer and employee contributions have increased due to changes in the actuarial valuations.

Since FY 2011-12, LAFCO has included in its budget an annual expense of \$10,000 to fund its Other Post-Employment Benefits (OPEB) liability. LAFCO staff has included \$10,000 in the FY 2014-15 budget. At the direction of the Commission, LAFCO staff explored trust options for holding LAFCO's assets to pay post-employment healthcare benefits. The preferred option is to participate with Contra Costa County in the Public Agencies Retirement Services (PARS). PARS is a direct trust administrative provider, and not a broker.

In order to participate in the PARS trust program, LAFCO must first conduct an actuarial valuation to calculate the future liability for retiree healthcare and other post-employment benefits. The calculations will project the liability for active employees during their retirement, and for any retired employees who elect to receive post-employment benefits.

An actuarial valuation is currently underway to determine the amount of the unfunded post-employment healthcare benefits liability. The actuarial valuation is being prepared by Demsey, Filliger & Associates, LLC through an agreement with California Special Districts Association (CSDA) and the California School Boards Association (CSBA). Once complete, the report will be presented to the Commission, along with a recommendation that LAFCO become a subaccount under the County's PARS Post-Retirement Health Care Plan Trust Agreement.

In addition to the two full-time LAFCO employees, staff support to the Commission is supplemented by private and public service providers. Outsourcing services minimizes costs associated with adding permanent staff and acquiring additional office space and equipment. LAFCO currently contracts with private firms for website maintenance, financial auditing, planning and environmental services. The County provides fiscal, drafting, mapping and legal services. The FY 2014-15 budget assumes the continuation of these services. Also, LAFCO typically retains consultant services to assist with Municipal Service Reviews (MSRs) and special projects.

Services & Supplies

The amount budgeted in FY 2013-14 for *Services & Supplies* is \$320,080 and includes funding for a second round, countywide water and wastewater MSR. The amount proposed for FY 2014-15 is \$286,374, reflecting a decrease of \$33,706 (10.5%). The decreases are primarily attributable to anticipated reductions in legal and planning costs. The FY 2014-15 budget includes funding for second round EMS/Fire Services MSR.

Contingency Reserve Fund

Each year, the Commission appropriates \$80,000 for unanticipated expenses (i.e., special studies, potential litigation, etc.). These contingency funds do not accrue, and are re-appropriated each year. The FY 2014-15 includes an \$80,000 contingency reserve fund, which is consistent with prior years.

REVENUES

Revenues consist primarily of application charges, available year-end fund balance, miscellaneous revenues (e.g., interest earnings), and County, city and independent special district

contributions, with each group paying one-third of the net operating LAFCO budget. The city and district shares are prorated based on general revenues reported to the State Controller.

Application Charges and Other Revenue

The FY 2013-14 budget includes \$30,000 in proposal processing fees based on a multi-year historical average. It is estimated that LAFCO will receive approximately \$13,000 in application fees this year, significantly less than projected. Application activity continues to be sluggish. The projected application and other revenues for FY 2014-15 are projected to be \$21,000, which is less than the FY 2013-14 budgeted amount. As of March 5, 2014, LAFCO has received two new applications this fiscal year, as compared to eight applications received during the same time period last fiscal year.

Fund Balance

Government Code §56381(c) provides “If at the end of the fiscal year, the Commission has funds in excess of what it needs, the Commission may retain those funds and calculate them into the following fiscal year’s budget.”

The FY 2013-14 fund balance is currently unknown and will be calculated at year end (typically by October). However, based on the beginning year fund balance, and projected FY 2013-14 revenues and expenses, it is estimated that the available fund balance will be over \$140,000.

The LAFCO fund balance, or any portion thereof, can be used to offset the FY 2014-15 revenues, thereby reducing the revenues to be collected from the funding agencies (County, cities, districts); or placed in a reserve account, separate from the contingency reserve that is appropriated each year.

The FY 2014-15 budget, as proposed, provides that, to the extent possible, the available fund balance be used to offset FY 2014-15 revenues.

Interest Earnings

In November 2006, the Commission initiated an investment policy and directed LAFCO staff to work with the County Treasurer to invest the appropriate level of LAFCO funds.

The FY 2013-14 budget includes no anticipated interest earnings, based on the lack of investment activity and decline in the market. The County Treasurer’s office has advised LAFCO to refrain from investing until further notice, given the investment fees outweigh the interest income. The FY 2014-15 budget includes an estimate of zero in investment income. LAFCO staff will continue to monitor the investment market.

Revenues Received from the County, Cities and Independent Special Districts

After processing fees, available fund balance and other miscellaneous revenues, the balance of LAFCO’s financial support comes from local governmental agencies. Agency contributions represent the most significant LAFCO revenue source.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) requires that the net operational costs of LAFCO be apportioned one-third to the County, one-third to the cities, and one-third to the independent special districts. The CKH describes how the County Auditor is to make the apportionment and collect the revenues once LAFCO adopts a Final Budget (Gov. Code §56381. The city and district allocations are based on revenues reported to the State Controller and vary year to year.

As indicated above, the overall budget is expected to increase by approximately less than one percent. The proposed use of the available fund balance will offset agency contributions for FY 2014-15. The amount of revenue from other government agencies required to fund the FY 2013-14 LAFCO budget was \$582,016. As proposed, the total amount of revenue from other government agencies needed to fund the FY 2014-15 budget will be approximately \$603,959, reflecting a 3.8% increase. The increase is primarily due to projected increases in personnel costs and decreases in application revenue.

GENERAL DISCUSSION

The CKH requires that each LAFCO adopt a proposed budget by May 1 and a final budget by June 15. In accordance with the 2014-15 Budget Schedule approved by the Commission in February, the hearing for the Proposed Budget is scheduled for March 12, and the hearing for the Final Budget is scheduled for May 14. The time between these Commission actions is to allow for review and comment by those agencies that fund LAFCO and other interested parties.

Major LAFCO Responsibilities

LAFCO receives its authority and obligations from the CKH Act. Included among LAFCO’s major responsibilities are:

- Act on proposals for incorporation of cities; formations, dissolutions, consolidations and mergers of special districts; and annexations and detachments of territory to and from cities and special districts
- Establish, review and update spheres of influence (SOIs) for cities and special districts
- Conduct MSRs prior to or in conjunction with establishing or updating SOIs
- Perform special studies relating to services and make recommendations about consolidations, mergers or other governmental changes to improve services
- Act on requests for out-of-agency service extensions
- Serve as the Lead or Responsible Agency for compliance with the California Environmental Quality Act (CEQA)
- Serve as the conducting authority to conduct protest hearings relating to boundary changes
- Provide public information about LAFCO and public noticing of pending LAFCO actions
- Establish and maintain a website
- Adopt written policies and procedures
- Appoint an Executive Officer and Legal Counsel
- Adopt an annual budget

Highlights of FY 2013-14

The following represents some of the major accomplishments of the Commission in the current fiscal year:

Boundary Change and Related Applications

- a. Completed the proceedings for two of the three Northeast Antioch Reorganizations – Areas 1 and 2B; expect to complete the proceedings for Area 2A in FY 2013-14.
- b. Processed two new applications including one annexation and one reorganization. Conducted three protest hearings as of March 5, 2014.

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

- a. Initiated a second round water/wastewater MSR covering eight cities, 19 special districts, and a number of private water companies and mutual water companies. The Public Review Draft MSR report was released on March 5, 2014. We expect to complete this MSR and related SOI updates by June 30, 2014.

Special Projects

- a. Ongoing participation in the County's EMS and fire service studies (stakeholder and community meetings).
- b. Working with CSDA and CSBA on an actuarial valuation, and with County staff on an administrative services agreement with PARS.

Administrative and Other Activities

- a. Completed Request for Proposals and awarded a contract for second round water/wastewater MSR/SOI updates.
- b. Responded to three Grand Jury reports and follow-ups.
- c. Provided comments on several local agency environmental documents.
- d. Submitted three CALAFCO Achievement Award nominations; received two awards.
- e. The Commission adopted procedures for the following changes of organization: city annexations/detachments, district annexations/detachments, district mergers, establishment of subsidiary districts, LAFCO-initiated proposals, new or different services, district dissolution, district formation, district consolidation, city consolidation, disincorporation, reorganization and out of agency service; and updated the *Membership and Rules and Procedures* policies.
- f. Updated the LAFCO Directory of Local Agencies.
- g. Complete FY 2012-13 financial audit

FY 2014-15 Work Plan

The recommended work plan for FY 2014-15 includes the following activities:

- ❖ Initiate second round MSRs covering EMS and fire services
- ❖ Revisit/complete SOI updates for the following agencies: Town of Danville, City of San Ramon, Crockett-Carquinez FPD, Kensington FPD, Rodeo-Hercules FPD, CSAs P-2, P-5, P-6, R-4, and Rollingwood Wilart Park Recreation & Park District.
- ❖ Continue work on the Commissioner Handbook including updating sections on changes of organization and SOIs, and developing new chapters on agriculture/open space,

Disadvantaged Unincorporated Communities (DUCs), personnel policies, and CEQA Guidelines

- ❖ Continue to work with the County, cities and districts on boundary clean-ups/islands
- ❖ Complete actuarial valuation and establish OPEB trust fund (PARS)
- ❖ Complete FY 2013-14 audit
- ❖ Continue to refine electronic records for easier access
- ❖ Update LAFCO Directory of Local Agencies

In addition to the above, LAFCO staff will continue to provide day-to-day and administrative tasks including Commission meeting management, records management, purchasing, budgeting, contract management; processing applications; inter-agency communications; and participation in CALAFCO training and activities. Your staff is currently serving on the CALAFCO Legislative Committee, on the 2014 Staff Workshop (Berkeley) and 2014 Annual Conference (Ontario) Program Committees, and is working with CALAFCO Executive Director and Clerks around the State to develop a Clerk Certification program.

In conclusion, the Commission and LAFCO staff continue to exercise fiscal prudence, and recognize the economic realities of the times and the current constraints on local government.

Approval of the proposed budget will enable the Commission to perform its core responsibilities effectively, and to continue its work on MSRs/SOI updates.

RECOMMENDATIONS

1. Receive the staff report and open the public hearing to accept testimony on the Proposed FY 2014-15 LAFCO Budget,
2. After receiving public comments close the hearing,
3. After Commission discussion, adopt the Proposed Budget for FY 2014-15, with any desired changes, and authorize staff to distribute the Proposed Budget to the County, cities and independent special districts as required by Government Code Section 56381, and
4. Schedule a public hearing for May 14, 2014 to adopt the Final FY 2014-15 LAFCO Budget.

Respectfully submitted,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment – Proposed FY 2014-15 LAFCO Budget

PROPOSED FY 2014-15 LAFCO BUDGET

	FY 2013-14	FY 2013-14	FY 2014-15	
	Approved	Year-End	Proposed	% Change
		(Estimated)		
Salaries and Employee Benefits				
Permanent Salaries- 1011	\$ 193,046	\$ 193,036	\$ 202,688	
Deferred Comp Cty Contribution - 1015				
FICA- 1042	\$ 14,768	\$ 13,538	\$ 15,506	
Retirement expense- 1044	\$ 79,328	\$ 80,332	\$ 100,876	
Employee Group Insurance- 1060	\$ 42,960	\$ 44,699	\$ 47,535	
Retiree Health Insurance- 1061	\$ 20,000	\$ 19,263	\$ 20,000	
Unemployment Insurance- 1063	\$ 734	\$ 744	\$ 770	
Workers Comp Insurance- 1070	\$ 1,100	\$ 912	\$ 1,210	
Total Salaries and Benefits	\$ 351,936	\$ 352,524	\$ 388,585	10.4%
Services and Supplies				
Office Expense- 2100	\$ 4,000	\$ 2,888	\$ 3,000	
Publications -2102	\$ 300	\$ 50	\$ 50	
Postage -2103	\$ 2,000	\$ 1,557	\$ 2,000	
Communications - 2110	\$ 230	\$ 232	\$ 230	
Tele Exchange Services 2111	\$ 914	\$ 913	\$ 1,061	
Minor Comp Equipment - 2132	\$ 1,000	\$ -	\$ 1,000	
Pubs & Legal Notices 2190	\$ 3,000	\$ 1,597	\$ 2,000	
Memberships - 2200	\$ 8,319	\$ 8,324	\$ 8,500	
Rents & Leases - 2250 (copier)	\$ 4,000	\$ 2,713	\$ 3,000	
Computer Software - 2251	\$ 500	\$ 500	\$ 500	
Bldg Occupancy Costs - 2262	\$ 5,392	\$ 5,113	\$ 5,629	
Bldg Life Cycle Costs - 2265	\$ 276	\$ 272	\$ 305	
Auto Mileage Emp. - 2301	\$ 900	\$ 1,170	\$ 900	
Other Travel Employees - 2303	\$ 12,000	\$ 11,193	\$ 10,500	
Prof & Spec Services - 2310	\$ 227,359	\$ 168,312	\$ 198,750	
Assessor	\$ 13,000	\$ 12,386	\$ 15,000	
Financial Audit	\$ 6,000	\$ 6,000	\$ 7,000	
GIS/Mapping	\$ 20,000	\$ 13,061	\$ 22,500	
Legal	\$ 73,000	\$ 51,181	\$ 35,000	
MSRs	\$ 80,000	\$ 62,240	\$ 90,000	
Planning	\$ 30,000	\$ 17,083	\$ 25,000	
Special Projects (document imaging)	\$ 4,859	\$ 4,861	\$ 3,750	
Investment Services	\$ 500	\$ -	\$ 500	
LAFCO Sponsored Training	\$ -	\$ -	\$ -	
Special Study (Actuarial Valuation)		\$ 1,500		
Contracted Temp Help - 2314 (Web)	\$ 2,820	\$ 2,820	\$ 2,820	
Data Processing Services - 2315	\$ 4,000	\$ 2,980	\$ 4,000	
Data Processing Security - 2326	\$ 126	\$ 126	\$ 131	
Courier - 2331	\$ 2,041	\$ 2,070	\$ 2,174	
Other Inter-Dept Costs - 2340	\$ 123	\$ 93	\$ 124	
Liability/E&O Insurance - 2360	\$ 4,080	\$ 4,223	\$ 4,300	
Commission Training/Registration/Stipends - 2467	\$ 36,300	\$ 29,241	\$ 35,000	
NOD/NOE Filings - 2490	\$ 400	\$ 400	\$ 400	
Total Services & Supplies	\$ 320,080	\$ 246,787	\$ 286,374	-10.5%
Fixed Assets				
Office Equipment & Furniture - 4951	\$ -	\$ -	\$ -	
Total Fixed Assets				
Total Expenditures	\$ 672,016	\$ 599,311	\$ 674,959	
Contingency Reserve	\$ 80,000	\$ -	\$ 80,000	
OPEB Trust	\$ 10,000	\$ 10,000	\$ 10,000	
TOTAL APPROPRIATIONS	\$ 762,016	\$ 609,311	\$ 764,959	0.4%
TOTAL REVENUES				
Agency contributions - 9500 & 9800	\$ 582,016	\$ 582,016	\$ 603,959	3.8%
Application & other revenues	\$ 30,000	\$ 12,859	\$ 21,000	
Interest Earnings				
Fund Balance	\$ 150,000		\$ 140,000	



Lou Ann Texeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member
Federal Glover
County Member
Michael R. McGill
Special District Member

Dwight Meadows
Special District Member
Mary N. Piepho
County Member
Rob Schroder
City Member

Don Tatzin
City Member

ALTERNATE MEMBERS

Candace Andersen
County Member
Sharon Burke
Public Member
Tom Butt
City Member
George H. Schmidt
Special District Member

February 12, 2014 (Agenda)

March 12, 2014
Agenda Item 8

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

Update – County Emergency Medical Services Modernization Study

Dear Members of the Commission:

In February 2013, the County embarked on two separate studies – one covering emergency medical services (EMS) and a second covering the Contra Costa County Fire Protection District services. Each study has a separate focus and scope of work supported by two distinct project teams of Fitch & Associates consultants.

The focus of the EMS study is to evaluate how best to modernize and deliver coordinated emergency medical services utilizing current operational capabilities and fiscal resources. An important component of the study is stakeholder interaction with various groups, including fire, ambulance, and law enforcement service providers, community hospitals, patient advocacy groups, city officials, health plan and policy leadership, and LAFCO.

The project team is completing a series of stakeholder interviews and updates, including a scheduled briefing with the LAFCO representatives prior to the LAFCO meeting on April 9th.

The DRAFT EMS report will be released on March 24th, and the public comment period will end on April 18th. A special briefing/Town Hall meeting is scheduled for April 9, 2014 beginning at 5:30 pm (tentative). The April meeting is open to the public. The Final report will be presented to the Board of Supervisors in May 2014.

RECOMMENDATION - Receive update and provide comments as desired.

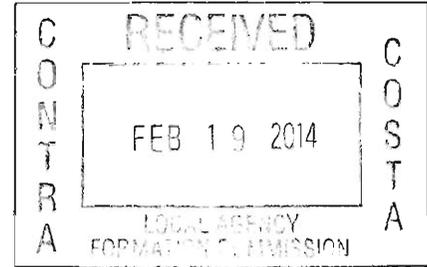
Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER



MEMORANDUM

Date: February 18, 2014
To: CCCERA Employers
From: Marilyn Leedom, Retirement Chief Executive Officer
Subject: Five Year Projection of Employer Contribution Rate Changes



March 12, 2014
Agenda Item 9

We are providing you with a copy of the *Five Year Projection of Employer Contribution Rate Changes* as provided to us by The Segal Company. This document is intended to provide an updated projection of estimated future contribution rate changes for CCCERA.

Please read the attached document closely. This projection will provide an estimate to employers of potential changes in contribution rates, based on the investment earnings of CCCERA for the year ended December 31, 2013, assuming all other assumptions remain the same.

Please note that this is a preliminary report only, based on preliminary investment returns for 2013.

The final projection letter will be provided to all employers after the completion of the annual actuarial valuation, in late June or early July.



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John W. Monroe, ASA, FIAAA, EA
Vice President & Associate Actuary
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January 31, 2014

Ms. Marilyn Leedom
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association
Five-Year Projection of Employer Contribution Rate Changes
Based on Estimated 16.5% Gross Market Value Investment Return for 2013**

Dear Marilyn:

As requested, we have updated our five-year projection of estimated employer contribution rate changes for CCCERA. This projection is derived from the December 31, 2012 actuarial valuation results and incorporates an estimated gross market value investment return of 16.5% for the 2013 calendar year. Key assumptions and methods are detailed below. **It is important to understand that these results are entirely dependent on those assumptions. Actual results as determined in future actuarial valuations will differ from these results. In particular, actual investment returns and actual salary levels different than assumed can have a significant impact on future contribution rates.**

Results

The estimated contribution rate changes shown on the next page apply to the recommended average employer contribution rate. For purposes of this projection, the rate changes that are reflected include the asset gains and losses that are funded as a level percentage of the Association's total active payroll base.

The changes in contribution rate are due to: (1) deferred gains and losses from the actuarial asset smoothing methodology; (2) gains due to investment income earned on the difference between the Market Value of Assets (MVA) and Actuarial Value of Assets (AVA) (and losses when the opposite occurs); (3) contribution gains and losses which occur from delaying the implementation of new rates until 18 months after the actuarial valuation date.

Benefits, Compensation and HR Consulting Offices throughout the United States and Canada

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The following table provides the year-to-year rate changes resulting from each of the above components and the cumulative rate change over the five-year projection period. To obtain the estimated average employer contribution rate at each successive valuation date, these cumulative rate changes should be added to the rates developed from the December 31, 2012 valuation. These rate changes become effective 18 months following the actuarial valuation date shown in the table.

The rate changes shown below represent the average rate for the aggregate plan.

Rate Change Component	Valuation Date (12/31)				
	2013	2014	2015	2016	2017
(1) Deferred (Gains)/Losses	-0.76%	-1.94%	-1.40%	-1.06%	-1.05%
(2) (Gain)/Loss of Investment Income on Difference Between MVA and AVA	-0.12%	-0.43%	-0.28%	-0.17%	-0.09%
(3) 18-Month Rate Delay	<u>1.09%</u>	<u>0.50%</u>	<u>-0.13%</u>	<u>-0.20%</u>	<u>-0.17%</u>
Incremental Rate Change	0.21%	-1.87%	-1.81%	-1.43%	-1.31%
Cumulative Rate Change	0.21%	-1.66%	-3.47%	-4.90%	-6.21%

The difference between these cumulative rate changes and those shown in our August 9, 2013 letter (i.e., previous five-year projection) are as follows:

	Valuation Date (12/31)				
	2013	2014	2015	2016	2017
Cumulative Rate Change From August 9, 2013 Letter	1.00%	0.51%	0.03%	-0.16%	-0.35%
Reflecting Actual Investment Return through 12/31/2013	0.21%	-1.66%	-3.47%	-4.90%	-6.21%
Difference	-0.79%	-2.17%	-3.50%	-4.74%	-5.86%

The average employer contribution rate as of the December 31, 2012 Actuarial Valuation is 49.82%, and based on the cumulative rate changes above is projected to progress as shown below.

	Valuation Date (12/31)				
	2013	2014	2015	2016	2017
Average Employer Contribution Rate	50.03%	48.16%	46.35%	44.92%	43.61%

The rate change for an individual cost group or employer will vary depending primarily on the size of that group's assets and liabilities relative to its payroll. The ratio of the group's assets to payroll is sometimes referred to as the volatility index (VI). A higher VI results in more volatile contributions and can result from the following factors:

- More generous benefits
- More retirees
- Older workforce
- Higher funded ratio
- Issuance of Pension Obligation Bonds (POBs)

The attached exhibit shows the VI for CCCERA's cost groups along with the "relative VI" which is the VI for that specific cost group divided by the average VI for the aggregate plan. Using these ratios we have estimated the rate change due to these generally investment related net gains for each individual cost group by multiplying the rate changes shown above for the aggregate plan by the relative VI for each cost group. These estimated rate changes for each cost group are shown in the attached exhibit.

Note that because we have estimated the allocation of the rate changes across the cost groups, the actual rate changes by group may differ from those shown in the exhibit, even if the plan-wide average rate changes are close to those shown above.

Key Assumptions and Methods

The projection is based upon the following assumptions and methods:

- December 31, 2012 non-economic assumptions remain unchanged.

- December 31, 2012 retirement benefit formulas remain unchanged.
- December 31, 2012 1937 Act statutes remain unchanged. In particular, these projections do not reflect any potential changes in benefits or contributions due to AB 340 (“PEPRA”) or AB 197.
- UAAL amortization method remains unchanged (i.e., 18-year layers, level percent of pay).
- December 31, 2012 economic assumptions remain unchanged, including the 7.25% investment earnings assumption.
- The gross market value investment return of 16.5% during 2013 was reduced by an estimated 0.65% to account for investment and administrative expenses.
- We have assumed that returns of 7.25% are earned on a market value basis for each of the next four years after 2013.
- Active payroll grows at 4.00% per annum.
- Deferred investment gains and losses are recognized per the asset smoothing schedule prepared by the Association as of June 30, 2012. In addition, the estimated investment gain for 2013 is also recognized over a five-year period. They are funded as a level percentage of the Association’s total active payroll base.
- Deferred investment gains are all applied directly to reduce the UAAL. Note that this assumption may not be entirely consistent with the details of the Board’s Interest Crediting and Excess Earnings Policy.
- The VI used for these projections is based on the December 31, 2012 Actuarial Valuation and is assumed to stay constant during the projection period.
- All other actuarial assumptions used in the December 31, 2012 actuarial valuation are realized.
- No changes are made to actuarial methodologies, such as adjusting for the contribution rate delay in advance.
- The projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA’s active members or decreases in the employer contribution rates that might result from new hires going into the PEPRA tiers.

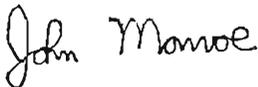
Finally, we emphasize that projections, by their nature, are not a guarantee of future results. The modeling projections are intended to serve as illustrations of future financial outcomes that are based on the information available to us at the time the modeling is undertaken and completed, and the agreed-upon assumptions and methodologies described herein. Emerging results may differ significantly if the actual experience proves to be different from these assumptions or if alternative methodologies are used. Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.

Unless otherwise noted, all of the above calculations are based on the December 31, 2012 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based. That valuation and these projections were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "John Monroe". The signature is written in a cursive style with a large initial "J" and "M".

John Monroe

AW/bqb
Enclosure

cc: Kurt Schneider

Exhibit

Contra Costa County Employees' Retirement Association

Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2012 Valuation with Estimated 16.5% Gross Market Value Return for 2013

	CG#1 & CG#2 Combined Enhanced General Tier 1 & 3	CG#3 Enhanced CCC Sanitary District Tier 1	CG#4 Enhanced Housing Authority Tier 1	CG#5 Enhanced CCCFPD Tier 1	CG#6 Non-Enhanced District Tier 1
Market Value of Assets (MVA)*	\$3,140,653,840	\$189,503,039	\$37,279,077	\$37,128,377	\$4,550,552
Projected Payroll for 2013	\$480,730,515	\$23,833,773	\$5,054,117	\$3,555,471	\$746,787
Volatility Index (VI) = MVA/Payroll	6.53	7.95	7.38	10.44	6.09
Relative Volatility Index (VI) = CG VI / Total Plan VI	0.76	0.92	0.85	1.21	0.70
Estimated Incremental Rate Change as of 12/31/2013	0.16%	0.19%	0.18%	0.25%	0.15%
Estimated Incremental Rate Change as of 12/31/2014	-1.41%	-1.72%	-1.60%	-2.26%	-1.32%
Estimated Incremental Rate Change as of 12/31/2015	-1.37%	-1.66%	-1.54%	-2.19%	-1.28%
Estimated Incremental Rate Change as of 12/31/2016	-1.08%	-1.32%	-1.22%	-1.73%	-1.01%
Estimated Incremental Rate Change as of 12/31/2017	-0.99%	-1.20%	-1.12%	-1.58%	-0.92%
Cumulative Rate Change as of 12/31/2013	0.16%	0.19%	0.18%	0.25%	0.15%
Cumulative Rate Change as of 12/31/2014	-1.25%	-1.53%	-1.42%	-2.01%	-1.17%
Cumulative Rate Change as of 12/31/2015	-2.62%	-3.19%	-2.96%	-4.20%	-2.45%
Cumulative Rate Change as of 12/31/2016	-3.70%	-4.51%	-4.18%	-5.93%	-3.46%
Cumulative Rate Change as of 12/31/2017	-4.69%	-5.71%	-5.30%	-7.51%	-4.38%

	CG#7 & CG#9 Combined Enhanced County Safety Tier A & C	CG#8 Enhanced CCCFPD/East CCCFPD Safety Tier A	CG#10 Enhanced Moraga-Orinda FD Safety Tier A	CG#11 Enhanced San Ramon Valley FD Safety Tier A	CG#12 Non-Enhanced Rodco-Hercules FPD Safety Tier A	Total Plan
Market Value of Assets (MVA)*	\$1,166,115,501	\$688,736,519	\$123,335,771	\$231,051,990	\$21,289,858	\$5,639,644,524
Projected Payroll for 2013	\$80,272,749	\$32,604,881	\$7,084,771	\$16,733,471	\$1,695,645	\$652,312,180
Volatility Index (VI) = MVA/Payroll	14.53	21.12	17.41	13.81	12.56	8.65
Relative Volatility Index (VI) = CG VI / Total Plan VI	1.68	2.44	2.01	1.60	1.45	1.00
Estimated Incremental Rate Change as of 12/31/2013	0.35%	0.51%	0.42%	0.34%	0.30%	0.21%
Estimated Incremental Rate Change as of 12/31/2014	-3.14%	-4.57%	-3.77%	-2.99%	-2.72%	-1.87%
Estimated Incremental Rate Change as of 12/31/2015	-3.04%	-4.42%	-3.64%	-2.89%	-2.63%	-1.81%
Estimated Incremental Rate Change as of 12/31/2016	-2.40%	-3.49%	-2.88%	-2.28%	-2.08%	-1.43%
Estimated Incremental Rate Change as of 12/31/2017	-2.20%	-3.20%	-2.64%	-2.09%	-1.90%	-1.31%
Cumulative Rate Change as of 12/31/2013	0.35%	0.51%	0.42%	0.34%	0.30%	0.21%
Cumulative Rate Change as of 12/31/2014	-2.79%	-4.06%	-3.35%	-2.65%	-2.42%	-1.66%
Cumulative Rate Change as of 12/31/2015	-5.83%	-8.48%	-6.99%	-5.54%	-5.05%	-3.47%
Cumulative Rate Change as of 12/31/2016	-8.23%	-11.97%	-9.87%	-7.82%	-7.13%	-4.90%
Cumulative Rate Change as of 12/31/2017	-10.43%	-15.17%	-12.51%	-9.91%	-9.03%	-6.21%

* Excludes Post Retirement Death Benefit reserve.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.



RETIREMENT BOARD MEETING
SECOND MONTHLY MEETING
9:00 a.m.
February 26, 2014

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

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 January 22, 2014 meeting.
4. Consider and take possible action on Actuarial Funding Policy as recommended by Segal Consulting.
5. Presentation by Segal Consulting regarding the application of administrative expenses under GASB 67 and GASB 68.
6. Review of total portfolio performance including:
 - a. Consideration of any managers already under review or to be placed under review.
 - b. Consideration of any changes in allocations to managers
7. Presentation from Adams Street Partners regarding potential commitment to the 2014 Adams Street Global Fund.
8. Consider and take possible action on staff recommendation regarding a commitment to the 2014 Adams Street Global Fund.
9. Presentation from Paladin Cybersecurity Fund I.
10. Consider and take possible action on investment consultant recommendation regarding a commitment to Paladin Cybersecurity Fund I.
11. Consider authorizing the attendance of Board and/or staff:
 - a. Annual Conference, NCPERS, April 26 – May 1, 2014, Chicago, IL.
 - b. Spring Conference, Council of Institutional Investors, May 7 – 9, 2014, Washington, DC.
(Note: Conflict with Board Meeting)
 - c. Spring Conference, CRCEA, April 7 – 9, 2014, Costa Mesa, CA.
12. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a

CALAFCO Daily Legislative Report as of Wednesday, March 05, 2014

March 12, 2014
Agenda Item 11a

1

[AB 453](#) **(Mullin D) Sustainable communities.**

Current Text: Amended: 7/3/2013 [pdf](#) [html](#)

Introduced: 2/19/2013

Last Amended: 7/3/2013

Status: 8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/12/2013)

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

Summary:

The Strategic Growth Council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Attachments:

[CALAFCO Support Letter_03_12_13](#)

Position: Watch

Subject: Sustainable Community Plans

CALAFCO Comments: This would allow LAFcos to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts. CALAFCO has removed its support of the bill given the nature of the amendment and the potential impact to LAFcos.

[AB 678](#) **(Gordon D) Health care districts: community health needs assessment.**

Current Text: Amended: 4/15/2013 [pdf](#) [html](#)

Introduced: 2/21/2013

Last Amended: 4/15/2013

Status: 8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/13/2013)

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

Summary:

Would require that the health care district conduct an assessment, every 5 years, of the community's health needs and provide opportunities for public input. Commencing January 1, 2019, the bill would require the annual reports to address the progress made in meeting the community's health needs in the context of the assessment. This bill contains other related provisions and other existing laws.

Attachments:

[CALAFCO Letter of support April 17, 2014](#)

Position: Support

Subject: LAFco Administration, Service Reviews/Spheres

CALAFCO Comments: This bill requires Health Care Districts that do not operate their own hospital facilities to create every 5 years, an assessment of the community health needs with public input. The bill requires LAFcos to include in a Municipal Service Review (MSR) the Health Care District's 5-year assessment.

[AB 1521](#) **(Fox D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

Current Text: Introduced: 1/16/2014 [pdf](#) [html](#)

Introduced: 1/16/2014

Status: 2/6/2014-Referred to Com. on L. GOV.

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

Summary:

Beginning with the 2004-05 fiscal year, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a vehicle license fee property tax compensation fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

AB 1527 (Perea D) Public water systems: drinking water.

Current Text: Introduced: 1/17/2014 [pdf](#) [html](#)

Introduced: 1/17/2014

Status: 2/6/2014-Referred to Com. on E.S. & T.M.

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

Summary:

Would require the State Department of Public Health, in administering programs to fund improvements and expansions of small community water systems, and other water systems, as specified, to promote service delivery alternatives that improve efficiency and affordability of infrastructure and service delivery, as specified. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Disadvantaged Communities, Municipal Services, Service Reviews/Spheres, Sustainable Community Plans

CALAFCO Comments: This bill requires funding for construction project feasibility studies to include studies of service delivery alternatives if at least 1 service agency services a disadvantaged community; also requires the DPH to make a determination to include the viability of these service delivery alternatives and to consider LAFCo studies and determinations from the previous 5 years, to consult with LAFCo Executive Officer and consider other applicable local/regional studies related t the delivery of drinking water.

AB 1729 (Logue R) Local government: agricultural land.

Current Text: Introduced: 2/14/2014 [pdf](#) [html](#)

Introduced: 2/14/2014

Status: 2/18/2014-From printer. May be heard in committee March 20.

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

Summary:

Current law establishes the California Land Conservation Act of 1965, otherwise known as the Williamson Act, for purposes of preserving agricultural land within the state. Current law authorizes a city or a county, for this purpose, to contract with a landowner to limit the use of agricultural land located in an agricultural preserve designated by the city or county. This bill would make technical, nonsubstantive changes to the authorization provisions.

Position: Watch

Subject: Ag Preservation - Williamson

AB 1961 (Eggman D) Land use: planning: Sustainable Farmland Strategy.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 3/3/2014-Referred to Coms. on L. GOV. and AGRI.

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

Summary:

Would require each county with significant agricultural land resources, as defined, to develop, on or before January 2, 2018, a sustainable farmland strategy. The bill would require the Sustainable Farmland Strategy to include, among other things, a map and inventory of all agriculturally zoned land within the county, a description of the goals, strategies, and related policies and ordinances, to retain agriculturally zoned land where practical and mitigate the loss of agriculturally zoned land to nonagricultural uses or zones, and a page on the county's Internet Web site with the relevant documentation for the goals, strategies, and related policies and ordinances, as specified.

Position: Watch

Subject: Ag/Open Space Protection, LAFCo Administration

AB 2156 (Achadjian R) Local agency formation commissions: studies.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

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

Summary:

Would include joint powers agencies and joint powers authorities among the entities from which a local agency formation commission is authorized to request land use information, studies, and plans, for purposes of conducting specified studies. The bill would specifically define "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Position: Watch

Subject: CKH General Procedures, LAFCo Administration, Municipal Services, Service Reviews/Spheres

SB 56 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Amended: 6/11/2013 [pdf](#) [html](#)

Introduced: 1/7/2013

Last Amended: 6/11/2013

Status: 2/3/2014-Returned to Secretary of Senate pursuant to Joint Rule 56.

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

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

Attachments:

[CALAFCO Letter of support April 10, 2013](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

SB 69 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Amended: 9/12/2013 [pdf](#) [html](#)

Introduced: 1/10/2013

Last Amended: 9/12/2013

Status: 9/13/2013-Failed Deadline pursuant to Rule 61(a)(14). (Last location was RLS. on 9/12/2013)

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

Summary:

Would modify specified reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill would also modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Position: Support

Subject: Tax Allocation

[SB 1001](#) ([Knight R](#)) Local government.

Current Text: Introduced: 2/13/2014 [pdf](#) [html](#)

Introduced: 2/13/2014

Status: 2/27/2014-Referred to Com. on RLS.

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

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, makes certain findings and declarations relating to local government organizations, including, among other things, the encouragement of orderly growth and development, and 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

Subject: CKH General Procedures

[AB 543](#) ([Campos D](#)) California Environmental Quality Act: translation.

Current Text: Amended: 5/24/2013 [pdf](#) [html](#)

Introduced: 2/20/2013

Last Amended: 5/24/2013

Status: 7/12/2013-Failed Deadline pursuant to Rule 61(a)(10)(SEN). (Last location was E.Q. on 6/13/2013)

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

Summary:

Would require a lead agency to translate, as specified, certain notices required by the California Environmental Quality Act and a summary of any negative declaration, mitigated negative declaration, or environmental impact report when a group of non-English-speaking people, as defined, comprises at least 25% of the population within the lead agency's jurisdiction and the project is proposed to be located at or near an area where the group of non-English-speaking people comprises at least 25% of the residents of that area. By requiring a lead agency to translate these notices and documents, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

CALAFCO Comments: As amended, requires a lead agency to translate certain notices, summary of a negative declaration, mitigated negative declaration, or environmental impact report when the implicated community has 25% or more non-English speaking people affected by

the project. The requirement is to translate these notices and summaries in the native language of those impacted. This is an unfunded mandate. While LAFCo is not typically the lead agency, there may be an occasion when they are, and this could have significant resource implications.

[AB 642](#) (Rendon D) Publication: newspaper of general circulation: Internet Web site.

Current Text: Introduced: 2/20/2013 [pdf](#) [html](#)

Introduced: 2/20/2013

Status: 1/24/2014-Failed Deadline pursuant to Rule 61(b)(2). (Last location was JUD. on 3/11/2013)

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

Summary:

Current law requires that various types of notices are provided in a newspaper of general circulation. Current law requires a newspaper of general circulation to meet certain criteria, including, among others, that it be published and have a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication. This bill would provide that a newspaper that is available on an Internet Web site may also qualify as a newspaper of general circulation, provided that newspaper meets certain criteria.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Allows for posting of agendas and meeting material on newspaper websites.

[AB 677](#) (Fox D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Amended: 1/6/2014 [pdf](#) [html](#)

Introduced: 2/21/2013

Last Amended: 1/6/2014

Status: 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. GOV. on 1/7/2014)

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

Summary:

Would modify specified reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill would also modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Financial Viability of Agencies, Tax Allocation

[AB 2455](#) (Williams D) The Santa Rita Hills Community Services District.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/24/2014-Read first time.

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

Summary:

Would provide that, until January 1, 2035, in addition to persons who are voters in the district, a person who is otherwise qualified to vote and who also owns property in the district may be a candidate for the board of directors of the Santa Rita Hills Community Services District. This bill contains other related provisions.

Position: Watch

Subject: Special District Principle Acts

[SB 633](#) (Pavley D) CEQA.

Current Text: Amended: 8/6/2013 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amended: 8/6/2013

Status: 8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. on 8/6/2013)

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

Summary:

Would, for purposes of the new information exception to the prohibition on requiring a subsequent or supplemental EIR, specify that the exception applies if new information that becomes available was not known and could not have been known by the lead agency or any responsible agency at the time the EIR was certified as complete. The bill would authorize the office, by July 1, 2015, to draft and transmit to the secretary revisions to the guidelines to include as a categorical exemption projects involving minor temporary uses of land and public gatherings that have been determined not to have a significant effect on the environment. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

[SB 731](#) (Steinberg D) Environment: California Environmental Quality Act.

Current Text: Amended: 9/9/2013 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amended: 9/9/2013

Status: 9/13/2013-Failed Deadline pursuant to Rule 61(a)(14). (Last location was L. GOV. on 9/11/2013)

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

Summary:

Would provide that aesthetic and parking impacts of a residential, mixed-use residential, or employment center project, as defined, on an infill site, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and submit to the Secretary of the Natural Resources Agency, and the secretary to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise and transportation impacts of projects within transit priority areas. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

[SB 772](#) (Roth D) Drinking water: County Water Company of Riverside water system: liability.

Current Text: Amended: 1/6/2014 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amended: 1/6/2014

Status: 2/3/2014-Returned to Secretary of Senate pursuant to Joint Rule 56.

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

Summary:

Would exempt the Elsinore Valley Municipal Water District and the Eastern Municipal Water District from liability for claims by past or existing County Water Company of Riverside customers or those consuming water provided through the County Water Company of Riverside water system concerning the operation and supply of water from the County Water Company of Riverside water system during the interim operation period, as specified, for any good faith, reasonable effort using ordinary care to assume possession of, and to operate and supply water to , the County Water Company of Riverside water system. This bill contains other related provisions and other existing laws.

Attachments:

[CALAFCO Letter Removing Opposition September 9, 2013](#)

[CALAFCO Letter of Opposition April 10, 2013](#)

Position: Watch

Subject: Water

CALAFCO Comments: As amended, this bill would exempt the Elsinore Valley Municipal Water District and the Eastern Municipal Water District from liability for injuries or damages arising out of the delivery of water to County Water Company of Riverside customers, as specified. As amended this bill no longer references Local Agency Formation Commissions (LAFCo) to take on the responsibility of monitoring private water companies. As a result of removing any and all references to LAFCo, CALAFCO has removed its opposition to the bill and now has a Watch position.

Total Measures: 17

Total Tracking Forms: 17

3/5/2014 10:12:02 AM

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
PENDING PROPOSALS – MARCH 12, 2014**

March 12, 2014
Agenda Item 11b

LAFCO APPLICATION	RECEIVED	STATUS
West County Wastewater District Annexation Nos. 310 and 312: proposed annexation of 3.33± acres located at 39 Kirkpatrick Drive and 5527 Sobrante Avenue in El Sobrante	11/7/08	Incomplete; awaiting info from District
UCB Russell Research Station (RRS): proposed SOI amendment to East Bay Municipal Utility District (EBMUD) of 313± acres located on Happy Valley Road, southeast of Bear Creek Rd, and north of the Lafayette city limits (with concurrent annexation application)	11/25/08	Incomplete; awaiting info from applicant
UCB RRS: proposed annexation of 313± acres to EBMUD	11/25/08	Incomplete
Laurel Place/Pleasant View Annexation to City of Concord: proposed annexation of 5.86± acres located on Laurel Dr and Pleasant View Ln	5/8/09	Pending property tax exchange agreement
Highlands Ranch Phase II SOI Amendment: proposed SOI amendments to the cities of Antioch (reduction) and Pittsburg (expansion) of 194± acres located east of Pittsburg city limits, within Antioch Somersville Road Corridor Planning Area	10/23/09	Incomplete; awaiting info from applicant
Discovery Bay Community Services District (DBCSD) SOI Amendment (Newport Pointe): proposed SOI expansion of 20± acres bounded by Bixler Road, Newport Drive and Newport Cove (with corresponding annexation application)	7/28/10	Incomplete; awaiting info from applicant
DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development	7/28/10	Incomplete; awaiting info from applicant
Bayo Vista Housing Authority Annexation to RSD – proposed annexation of 33± acres located south of San Pablo Avenue at the northeastern edge of the District's boundary	2/20/13	Pending
City of Martinez Out of Agency Service Request - – request to extend water services to a 0.82± acre parcel located at 172 Gordon Way in Alhambra Valley	5/31/13	Pending

Poll results show poor support for fire district tax

Kyle Szymanski | [Posted 2/12/2014](#)

The results of a recent survey indicate voters wouldn't come to the rescue of the East Contra Costa Fire Protection District (ECCFPD) if it was to place a parcel tax measure on the June ballot.

Only 54 percent of voters are in favor of the tax, according to the results of a recent poll of about 300 district residents. The tax of approximately \$100 a year would require a two-thirds majority to pass.

"Unfortunately, I am not surprised," said Vince Wells, president of the International Association of Firefighters Local 1230, which paid for a polling firm to conduct the scientific study of likely voters with equal representation of the communities in the district. "We suspected not a lot of change. That was part of the reason why we decided to do the poll so we could get the question answered and move on to work on something else."

The district board now plans to send an educational mailer with an attached survey to all 44,000-district parcel owners to solicit a larger number of opinions before deciding if it should proceed with the measure.

The results of the poll, however, are a discouraging first sign for the district, which is banking on the revenue to maintain current service levels after federal grant money runs out in November, according to district leaders.

Without additional funding, it's expected the board will be asked to close two of the district's five stations, likely leaving just three engines to serve a 249-square-mile coverage area. About 95 percent of the district's revenue comes from property taxes, which have decreased about 40 percent since the value of homes started to dip around 2008.

"We knew the results were going to be low, but I don't know if I expected them to be as low as they did come in," said Fire Chief Hugh Henderson. "People aren't seeing the criticalness of what is going on in the district."

The poll results, which also revealed voters were not more inclined to vote for the tax even after they were informed of the ramifications of it not passing, are not entirely surprising based on the attendance at recent community outreach meetings, said ECCFPD board member Joe Young. Around 145 combined residents attended the seven gatherings held to discuss future service models and the finances of the district.

“I know it’s difficult to pass taxes,” Young said. “I think with the large amount of people not being fully aware of the situation with the fire district, that kind of result (of the poll) could be expected.”

Wells believes the current state of the district could be a sign its time for the area’s service to go in a different direction. He says currently its hard for all the different communities within the ECCFPD to get on the same page since their residents have different opinions, such as people in Bethel Island believing volunteer firefighters should be brought back and some Brentwood residents believing the city should start its own department. He believes more of the focus should be placed on looking into consolidating the ECCFPD with the neighboring Contra Costa County Fire Protection District or turning the responsibilities over to the cities to create their own departments.

“There are too many differences in opinion in each of the communities that they kind of counteract each other,” he said.

Young says the district board has asked the district’s recently-hired consultant to double check for viable options to bring in additional revenue, but it appears its only option is the parcel tax.

“We have really done everything that can be done as far as increasing efficiency of the fire district, looking for outside contract opportunities and minimizing pension and healthcare costs,” Young said. “All those actions have been taken by the board and the only thing left is to provide enough revenue to maintain the current service level.”

The district’s next board meeting is scheduled for March 3 at 6:30 p.m. inside the Oakley City Council Chambers.

Annexation moves ahead for 678 acres northeast of Antioch

By Paul Burgarino Contra Costa Times Contra Costa Times

Posted:

Thursday, February 13, 2014

ContraCostaTimes.com

MARTINEZ -- Antioch's plan to annex 678 acres to its northeast took a significant step forward this week, as no one protested the largest piece of a complex package becoming part of the city.

The lack of protest gave Contra Costa's Local Agency Formation Commission the green light Wednesday to annex 481 acres of industrial waterfront that includes two natural gas-fired power plants.

Now, all but 94 acres of waterfront land used mainly for marina and storage have been brought within city limits.

The second of three land swaths in question -- 103 acres near Viera Avenue -- was annexed last month, when commissioners from the agency that oversees local government boundary changes determined the area met the state's "land island" criteria and waived the right for the near 110 property owners to vote on the matter.

As for the marina land, the commission decided in a 6-1 vote that more community meetings are needed to address any concerns. It will reconsider the annexation next month.

"I would certainly like to see this commission provide that level of outreach and community engagement," Commissioner Mary Nejedly Piepho said.

Piepho, a county supervisor from Discovery Bay, said similar meetings in the Viera area helped educate and inform those residents.

"Otherwise, we would be pursuing an unfair action prematurely," she said.

Land zoning and taxes in the area would be the same following an annexation, city and county officials said. Antioch would also try to pursue grant funding to help residents with the cost of sewer line connections, Tina Wehrmeister, the city's community development director, said.

Views were mixed among those who spoke at Wednesday's meeting.

Don Wilson, commodore for the Sportsman Yacht Club, said his 200-member group opposes annexation. The city at one time didn't want to annex the area and things "have gone full circle," he said.

"We've peacefully coexisted with the county for 80 years. We'd like to continue that relationship," Wilson said. "If it's not broke, don't fix it."

Steve Klee, one of the owners of the New Bridge Marina, urged annexation.

Using a septic system for sewage is not an ideal solution, while having Antioch's police patrolling the area could stop drug sales at the nearby regional park and reduce boat burglaries, he said.

Antioch first applied for annexation of the industrial piece of land in 2007, but was later directed by the formation commission to include the Viera area, which drew international attention in 2009

because of the Jaycee Dugard kidnapping.

Local leaders see the area as a golden opportunity to boost its economy, estimating it could yield nearly \$1 million in net tax revenue each year and provide other economic opportunities on the waterfront.

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Moraga-Orinda fire chief to ask for pay cut

By Jennifer Modenessi jmodenessi@bayareanewsgroup.com Contra Costa Times

Posted:

Saturday, February 15, 2014

ContraCostaTimes.com

MORAGA -- Moraga-Orinda Fire District Chief Stephen Healy will ask the board of directors Wednesday for a temporary 9.5 percent pay cut to his base salary.

According to a district report, Healy is requesting the salary reduction in response to a projected district general fund deficit in fiscal year 2014-15. The district estimated a \$523,227 deficit if it does not act to reduce costs.

At a meeting Feb. 5, governing board members approved reducing district costs by June 30. If Healy's pay is reduced, the chief's base salary will be \$199,100 beginning July 1 and lasting until June 30, 2015. The board greenlighted Healy's five-year contract in November; the approval allows officials to negotiate the chief's salary if they decide to implement across-the-board pay cuts.

The 9.5 percent reduction is the same proposed by the district for union firefighters in a "last, best and final proposal" made during contract negotiations that have since deadlocked.

Representatives of United Professional Firefighters of Contra Costa County, Local 1230, have said the district proposed a 7.5 percent across-the-board base salary cut effective July 1. That contract included no salary range changes in fiscal year 2015-16 and would expire June 30, 2016.

A second offer included across-the-board pay cuts of 9.5 percent for a short-term contract through June 30, 2015. The meeting starts at 7 p.m. at the Moraga library community room, 1500 St. Marys Road.

California drought: Why is there no mandatory water rationing?

By Paul Rogers progers@mercurynews.com San Jose Mercury News

Posted:

Saturday, February 15, 2014

ContraCostaTimes.com

Fourteen months into a historic drought, with reservoirs running low and the Sierra snowpack 27 percent of normal, a growing number of Californians are wondering: Why isn't everyone being forced to ration?

So far, Gov. Jerry Brown and most major water providers, from the Bay Area to Los Angeles, are calling for voluntary cuts -- not mandatory rationing with fines for excessive use.

"I've been astounded," said Jay Geis, a Cupertino sales executive who said his friends and neighbors also are surprised by the lack of urgency. "Just drive by any reservoir and it's horrifying. It doesn't take a rocket scientist to understand we're in a drought."

Yet when it comes to water in California, there's no one-size-fits-all answer to explain why rationing hasn't taken hold. While three utilities provide 80 percent of Californians' electricity, there are roughly 3,000 water providers statewide, all with different rules, political realities and needs. Some are cities. Some are corporations. Some are farm districts pumping from wells. Some have significant amounts of water stored up and some don't. But all of their bottom lines depend on selling water, not conserving. And as difficult as the economics of rationing are, the politics may be even more complex.

"Generally people prefer voluntary to mandatory conservation," said Jeff Kightlinger, general manager of Metropolitan Water District, which provides water to 19 million people in the Los Angeles and San Diego areas. "They don't like being dictated to. If we go to mandatory in February and it rains solid in March and we say 'never mind,' people won't listen. We want to save the big hammer for when we know it's really bad."

Local agencies can order rationing. So can governors. But no California governor has ever ordered mandatory water rationing statewide, and there are huge legal questions about how it would work or whether any governor could even enforce the rules, particularly on farmers and their private wells.

"Most of the power in water management is at the local level," said Jay Lund, a professor of civil and environmental engineering at UC Davis. "Oftentimes you can get 10 or 20 percent water conservation out of a serious voluntary effort. It's less costly and is less of a political headache for most agencies. That's why they want to do voluntary first."

Some crackdowns

A few communities have embraced strict rules. On Jan. 28, the St. Helena City Council ordered mandatory rationing, limiting each house to 65 gallons a person per day -- one-third the state average -- with warnings for first offenses, then fines of \$374 for every 748 gallons above the limit. For the fifth offense, the fines triple.

"The message to the public right now is, 'Hey, no more kidding around.' We need to be very, very serious," Mayor Ann Nevero said that day.

Within two weeks, city water use fell 33 percent.

Sacramento enacted 20 percent "mandatory" restrictions. But because half the homes there still don't have water meters, the city has no way to set water limits and fine users. Instead, city leaders limited days for landscape watering, and staff members issue tickets of up to \$1,000 to violators.

Most Bay Area residents have only 10 percent voluntary restrictions in place -- including all the customers of the Santa Clara Valley Water District, East Bay Municipal Utility District and San Francisco Public Utilities Commission, which supplies Hetch Hetchy water. Some locals say it's time to go further.

"People in the government agencies don't understand how bad it could be," said Vincent Lui, a retired engineer in Los Altos who suffered through severe water shortages 60 years ago while growing up in Hong Kong. "They don't seem to be taking this thing too seriously. We need to get tough quickly. We need to hit people where it hurts, in the pocketbooks."

Reasons why

Experts say there are several key reasons why mandatory rationing is rare.

First, most big urban districts are in better shape now than during the last major drought from 1987 to 1992. They have increased conservation and supplies.

"We're light years away from then," said Kightlinger.

In the past 20 years, Los Angeles' Metropolitan Water District built the massive Diamond Valley reservoir in Riverside County, a \$2 billion project that stores enough water for 5 million people a year. By expanding recycled wastewater and pushing conservation measures, the district delivered 25 percent less water last year than in 1990, even though the population grew by 5 million people.

The Contra Costa Water District in 1998 built Los Vaqueros Reservoir, which holds enough water for up to 800,000 people a year. And over the past 20 years, the Santa Clara Valley Water District has methodically stored nearly two years' supply underground.

Second, when people use less, agencies' revenues drop.

The Santa Clara Valley Water District estimates it will lose up to \$20 million because of its request last month for a 10 percent voluntary reduction. L.A.'s Metropolitan district expects to lose \$150 million by asking for 20 percent voluntary cutbacks.

In the past, agencies have sometimes raised rates to make up the difference.

"People say, 'What! You made us conserve and now you are raising the rates?!'" said Jerry Meral, former deputy director of the state Department of Water Resources. "But they still have to pay the staff and run the agency."

Third, enforcing mandatory rationing is a political nightmare. Almost any plan a district undertakes will spur objections; people complain that if they've already been efficient all along they'll have a harder time meeting lower targets than their water-wasting neighbors.

And finally, many water agencies are still hoping that new storms in February, March and April

might bail them out, along with voluntary measures.

"It may well be that more stringent and serious measures are taken later," said Andrea Pook, a spokeswoman for the East Bay Municipal Utility District. "This is very early."

Governor's power

When the governor declared a water emergency on Jan. 17, he called for statewide 20 percent voluntary cutbacks.

"As we go down the road -- you know, January, February, March -- we will keep our eye on the ball and intensify, even to the point of mandatory conservation," Brown said. "But we're not going to do that quite yet."

However, the governor's office declined to provide details on how Brown would order cities, counties, private companies and farmers to use less water.

Legal experts say the issue is amazingly complex. Farmers use 80 percent of the water that people consume in California, for example. Yet there are no state laws regulating groundwater pumping, so it's not clear what would happen if the governor tried to order farms to cut back. Private companies would almost certainly demand taxpayers bail them out if they were ordered to sell less water, just as a car dealer would if the government ordered him to sell fewer cars.

"The lawsuits would last longer than the drought," said Barton "Buzz" Thompson, a law professor at Stanford University.

In 1977, during his first term as governor -- and in a severe drought -- Brown asked his attorney general whether he even had the legal power to impose mandatory rationing. Yes, wrote then-Attorney General Evelle Younger in an opinion, under the same laws that governors can invoke in earthquakes and fires. But with a caveat: The law requires taxpayers "to pay the reasonable value" of any private property the state takes.

Back then, the governor's office was considering imposing a "pump tax" on all private farm wells to save water, but the stakes were high, said J. Anthony Kline, who served as Brown's legal affairs secretary in 1977.

"You are talking about a major political interest and what was one of the biggest industries in the state -- agriculture," said Kline, now a state appeals court justice. "Any governor, Democrat or Republican, is loathe to impose strict measures on ag. It was a grave decision, and you didn't want to pull that trigger."

Ultimately, Kline said, Brown's biggest influence on how California consumes water may hinge more on what he says than what he does.

"It's politically complicated and legally complicated," he said. "The one thing the governor has that's most useful is the bully pulpit."

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/PaulRogersSJMN](https://twitter.com/PaulRogersSJMN)

Orinda leaders look once again to voters to fund road repairs

By Jennifer Modenessi Contra Costa Times Contra Costa Times

Posted:

Sunday, February 16, 2014

ContraCostaTimes.com

ORINDA -- Buoyed by the results of a recent survey showing voters are willing to pay for continuing repairs to the city's notoriously bad roads, Orinda city leaders are moving forward with a \$20 million bond measure for the June ballot.

While the City Council stopped short of authorizing the measure, its unanimous vote Feb. 4 to pursue the bond issuance allows city staffers to return with ballot language at the next council meeting Tuesday. Council members also asked staffers for an update of the city's 10-year roads and drainage repairs plan showing the expected impact of the bond measure. City leaders will then take a final vote whether to place the measure -- which would require voters to pay an annual ad valorem tax on assessed property value -- on the ballot.

The council's decision corresponds with the second phase of the city's 10-year roads and drainage repair plan, a document approved by Orinda council members in 2012 that outlines how the city plans to fund the repair of storm drains and roads rated as some of the Bay Area's worst. The first phase of the four-step plan is a half-cent sales tax that sunsets in 10 years. Voters approved that tax in 2012.

The next two phases call for \$19.8 million bond or parcel tax measures -- one in 2016 and the other in 2020 -- to fund repairs. The final step asks voters to extend in 2022 the half-cent sales tax for an as-yet undetermined length of time.

The council's move to push up the timeline of the 2016 bond measure followed a presentation by Oakland-based polling firm Fairbank, Maslin, Maullin, Metz & Associates explaining the results of a phone survey conducted last month.

The opinion poll asked 400 Orinda residents about potential ballot measures, including bonds of \$10 million, \$20 million and \$40 million.

A total of 70 percent of residents polled indicated they would support a \$20 million bond; 24 percent said no and 6 percent were undecided. A slightly higher percent of voters supported a \$10 million bond but only 43 percent backed a \$40 million bond. A successful bond measure requires two-thirds voter approval to pass.

The survey also asked residents about two related measures that would make Orinda a charter city solely so a real estate transfer tax could be established.

The 1.5 percent transfer tax would be assessed on the sale of a home, and the proceeds would fully fund public road and storm drain repairs, according to the survey.

But poll results show voters overwhelmingly opposed the transfer tax and charter city measures, even when told it would be possible to repeal the half-cent sales tax as that funding would no longer be necessary.

"It seems very unlikely in my estimation that those measures, even with strong campaigns behind

them, would reach the threshold needed to win approval," said polling analyst David Metz, who explained earlier that survey results overall had about a 5 percent margin of error. A total of 56 percent of residents polled opposed the charter city idea, and 67 percent said no to the transfer tax.

Still, supporters of those measures urged the council to defer a decision on the bond measure, calling survey conclusions that there is sufficient voter support to pass it "misguided."

Resident Art Haigh argued that wording in the survey implied the bond measures would fix the city's infrastructure problem, and said the funding was inadequate. He also said a bond measure funded by an ad valorem property tax would likely fail to reach two-thirds voter approval; voters rejected similar bond measures in 2006 and 2007 for \$59.1 million and \$58.6 million, respectively.

Haigh also said he feels the transfer tax was not "adequately explained" in the polling question. "It set up a false choice," he said, and asked the council to defer their decision until they and the public have heard a "thorough explanation of a real honest solution" and not a "Band-Aid" to Orinda's infrastructure funding problem.

It costs the city about \$2.2 million annually in Measure J, gas tax and transportation and drainage impact fees to maintain its heavily used arterials, collector and school routes. According to public works director Charles Swanson, \$20 million would fund repair of about a third of the city's residential streets, which rate poorly on an industry standard "pavement condition index."

The city also says sales tax proceeds are higher than anticipated, and repairs funded by those proceeds will likely begin in May.

Barnidge: The incredible shrinking East Contra Costa Fire District

By Tom Barnidge Contra Costa Times Columnist Contra Costa Times
Posted:

Sunday, February 16, 2014
[ContraCostaTimes.com](http://www.contracostatimes.com)

The East Contra Costa Fire District is not yet on life support, but the next of kin has been notified, and a priest is standing by with a Bible.

The same budget woes that forced the agency to shrink from eight fire stations to five soon may mean two more closures. That would leave three units -- nine on-duty firefighters -- to safeguard more than 100,000 residents spanning 250 square miles, from Oakley to Brentwood to Discovery Bay.

A structure fire usually requires at least 15 firefighters, so this isn't good.

Contraction was forestalled two years ago, thanks to a federal SAFER grant, but when that expires in November, so do any chances of balancing the budget -- unless a new funding source is uncovered.

"I'm concerned that our citizens don't fully understand the dilemma this district faces in providing services," board member Ronald Johansen said.

Fire district detractors often blame hefty salaries and benefits for its budget problems -- the assertion has some merit -- but East Contra Costa's issues are more complicated. (Its firefighters, by the way, are paid substantially less than those in neighboring districts.)

A structural funding problem plagues East Contra Costa, which was classified as a rural area when Proposition 13 passed in 1978 and retained that classification even as cities incorporated and populations swelled. Rural fire districts get a smaller cut of taxes.

"For the most part, our district collects about 6 cents of every property tax dollar, while suburban and urban areas collect 12 or 13 cents," said Brentwood Councilman Erick Stonebarger. "We all pay property taxes; it just gets allocated differently."

That's why fire board members find themselves pondering the never-popular option of a parcel tax -- targeted at about \$100 per year for five years. The last time they went to the voters, in 2012, only 43.6 percent favored a measure that requires a two-thirds majority. A recent survey found support remains way short of the two-thirds mark.

Fire board President Joel Bryant, who's also Brentwood's vice mayor, said he shares residents' dislike of taxes, but the cost pales alongside the risk of substandard protection and response times.

"I've been accused of using scare tactics to get this passed," he said, "but the reality is this is very scary. When you call 911, you should have a reasonable expectation that an emergency response vehicle can get there in time."

Oakley Councilwoman Diane Burgis surely agrees. She remembers when her 3-year-old son, Sam, suffered an allergic reaction that caused him such difficulty breathing it appeared a tracheotomy might be needed.

"The firefighters were at my house in two minutes," she said. "They treated him and got him through it. I fear someone might have a situation like that in the future, and responders won't get there in time."

East Contra Costa officials note that when the district was evaluated by outside consultants a decade ago, they recommended it staff 10 fire stations. The number now is half that and headed lower.

"I know San Francisco is different because of its density," Johansen said, "but it has 49 stations for 49 square miles. We're looking at three stations for 250 square miles."

A parcel tax has yet to be formally proposed. Board members wonder if they can generate support.

"Nobody cares about this until it affects them," Oakley Mayor Randy Pope said. "It's never a big deal until something's burning."

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Contra Costa County getting a big chunk of new parkland

Carolyn Jones

Updated 11:38 am, Monday, February 17, 2014

San Francisco Chronicle

When Whitney Dotson was a kid growing up in Richmond in the 1950s, he and his friends would tromp through the canyons and oak forests of the East Bay hills to go fishing at San Pablo Reservoir.

Now, thanks in part to Dotson's help, those hills are preserved forever - a 362-acre swath of pristine woodlands and ridgetops that's the largest park acquisition in western Contra Costa County in 35 years.

"I know firsthand the benefits of that open space. It's just a beautiful resource," Dotson, 68, who represents western Contra Costa on the East Bay Regional Park District board, said Sunday. "This is a tremendous benefit for the entire district, but especially for the people of Richmond."

The property had been slated for housing, 36 homes that would have extended the Canyon Oaks subdivision in unincorporated El Sobrante. But the developer went bankrupt, and the park district was able to purchase the land for \$1.45 million - half the appraised fair-market value.

New staging, trailhead

The property will become part of the adjacent Wildcat Canyon Regional Park, bringing the park's total acreage to 2,789, and provide a link to parks across San Pablo Dam Road, including Kennedy Grove Regional Recreation Area and San Pablo Reservoir.

The district plans to build a staging area and trailhead on San Pablo Dam Road, giving residents of Richmond and El Sobrante an easy place to hike into Wildcat Canyon, Tilden Regional Park and beyond.

"It's going to provide great access for people on the east side of the ridge. And we got it for a great price," said Liz Musbach, land acquisition manager for the park district. "This will round out and complete the eastern boundary of Wildcat Canyon."

After the real estate crash a few years ago, park and open space districts across California were able to scoop up land at bargain prices from developers desperate to unload their properties. But most of those new parks have been in the outer suburbs, where the housing market crashed the hardest and open space - much of it former ranch land - was more available.

In the East Bay, park districts purchased huge tracts around Mount Diablo, especially the eastern side, and Sonoma County's open space district has saved thousands of acres, from the coast to the hilltops east of Santa Rosa.

That's why the Richmond purchase is so noteworthy, Musbach and others said. The chance to buy a large tract of open space in a densely populated, urban area is rare but critical for the people who live there, she said.

Dotson said housing is important, especially for Richmond, but open space is more important.

"Homes should be built in the existing developments," he said. "Open space should not be used for private homes. It should be enjoyed by everyone - a beautiful place to take a walk, enjoy the quiet, relax."

Wildlife, views

The new park is a steep collection of hillsides and canyons spilling east from the ridgetop. It's a dense mix of laurels, oaks and native grass, fed by seasonal streams and ponds. On a recent visit, the croaking of frogs was almost deafening.

Mountain lions, coyote, deer, hawks, a variety of snakes and other creatures roam the property, taking advantage of the open-space corridor that stretches almost seamlessly from Richmond to Castro Valley.

From the ridgetop, visitors have 360-degree views of Mount Diablo, San Francisco Bay and Carquinez Strait, the mountains of Sonoma and Napa counties, and the Berkeley hills.

"This park means more access, more open space, more chances to enjoy this scenic beauty," said Justin Neville, supervisor of Wildcat Canyon.

At the same time the district purchased the Richmond property, it also bought a 165-acre property nearby, not far from Kennedy Grove and Sobrante Ridge. The smaller property, also part of a "distressed" developer portfolio, cost the district \$850,000, about 86 percent of its fair-market value, Musbach said.

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California drought: Feds say farmers won't get any Central Valley Project water this year

By Paul Rogers progers@mercurynews.com San Jose Mercury News
Posted:

Friday, February 21, 2014
MercuryNews.com

In a crushing reminder of the state's parched plight, federal officials announced Friday that the Central Valley Project -- California's largest water delivery system -- will provide no water this year to Central Valley farmers and only 50 percent of the contracted amount to urban areas such as Santa Clara and Contra Costa counties.

Farmers had been bracing for the bad news because California received less rain in 2013 than any year since it became a state in 1850. Despite some storms this month, the state is still grappling with low reservoirs and a Sierra Nevada snowpack that's 25 percent of normal.

Friday's announcement will particularly affect San Joaquin Valley farmers who are last in line to get federal water. Many will have to either heavily pump already overburdened wells, or let fields go unplanted this summer.

"California produces almost half of the nation's fresh fruits and vegetables. And without adequate water in California, food supplies from other states or other countries may be the only option to fill the gap," said Mike Wade, executive director of the California Farm Water Coalition.

Wade predicted that farmers will leave 500,000 acres of land unplanted this year. Statewide, there are 8.1 million acres that farmers irrigate, and in many places they will produce crops this year with groundwater and local supplies.

Regions that rely heavily on federal water from the Sacramento-San Joaquin River Delta, such as Fresno, Merced and Kings counties, will be hit the hardest.

Friday's announcement followed a similar one last month in which state officials announced that there would be zero deliveries from the State Water Project to cities and farms.

In a rare piece of good news, however, the National Weather Service is now saying a significant storm system will reach California Wednesday through Saturday. Rainfall could range from 2 to 5 inches across the state.

For many communities, which have received barely a third of their normal rainfall since July, three or four more storms of similar size are needed to bring rainfall totals to normal levels.

"We're not through the winter yet," said Pete Lucero, a spokesman for the U.S. Bureau of Reclamation, the federal agency that made Friday's announcement. "Miracle Marches have happened before, and we're all hoping for one this year."

If the state receives significant rain and snow, the federal water delivery totals will be increased in the coming months, Lucero said. That happened in 2009, when federal water allocations were set at zero for most farmers in the San Joaquin Valley after a third dry year in a row, then bumped up to 10 percent of normal by April. Rains the following year increased that to 45 percent in 2010 and 80 percent in 2011.

The Central Valley Project -- which was built starting in the 1930s and moves water from Lake

Shasta to Bakersfield through dams, canals and pumps -- provides 90 percent of its water to farms. In dry years, cities receive priority over farms.

"We are trying to ensure that public health and safety needs are met," Lucero said. "This is not a field that can go fallow. This is your children and my children being able to have enough drinking water."

Water districts in the Bay Area that buy federal water said they expected Friday's news and will cope.

The Santa Clara Valley Water District, which has asked 1.8 million people to cut water use 10 percent, will consider expanding that to 20 percent on Tuesday, spokesman Marty Grimes said.

But the district has a year's supply in the ground because it saved it during wet years, as well as some water in its 10 local reservoirs. So a reduction in its federal water won't cause an emergency, Grimes said.

Similarly, the Contra Costa Water District will get by, said spokeswoman Jennifer Allen. The district has a contract for 170,000 acre-feet of federal water. It will receive 85,000 under Friday's announcement. But the district's total demand is between 100,000 and 120,000 a year. So with conservation, and supplies in the district's Los Vaqueros Reservoir, completed in 1998, demand will be met.

"We have enough water to take care of all indoor use and business needs, but customers will need to focus on conservation in outdoor water use," she said.

Meanwhile, new details about the \$687.4 million drought aid package -- unveiled earlier this week by Gov. Jerry Brown and Democratic legislative leaders -- indicate that more than a third of the money will be distributed over the next few months.

Once Brown signs the legislation into law, the Department of Water Resources will immediately begin reviewing applications for \$200 million to fund projects that improve regional drought preparedness or boost drinking water quality.

Towns at risk of running out of water will be eligible for \$15 million for emergency drinking water supplies, and Californians struggling to pay their rent, mortgages or grocery bills will have access to more than \$50 million in housing, food assistance and job training aid right away. But funding for other water conservation projects may not trickle out of the state's coffers until this summer.

Staff writer Jessica Calefati contributed to this report. Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/paulrogerssjmn](https://twitter.com/paulrogerssjmn).

Contra Costa Fire District lands \$9.6 million federal grant

By Tom Lochner Contra Costa Times Contra Costa Times

Posted:

Saturday, February 22, 2014
ContraCostaTimes.com

PLEASANT HILL -- The Contra Costa Fire District has been awarded a federal grant of almost \$9.6 million to hire firefighters, the latest in a series of such awards to East Bay fire agencies over the past two years.

"This major grant is a huge boost to the local fire department," Rep. George Miller, D-Martinez, said this week in a statement announcing the award. "The ranks of first responders in California have been spread thin by numerous wildfires, the economic downturn, and now dry and dangerous drought conditions."

The county fire district applied for the grant, under the Federal Emergency Management Agency's SAFER program, hoping to hire 27 firefighters, ConFire Chief Jeff Carman said Friday.

ConFire currently has 302 full-time budgeted positions, but only 283 were filled as of late last month, according to district spokesman Lewis Broschard. The district, which covers 304 square miles, operated 28 stations and 30 crews just a few years ago. Today, it operates 23 stations, with 23 three-person crews, or 69 firefighters, on duty each day, Broschard said.

Last week, the Rodeo-Hercules Fire District won a SAFER grant of almost \$2.5 million and the Alameda County Fire Department one of almost \$4.2 million. Last year, SAFER grants of \$1.24 million went to the Pinole Fire Department and \$1.15 million to the Moraga-Orinda Fire District. The East Contra Costa Fire District received a \$7.8 million SAFER grant in 2012.

Some advocates of fire reform say the grants allow fire departments to continue to do business as usual and avoid or delay making needed reforms, including curbing personnel costs.

"Until the fire districts reduce compensation to levels that 1) have public support; and 2) are affordable within current revenues (without dipping into reserves), they will continue on their path to bankruptcy," ConFire district resident Wendy Lack said in an email last week.

Lack made similar points among more than three pages of public comment to a consultant's study of the fire district, known as the Fitch report, that will be formally presented to the county board of supervisors on Tuesday.

According to this newspaper's public employee salaries database, more than 160 ConFire employees each cost the district \$200,000 or more in base salary plus overtime, health coverage, employer pension contributions and other benefits in 2012, the latest year for which data are available. Top on the list was a fire captain who earned \$176,744 in overtime on top of a \$109,318 base salary.

Benefits, pension contributions and other employer payments brought the captain's total cost of employment to \$404,182 that year.

Miller's spokesman, Peter Whippy, in an email Friday, said ConFire was awarded its grant "on the basis of, among other criteria, financial need, impact on operation and cost benefit."

"The issue of having funds available to hire adequate levels of firefighters today is entirely separate

from the long-term county budgetary issues and shouldn't be conflated," Whippy added.

Carman, in an email Friday, said he sees SAFER grants as "a way to bridge the present and the future," noting that the district has set up an in-house strategic planning committee to study the business plan and look for efficiencies and other revenue sources, and ways to be innovative.

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Hercules: Congressman will deliver \$2.5 million federal firefighting grant at firehouse ceremony

By Tom Lochner Contra Costa Times Contra Costa Times

Posted:

Saturday, February 22, 2014
ContraCostaTimes.com

HERCULES -- Rep. Mike Thompson, D-Napa, will present a federal grant of almost \$2.5 million to the Rodeo-Hercules fire department at a firehouse ceremony Monday.

The so-called SAFER grant, which is spread over two years, will enable the department to hire seven firefighters and reopen the Rodeo fire station, Thompson said in a news release announcing Monday's ceremony.

Thompson urged approval of the funds in an October 2013 letter to the Federal Emergency Management Agency's administrator at the U.S. Department of Homeland Security, according to the news release.

The event will be held at 2:30 p.m. at the district office at the Hercules fire station, 1680 Refugio Valley Road.

Fire Chief Charles Hanley and local elected officials are expected to attend the ceremony, which is open to the public.

Rodeo-Hercules is an independent district with its own elected, five-member governing board. Thompson's congressional district covers all or part of Contra Costa, Lake, Napa, Solano and Sonoma Counties.

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Moraga-Orinda fire board approves chief's pay cut

By Jennifer Modenessi Contra Costa Times Contra Costa Times

Posted:

Sunday, February 23, 2014
ContraCostaTimes.com

MORAGA -- A temporary pay cut requested by Moraga-Orinda Fire Chief Stephen Healy isn't sitting well with firefighters and paramedics who say Healy's cut still isn't equal to salary reductions they fear could be imposed on firefighters by the district after a bargaining impasse.

Board President John Wyro and directors Kathleen Famulener and Fred Weil on Feb. 19 approved the 9.5 percent one-year pay cut voluntarily requested by Healy in response to the district's bleak finances. The district faces a \$523,227 general fund deficit at the beginning of next fiscal year.

"I didn't want it to look like a gimmick, but at the end of the day, I think due to the financial condition of the district -- particularly the general fund budget in '14-15 -- that I should lead from the front," Healy told directors, the public and district firefighters and paramedics crowded inside the Moraga Library community room Wednesday night. His cut comes from an annual base salary of \$220,000.

"I think the chief did what a leader should do," said director Steve Anderson, who wasn't at the meeting. "He's not asking the rank and file to do something that he himself would not do."

Union members disagree. Mark DeWeese, a district firefighter and district representative of United Professional Firefighters of Contra Costa County Local 1230, said Healy's 9.5 percent cut is not on par with the 9.5 percent reduction the union fears the board will impose on firefighters and paramedics.

DeWeese says the proposed 9.5 pay cut to the rank and file will leave them with 2 percent less than what they were making in 2006. For the chief's cut to be comparable, DeWeese claims, Healy would have to make 2 percent less than the fire chief's 2006 salary and take a deeper cut.

"The board seems to be marketing this ... as the same proposed pay cut that they're threatening to impose on the firefighters," DeWeese said. "So while I appreciate the chief's willingness to cut his pay back down 9.5 percent to \$199,000, he's about \$33,000 short of putting it on par with what he and the board are trying to force the rest of us to take."

District leaders unanimously approved Healy's five-year contract Nov. 20. The approval raised the district's former division chief of operations' base salary of \$153,400 to \$220,000; Healy's predecessor, Randy Bradley, earned a base salary of \$189,600 before leaving in July.

According to Local 1230 leadership, the district has proposed a 9.5 percent across-the-board pay cut to union member salaries for one year beginning July 1. The union says the district pitched that "last, best and final proposal" after suggesting firefighters and paramedics take a 7.5 percent across-the-board pay reduction starting July 1 for two years, with no salary range changes in fiscal year 2015-16. Union members say the district's wasteful spending has put a financial burden on safety personnel.

District officials have also proposed health care changes and a new job classification for single-role paramedics who would replace a dozen firefighter-paramedic positions vacated through attrition, retirement or other departures, according to the union.

The district declared a negotiation impasse Jan. 28 after nearly four years of talks; health care

benefits and cost-of-living salary increases have remained frozen since 2010.

Wyro, the board president, told union members Wednesday that directors -- through their representatives -- are available to talk at any time, and what's "at issue" is "being able to sustain this district and these people."

Local 1230 President Vince Wells said the district and union have not talked since the impasse was declared, and believes the board is through talking. He added that the union plans to ask for mediation before a fact-finding process.

Barnidge: Everywhere you look, a fire district is in trouble

By Tom Barnidge Contra Costa Times Columnist Contra Costa Times

Posted:

Sunday, February 23, 2014
ContraCostaTimes.com

Hello and welcome to everyone's favorite serial: "What Else Can Go Wrong With Our Fire Districts?" In the latest installment, firefighters and management are exchanging furrowed brows over contract terms in the Moraga-Orinda district.

The fire board, staring at a ledger that shows a lot more money going out than coming in, seems inclined to impose a last, best offer of a 9½ percent cut in pay. Firefighters, who haven't seen a raise in six years, even as their health care costs have ballooned, have looked upon this as they might a coiled rattlesnake.

The problem, as always, is funding -- just as it has been in the Contra Costa Fire District, the East County Fire District and almost any other fire district you can name. Property assessments and taxes may finally be on the rebound, but they can't rebound fast enough to overcome a five-year swoon or overtake growing retirement debts.

The MOFD showdown has been simmering for weeks, but it came to low boil at a district meeting Wednesday night, when Chief Stephen Healy may have inadvertently fanned the flames by offering to take the same percentage cut as asked of his staffers.

Here's the difference: Four months ago, when he was promoted from division chief, Healy's annual pay jumped 44 percent (from \$153,000 to \$220,000), so his follow-my-lead gesture doesn't ring quite the same as giving up 9½ percent of wages that have remained static since 2008.

Firefighters are also aware that times haven't been as hard in this district as they have in others. MOFD has a capital surplus of more than \$3 million, even after dipping into it to balance this year's budget and purchasing land for a new station that may or may not be built.

Attendees took turns at the microphone speaking in support of their firefighters. A former Moraga policewoman applauded their "professionalism, quality of care and tremendous compassion." A 28-year resident thanked them for running up a long, steep driveway, where cars blocked their truck, to provide emergency care to her mother-in-law. A man reflected on a fellow firefighter who'd lost his life in the line of duty.

It's difficult to find a villain in this story. This isn't about greedy workers demanding better working conditions and more money.

It isn't about heartless bosses eliminating jobs.

There isn't even a strong sentiment of us vs. them. District president John Wyro said the thought of imposing a pay cut on firefighters "kind of tears me up. These are our guys. I'm hoping we can find an amicable solution."

This situation, in microcosm, is what's facing jurisdictions throughout the state. You can blame political leaders for promising retirees money they didn't have. You can blame the same leaders for being as prepared for an economic downturn as they were for an alien space invasion. You can blame an inefficient public safety model gravely in need of a makeover.

We've invented smartphones and apps that bring the world to our fingertips, but too often we still send a fire truck, ambulance and five responders to medical emergencies.

Negotiations will continue for the Moraga-Orinda district. A state fact-finding panel likely will be brought in to examine the district's resources and needs. Then, sometime before July 1, a resolution will emerge and life will go on.

There also will be resolutions at ConFire and East County. But none of them will come easily.

Contact Tom Barnidge at tbarnidge@bayareanewsgroup.com.

Consultant's report on Contra Costa fire district long on data, short on solutions, critics say

By Tom Lochner *Contra Costa Times*
Posted:

Monday, February 24, 2014
ContraCostaTimes.com

MARTINEZ -- A consultant's report on the Contra Costa fire district to be presented to the county Board of Supervisors on Tuesday is catching flak from several sides, mostly for what it doesn't say.

The report, by Fitch and Associates LLC, was supposed to propose ways to optimize emergency medical and fire response within current severe fiscal limitations.

But a taxpayers group complains that the study seems to concede the need for a tax initiative, likely in two or three years, without seriously tackling the causes of the district's financial woes. Meanwhile, the firefighters union blasts what it interprets as one of the report's findings, saying that "to give the impression that our response capabilities are adequate at current staffing levels is an insult to our profession."

ConFire covers a 304-square-mile territory with 23 stations and 23 three-person crews. The fiscal 2014-15 budget is projected at about \$106 million, with a \$10.2 million deficit. A November 2012 parcel tax measure that would have raised about \$17 million a year for the district fell short of the necessary two-thirds voter approval.

The report describes a service option that reconfigures some groups of two three-engine fire companies to groups of three two-person medical response vehicle crews, without affecting staffing. But altogether, critics say, the study is short on solutions.

"If the study was merely to collect data and display it in beautiful charts, graphs and tables, the consultant did an excellent job," Ken Hambrick, chairman of the Alliance of Contra Costa Taxpayers, wrote in a comment on the report. "If it was intended for the consultant to make recommendations that could be implemented, save money and help solve the District's financial quagmire, the study falls terribly short."

Hambrick said the study fails to address high salaries and benefits, or look into possibly contracting with CalFire and let American Medical Response handle medical calls. These days both AMR and ConFire respond to medical emergencies, often minutes or fractions of minutes apart.

Vince Wells, president of firefighters Local 1230, said the report does not reveal what is lost in response capability and crew safety by switching to two-person medical response crews.

ConFire Chief Jeff Carman, in an email last week, said he has safety concerns about converting "a three-person multi-tasking, multi-capability resource" into "a two-person single-task resource."

A two-person rescue squad arriving at a fire "won't wait for the next arriving engine and will go to work without the proper tools needed to do the job safely, which means they will do what they can even if it means doing it in an unsafe manner," he wrote.

Contact Tom Lochner at 510-262-2760 or tlochner@bayareanewsgroup.com. Follow him at [Twitter.com/tomlochner](https://twitter.com/tomlochner).

If you go:

What: Contra Costa County Board of Supervisors-Fire District Board

Where: County Administration Building, 651 Pine St., Room 107, Martinez

When: 2 p.m. Tuesday

To read the Fitch and Associates Contra Costa fire district study, go to <http://bit.ly/MpiaYM>. For a PowerPoint presentation, go to <http://bit.ly/1fOo39S>.

Tim Draper insists 'Six Californias' ballot measure is for real

By Josh Richman jrichman@bayareanewsgroup.com Contra Costa Times

Posted:

Tuesday, February 25, 2014
ContraCostaTimes.com

SAN MATEO -- Venture capitalist Tim Draper insisted again Monday that he's not just joking about his proposal to split California into six states.

The Secretary of State has now given Draper the go-ahead to start collecting signatures for his ballot measure, but the Silicon Valley tech investor offered mostly off-the-cuff answers at a news conference Monday when asked how he would run or fund a campaign that has generated plenty of media attention and a huge dose of "Is he really serious?" suspicion.

Draper said he hasn't yet decided whether to try for this November's ballot -- for which he'd effectively have to gather almost 808,000 voters' signatures by mid-April -- or try to put it on the 2016 ballot.

"What I'm proposing here is to bring us closer to our government," he said. "We are all better off with more local government -- local government is more efficient, it's more effective, it represents us better."

In areas from schools to prisons to public infrastructure, "we spend the most and we get the least" in California, said Draper, 55, of Atherton. "Leaving California the way it is, the status quo, is a crime."

His proposed measure would split California into six states, each with its own government; much of the Bay Area, plus Santa Cruz and Monterey counties, would become the state of Silicon Valley.

The northernmost parts of the state would become the state of Jefferson, as some counties up there have wanted for years; some North Bay counties would become part of North California; Stockton, Fresno and Bakersfield would be among Central California's largest cities; Los Angeles, Ventura and Santa Barbara would wind up in West California; and San Diego would anchor South California.

Each new state would determine its own type of government; dividing California's existing debt either would be negotiated among them or divided among them according to population. (Sorry, L.A.)

If California voters approve the measure, splitting the state still would require action by Congress. "But once it gets passed, I believe there will be some strong momentum," Draper said Monday, adding perhaps New York, Florida and Illinois might decide to split, too.

"I have worked on this for years," he said, adding he has taken time off from his global venture capital firm, Draper Fisher Jurvetson, to make a contribution to society -- and this is it. "This is something I just have to do, I just feel it."

Draper, who spent \$20 million on an unsuccessful school-voucher ballot measure in 2000, said he isn't interested in running for governor of Silicon Valley or any other office real or imagined -- a question raised by critics who say this proposed measure is little more than a ham-handed political publicity stunt.

California's beauty and strength is rooted in its size and diversity, said Rep. Eric Swalwell, D-Pleasanton. "Six Californias is a foolhardy plan to tear that apart," Swalwell said.

Even getting on the ballot seems like a long shot, given that Draper said Monday he hopes to spend "as little as possible" to accomplish this. "I've got a whole bunch of people who are willing to raise money for this," he claimed, refusing to name any.

Draper has until July 18 to gather signatures from 807,615 registered voters in order to put the measure on the ballot. But in order to put it on this year's ballot, he'd basically have to submit signatures to county registrars by April 18 so they and the Secretary and State can certify the measure by mid-year; otherwise, it'll wait for 2016.

Corey Cook, a University of San Francisco political expert said he's "very skeptical" that this is going anywhere, particularly if voters view this through their own self-interest -- for example, Central California would probably have the highest poverty rate of any state in the nation while Silicon Valley probably would become the richest.

Dan Newman, a veteran Democratic campaign consultant, called the idea "silliness," though it could be a full-employment act for people like him. "The thought of California having a dozen U.S. Senate races and six gubernatorial campaigns does have a certain appeal to some of us," Newman said.

Josh Richman covers politics. Contact him at 510-208-6428. Follow him at [Twitter.com/josh_richman](https://twitter.com/josh_richman). Read the Political Blotter at IBAbuzz.com/politics.

EBMUD pursues second emergency water source in drought year

By Denis Cuff *Contra Costa Times Contra Costa Times*

Posted:

Wednesday, February 26, 2014
ContraCostaTimes.com

OAKLAND -- The East Bay Municipal Utility District is lining up a second emergency water supply in the drought.

The water board agreed Tuesday to exercise an option to buy up to 20,000 acre feet of water from the Placer County Water Agency.

The East Bay district would spend up to \$8 million if it takes the full amount: \$1.5 million to buy the water and another \$6.5 million in pumping costs to pipe in the water from near Sacramento.

One acre-foot is enough water to cover one acre to a depth of one foot of water, or 326,000 gallons.

The East Bay district must pay a \$100,000 nonrefundable deposit, but still has time to decide whether to buy the extra water to ease shortages for its 1.3 million customers in Alameda and Contra Costa counties.

On April 8, the water board is expected to forecast its annual water supply and decide whether to ration or stick with a plan to seek voluntary conservation. For now, customers are asked to cut back 10 percent.

"The pieces of the puzzle are coming together, and we expect in April to know how much water we will have in our reservoirs " said EBMUD spokeswoman Andrea Pook.

The district has until March 31 to buy the first 5,000 acre feet of water from Placer County. The Placer water agency is obliged to release large amounts of water from its reservoirs to help fish and wildlife in the lower American River providing that it can find someone to pick up and buy the water downstream.

EBMUD also has begun preparations to pipe in up to 66,500 acre feet of Sacramento River water it has a contract to buy in drought years from the U.S. Bureau of Reclamation.

In a related action, the water board agreed Tuesday to pay \$900,000 over three years to WaterSmart Software Inc. to give regular reports to up to 100,000 customers on how their individual water use compares with imilar homes in their neighborhood.

A pilot test found that 10,000 EBMUD homes cut water consumption 5 percent when given the comparisons every two months.

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[Print this page](#)Published **February 26th, 2014**

Lafayette Task Force Inches Forward

By Nick Marnell

The Lafayette Emergency Services Task Force, charged with seeking alternatives for the delivery of fire and emergency medical services to Lafayette residents, presented an update at the Feb. 10 City Council meeting. It also received a lecture from the president of the firefighters' union.

"Some of the things you've been saying are insulting to us," said Vince Wells, president of the United Professional Firefighters of Contra Costa County. "I have never heard a discussion at your meetings about putting fires out. All of the discussion has been on the finances." The task force meetings have focused mostly on the city's possible detachment from the Contra Costa County Fire Protection District, the financial condition of the local fire districts and a proposed fire station 46 at the Lafayette-Orinda border, to be jointly owned and operated by ConFire and the Moraga-Orinda Fire District.

"There has been no intention to insult you or the firefighters," said Councilmember Mike Anderson. "That's not the issue. We're not getting what we're paying for, and the Board of Supervisors is not giving us what we want."

Task force co-chair Traci Reilly was just as direct. "Our residents demand that we fix a problem," she said. "We are trying to do what's best for Lafayette."

Wells, a ConFire captain, tried to downplay the city's frustration.

"I hear this same complaint in every district," he said. "Orinda thinks it's subsidizing Moraga. Brentwood thinks it's subsidizing East County. I'm almost ready to tell Brentwood to go ahead and leave. They'll find out how good they had it." He concluded with an admonition to the task force on its priorities. "Fire should not be minimized," he said.

The task force's report to the City Council outlined the bleak financial situation of both fire districts, but it noted that MOFD has taken steps to address its problems. It specified that a detachment from ConFire would be very difficult to accomplish without a negotiated agreement on the allocation of assets. Reilly explained that Lafayette is too small to stand on its own, so contracting for fire service is an option - with ConFire, MOFD and Cal Fire as potential candidates.

Slower response times in western Lafayette since the closure of ConFire station 16 were confirmed by task force co-chair Brandt Andersson, who complimented fire chief Jeff Carman on his willingness to at least consider new ideas for service delivery. Because of the deterioration of service, Andersson urged the City Council to not close the door on the idea of station 46, in spite of the current financial challenges.

Mayor Dan Tatzin summarized the direction from the City Council. "What level of fire and emergency medical service do our residents want, and what will it take to get us there?" he said. The task force was given the go-ahead to continue its investigation.

A glimmer of cautious optimism arose at the Feb. 20 task force meeting.

Andersson, who has been pushing Carman and MOFD chief Stephen Healy to move on station 46, requested an update. Healy said the district is awaiting results of environmental tests on the property, and after that, it will have architectural renderings of a new station to show the committee. Carman said he is putting together a presentation for the Board of Supervisors on the financing of the shared fire station. Commenting on the initial feedback to his proposal, Carman uttered a phrase not often heard the past two years in discussions of fire district finances.

"I'm encouraged by it," he said.

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[back](#)

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Letters to the Editor

Editor

Regarding Gordon Nathan's letter of February 12.

For those unfamiliar with Mr. Nathan's history with MOFD, he was a Director of the District from its inception in 1997 through 2008. During that time period, the Board saw property tax revenue increase from \$9 million to \$16 million, growing at twice the rate of inflation, and yet managed to spend it all and put in place the current labor agreements that have caused the District to now be \$90 million in debt. Any criticism from him of the current board, attempting to clean up the financial mess caused by their predecessors, must be taken with a grain of salt.

As for his complaint that a claim by Orindan Keith Jacobsen that Orinda taxpayers are paying an inordinate portion of MOFD's expenses is "nonsense", is a baseless criticism. Mr. Nathan states Orinda taxpayers should pay more for service than Moraga taxpayers because they receive more service; and they do. This year Orinda taxpayers will pay about \$11.8 million in property taxes to MOFD while Moraga taxpayers pay about \$6.7. Mr. Nathan suggests that the total should be divided by the number of stations in Orinda (3) and Moraga (2). However, as a former director, he well knows that 90% of all expenses go to pay for the personnel who perform the services and not to maintain real estate. And with nine firefighters stationed in and serving Orinda (at a cost to taxpayers of \$1.3 million per firefighter), and eight firefighters stationed in and serving Moraga (at a cost to taxpayers of \$850,000 per firefighter), the inequity in funding is obvious.

There is a solution to this problem which Orinda residents were promised would never happen when they voted to form MOFD. That is for Moraga taxpayers to pay their fair share, an average of \$1.1 million per firefighter or about \$2 million more than they are currently paying. That could happen, as Mr. Jacobsen suggested, by increasing the rate on the Parcel Tax Moragans agreed to before MOFD was formed but which has never been fully assessed.

This extra money would not go back into the Orinda taxpayers' pockets but would provide services they are paying for. These services could include a paramedic station in Sleepy Hollow to alleviate the fact that 40% of all Orinda emergencies are not responded to within MOFD's response time guidelines; or vegetation control in large areas of Orinda that are considered very severe fire hazard zones due to excess vegetation as is now being done in Tilden Park; or repair some of the more than two dozen sub-standard fire hydrants which the fire flow parcel tax was supposed to address when it was voted for in 1997 but so far not a cent has been used for hydrants.

Orinda residents and their City Council should demand that their MOFD representatives act on their behalf and Moraga's MOFD representative should keep their half of the bargain.

Steve Cohn
Orinda

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Published **February 26th, 2014**

MOFD Updates GIS Evacuation Maps

By *Cathy Dausman*



Uriel Garcia and Dennis Rein discuss evacuation routes in Orinda's Sleepy Hollow neighborhood. Their map is a print version of the GIS overlay system they are building. Photo Cathy Dausman

as "a big picture kind of guy."

This information, and much more, can be layered into the GIS system, the way celluloid pages built the "visible man" in printed reference books. Each layer can be turned on or off as needed. To illustrate GIS use, Garcia showed how a simulated fire might grow from the Bear Creek trail - along the shore of Briones Reservoir - and progress south toward Orinda's Sleepy Hollow School. The location was picked because Sleepy Hollow neighborhood will soon become one of Contra Costa County's first Firewise (wildfire community preparedness, www.firewise.org) communities.

"GIS is a lifestyle program; it needs to be kept up," Rein said. MOFD started its evacuation route mapping back in 2006-07 under then fire marshal Tonya Hoover, who is now the California state fire marshal. She said the initial effort was tied into the California Fire Safe program (<http://www.cafiresafecouncil.org/>), with data layers intended for use by fire service responders.

MOFD was one of the first fire districts in Northern California to employ such technology, she said.

Hoover recalled planning "pretty lengthy" evacuation drills for Bollinger Canyon and Canyon. "Unfortunately, we didn't quite get there," she said, meaning the program was still in its infancy. (See related story on page D1.) Recent improvements now make GIS technology more accessible and certainly more affordable.

"High resolution ortho (aerial) photos used to cost thousands of dollars," Rein said. "Now many maps are available online, either free or inexpensively, through National Oceanic and Atmospheric Administration and U.S. Geological Survey websites."

Map analysis allows for better evacuation decisions to be made, with less risk of life for first responders, Rein said. GIS is "just a tool," he said; but Hoover called it a "wonderful" tool, and emphasized the need for fire service responders "to have all the best possible info."

This summer, updated 8 by 12 foot GIS maps will adorn each MOFD fire station. Garcia and Rein will also provide map books to every MOFD fire engine, and oversee GIS information updates for Saint Mary's College. Garcia will continue to work as a private contractor for MOFD through the current fiscal year; he is also negotiating with the Town of Moraga to perform similar updates on their GIS data. The project goal is to share information with "neighborhoods, emergency responders, cities and regional [entities]," Rein said.

"This area seems very good for sharing," Garcia said. And GIS data will become even more important as fire season approaches.

GIS is useful in operations, training and prevention applications, said Hoover. In a word, she calls it "amazing."

Usually residents want to get into their neighborhood, but there are times, and situations, where the goal is getting out. A flood, wildfire or hazardous material spill may make a neighborhood uninhabitable and evacuation imperative. This is why the Moraga-Orinda Fire District is utilizing computer technology to pre-plan local evacuation routes. The goal is to update the MOFD area GIS, or geographic information system, allowing first responders to identify safe exit routes and trouble shoot traffic control "choke points" - potential traffic jam locations - ahead of a real disaster, said Emergency Preparedness Coordinator Dennis Rein.

In 2013, Rein and MOFD intern Uriel Garcia worked to electronically note the location of the area's every fire hydrant, fire trail, and street. Garcia also uploaded parcel map information, the location of Central Sanitary (sewer) lines, East Bay Municipal Utility District water lines, local creeks, streams, and other hazards. Gas main information from PG&E is yet to be added.

The job was a good fit for Garcia, who describes himself

Reach the reporter at: cathy.d@lamorindaweekly.com

[Print this page](#)Published **February 26th, 2014**

Union Rallies Against MOFD Board

By Nick Marnell

A loud, standing-room-only crowd of disgruntled firefighters punctuated its message to the Moraga-Orinda Fire District board of directors at the Feb. 19 district meeting: the rank and file are not happy with the direction of labor negotiations.

In January the board made its last, best and final offer to Local 1230 of the firefighters' union. The terms included a 9.5 percent pay cut for one year. The board declared an impasse; the union rejected the offer and has until Feb. 27 to request state-mandated fact finding.

MOFD union representative Mark DeWeese said that the board, not the firefighters, needs to be held accountable for its poor financial decisions. "We are the ones out in the street doing the work," he said. "If you don't support your workers, you are going to hurt your chances of having a successful organization."

"We don't deserve to be treated like this," said an emotional Tim Hill, MOFD engineer-paramedic.

Board president John Wyro assured the firefighters that nothing has been imposed and negotiations are ongoing. "Our goal is a sustainable fire district five years from now," he said. "We are available to talk at any time, about anything."

The most raucous ovation of the evening came after DeWeese blasted the terms of a self-administered pay cut requested by fire chief Stephen Healy.

In November, the board approved an employment contract for Healy at an annual salary of \$220,000, more than \$30,000 over the salary of his predecessor, Randall Bradley. At the meeting, Healy offered to amend his contract with a pay cut of 9.5 percent, the same reduction in salary offered to the firefighters.

"I appreciate your leadership on this," said director Fred Weil. "I take it to mean that you are prepared to do whatever else develops out of the negotiations or imposition with respect to the firefighters. On that basis I would vote to approve this." Healy said he understood that, at the will of the board, the term and the amount of the adjustment could change.

"The board is trying to market this agenda item as the same proposed pay cut they are threatening to impose on the firefighters," said DeWeese. "This move may deceive a casual member of the public, but the rank and file employees are able to put it in proper context." He explained that the 9.5 percent pay reduction that the board presented to the firefighters would lower their pay to 2 percent less than they made in 2006. The comparable base salary for Healy should be \$169,000, he said.

DeWeese did acknowledge appreciation for Healy's gesture. "But he is about \$30,000 short of putting (his salary reduction) on par with what he and the board are trying to force on the rest of us," he said.

The motion to amend Healy's contract passed 3-0; directors Alex Evans and Steve Anderson were absent.

Wyro later confirmed that the original negotiations with the chief were done in good faith. He said that one of the reasons for the chief's large pay increase was that Healy would be taking a hit in loss of overtime from his prior position as division chief. Wyro also insisted that the pay reduction amendment to Healy's contract was not a predetermined ploy.

"I can see how it might look that way, but that's definitely not the case," he said.

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[back](#)

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Forum to look at water quality in "lower Delta"

By Paul Burgarino Contra Costa Times Contra Costa Times

Posted:

Monday, March 3, 2014
ContraCostaTimes.com

Antioch is called the Gateway to the Delta, but the East Contra Costa city is at "ground zero" as far as water quality is concerned.

As the state is in the midst of taking comments on environmental documents for Gov. Jerry Brown's proposal to build two tunnels to move Sacramento River water south, a forum is set this week to bring concerned residents in the "Lower Delta" region up to speed on the plan.

The \$24.7 billion proposal -- which could cost at least twice that amount when factoring in financing and debt costs -- is widely opposed around the Delta communities, as critics say the tunnels would reduce freshwater flows, endanger fish and other habitat and put a sizable financial dent in local agriculture.

According to the state, the Bay Delta Conservation Plan meets a pair of long-term goals: enhancing the Delta's long-term ecological health and improving water supply reliability for 25 million Californians and San Joaquin Valley farms.

Thursday's forum, hosted by Stockton-based Restore The Delta, is more focused on the western part of the Delta as many residents in Antioch don't realize the tunnels' potential effects, particularly to the city's water quality, said lifelong resident Mark DiMercurio.

"People have to realize this thing is moving forward. There's a need to educate as much as we can and give more exposure," said DiMercurio, a local real estate agent.

Antioch is unique compared with other Delta cities in that it has rights dating back to before 1914 that allow it to draw water from the San Joaquin River without the need for a state permit. Over the years, however, its once-fresh water has become saltier as state and federal agencies moved water from the region to Southern California.

Antioch's position is not for or against the Bay Delta Conservation Plan, but rather that it "is made whole" with any impacts to water reliability and quality, costs and recreational uses if and when the project is complete, said Public Works Director Ron Bernal.

"If they can't assure that, then we would be against it," he said.

A Feb. 6 letter from the city criticized the modeling work used for the plan, saying it overstated the benefits and understated the degradation of water quality. It also ignores questions of water reliability caused by drought, the letter said.

This year's drought has made the raw water Antioch pumps undrinkable because of higher levels of salinity, Bernal said. Antioch has had to use raw water exclusively from the Contra Costa Water District, and tap into its reverse fund to cover the additional cost, he said.

According to the plan's environmental documents, there would be an increase in the concentration of bromide in the Antioch area of about 51 percent, along with, salinity levels, chloride and mercury.

Early estimates indicate the cost to Antioch ratepayers to treat the saltier water could increase by

\$4 million each year.

Speakers at Thursday's forum include Barbara Barrigan-Parrilla of Stockton-based Restore the Delta, Contra Costa County Supervisor Mary Nejedly Piepho of Discovery Bay and state Assemblyman Jim Frazier, D-Oakley.

Frazier held a Feb. 12 hearing to look at economic oversight of the plan. Afterward, he proposed a bill that would require legislative approval before the construction of any Delta tunnel or water conveyance system.

"We need to make sure there is proper oversight of this project," Frazier said.

Like many state legislators in the Delta region, Frazier is opposed to the plan.

"It would be spending billions on a project that doesn't increase the state's water supply or give more reliability," he said.

Additionally, it would place a burden of debt on water contractors, meaning that could not invest in projects that promote self-reliance, Frazier said.

The deadline for comments on the Bay Delta Conservation Plan's environmental documents has been extended to June 13. Officials emphasize that no decision has been made by state and federal agencies about moving forward with the project.

Contact Paul Bugarino at 925-779-7164. Follow him at [Twitter.com/paulbugarino](https://twitter.com/paulbugarino).

IF YOU GO:

What: Forum on Bay Delta Conservation Plan and impacts on "Lower Delta" water quality

When: 6:30 to 8 p.m. Thursday

Where: Lone Tree Golf Course and Event Center, 4800 Golf Course Road

Information: To find out about the forum, email stina@restorethedelta.org. For more on the Bay Delta Conservation Plan, visit www.baydeltaconservationplan.com.

Tri-Valley elected officials to hear results of consolidation study

By Jeremy Thomas jethomas@bayareanewsgroup.com Contra Costa Times

Posted:

Wednesday, March 4, 2014

[ContraCostaTimes.com](http://www.contracostatimes.com)

LIVERMORE -- Results of a study on possible consolidation of six of the Tri-Valley's water and sewer agencies into a single district will be presented for the first time to elected officials at a meeting in Livermore on Wednesday.

The first phase of the Tri-Valley Utility Coordination and Integration Study, completed in October, reviewed options for merging services in varying degrees for dealing with potable water, recycled water, wastewater and storm water. It identified 15 services the agencies could improve with more cooperation, and 10 other long-term "major integration" possibilities, recommending some for further analysis.

"This is the first time we're going to have these elected officials hear this information," said Dublin San Ramon Services District general manager Bert Michalczyk. "It's going to be interesting to see what the collective reaction is going to be to all this."

Livermore public works director Dan McIntyre and the study's consultants will present the report to the Utility Coordination Ad Hoc Committee, made of elected officials from Livermore, San Ramon, Dublin, Pleasanton, the Dublin San Ramon Services District (DSRSD) and the Zone 7 Water Agency. The six agencies serve about 277,000 residents with a total operating budget of about \$130 million.

Committee members will discuss options and provide input on what measures could be implemented soon, and others to be analyzed in a second phase of the study.

"We're part of the way through the process, so the bigger step is going to be going through the nuts and bolts," McIntyre said. "We'd like to get a sounding from the elected officials to see if this is reasonable ... Is it worthwhile?"

In the study, consultant Management Partners recommends looking at several more immediate improvements, such as merging fleet maintenance, water conservation programs, inventory control and management, lab services, sewer and storm drain inspection, and emergency response. Major options suggested for more study include consolidating stormwater management and recycled water services under one entity.

The report also describes seven governance models, ranging from inter-service contracts and public-private partnerships, to the creation of a brand new special district.

A second phase of the study would include cost analysis to determine savings, as well as a detailed examination of benefits and challenges to make it happen. The phase two study would take about one to two years to complete, and could cost between \$250,000 and \$350,000, a steering committee memo states.

However, McIntyre said utility officials are already hoping to iron out a contract implementing some of the reciprocal services, such as sharing of equipment, later this year. "We've been studying how to more effectively operate together over the past couple of years," McIntyre said. "We already

have a lot of existing collaboration, (but) there's a number of ideas we can look at."

The Alameda County Local Agency Formation Commission (LAFCO) recommended the Tri-Valley's utility agencies consider forming a consolidated municipal utility district in 2010, to streamline services and reduce costs. According to a staff report, thusfar, a total of 21 committee meetings have been held and more than \$200,000 has been committed to the effort.

The Wednesday meeting will be held at the Martinelli Event Center, 3585 Greenville Rd. in Livermore, beginning at 12:45 p.m.

Contact Jeremy Thomas at 925-847-2184. Follow him at [Twitter.com/jet_bang](https://twitter.com/jet_bang).

IF YOU GO:

The joint meeting begins at 12:45 p.m. Wednesday at the Martinelli Event Center, 3585 Greenville Rd., Livermore,

Embattled fire district nixes plans for June parcel tax

By Rowena Coetsee *Contra Costa Times* *Contra Costa Times*

Posted:

Tuesday, March 4, 2014
ContraCostaTimes.com

OAKLEY -- East Contra Costa Fire District directors have scrapped the idea of putting a parcel tax before voters in June, leaving the cash-strapped agency's future in limbo until at least this fall.

The board made the decision Monday in a 5-4 vote after only a tiny fraction of residents responded to an informal survey the district had conducted to gauge support for a proposed five-year, \$98 annual parcel tax.

East Contra Costa Fire recently mailed brochures to the 41,299 households in its service area explaining the need for additional money to keep its five remaining stations open and asking recipients to prioritize various aspects of its operations from response times to fighting grass fires.

As of Friday, 863 people had weighed in -- not quite 2 percent of those polled.

The consultant who is running the district's public education outreach considered the numbers "not bad" compared with those of typical direct-mail campaigns, but Director Greg Cooper called them "terrible" and Director Cheryl Morgan questioned whether a mailer had gone to every address.

Board members also had different takes on what the survey results meant. Ronald Johansen and Joe Young thought they were a sign that the district's efforts to communicate the gravity of its troubles are paying off, Young noting that the vast majority of those who responded indicated that they are willing to pay \$98 more per year to maintain the current level of fire service.

But Director Bob Kenny wasn't so sure, voicing his discouragement upon discovering during a visit to the post office how many people had tossed the mailers directly in the trash.

District consultant Charles Heath acknowledged that people tend to treat these kind of communications as junk mail, and also pointed out that the survey wasn't scientific like the one the firefighters' union hired a polling firm to conduct in January.

Those results revealed that only 54 percent of the voters likely to go to the polls in June were willing to pay more for fire services -- far short of the two-thirds approval the tax needs to pass.

The unpromising forecast had the board deeply divided. Some wanted to wait until November to hold an election, unwilling to spend the estimated \$100,000 it would cost to put the matter on the ballot, until they had spent more time and personal contact with voters in getting the word out.

East Contra Costa Fire has been saying for months that it will have to close two stations if it can't find another funding source before the federal grant that's been keeping it afloat runs out in November.

But others objected to a delay, saying that the parcel tax proposal would get lost amid all the other ballot measures competing for voters' attention during the gubernatorial election this fall.

Young conceded it will be difficult to get the tax passed regardless of when an election is held, but he urged his colleagues to move forward now.

Even if by some chance district residents in November agree to pay more, East Contra Costa Fire wouldn't see any of that revenue until the following December, he said.

Unless it could get a loan to bridge the funding gap for a year, the agency still would be forced to close at least one station, Young said.

"A November vote is not a vote for a five-station model," he said.

In the end, however, the contingent preferring to postpone action prevailed.

Director Stephen Smith said he wants to revisit the idea of consolidating with the Contra Costa County Fire District, and Young asked Chief Hugh Henderson to start planning for station closures so the district is prepared for that eventuality in November.

Contact Rowena Coetsee at 925-779-7141. Follow her at [Twitter.com/RowenaCoetsee](https://twitter.com/RowenaCoetsee).