



## **NOTICE AND AGENDA FOR REGULAR MEETING**

DATE/TIME: Wednesday, March 11, 2015, 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 11, 2015 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 11, 2015 regular LAFCO meeting

### SPHERE OF INFLUENCE/BOUNDARY CHANGES

6. ***LAFCO 14-04 –Reorganization 185: Annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD)*** - On January 14, 2015, the Commission approved a proposal to annex properties to CCCSD and EBMUD, comprising 172.3± acres (20 parcels) in seven separate areas in Danville and Lafayette. On February 24, 2015, a protest hearing was held. On March 11, 2015, the Commission will receive the results of the protest hearing.

### BUSINESS ITEMS

7. ***Proposed Budget and Work Plan for FY 2015-16*** - the Commission will be asked to approve the proposed budget and work plan for FY 2015-16 ***Public Hearing***
8. ***Agriculture & Open Space Preservation Policy and Workshop*** - the Commission will receive an update regarding development of a LAFCO Agriculture & Open Space Preservation policy and upcoming workshop and be asked to provide input

### 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

### ADJOURNMENT

*Next regular LAFCO meeting – April 8, 2015 at 1:30 p.m.*

LAFCO STAFF REPORTS AVAILABLE AT [http://www.contracostalafco.org/meeting\\_archive.htm](http://www.contracostalafco.org/meeting_archive.htm)

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MINUTES OF MEETING

February 11, 2015

March 11, 2015  
Agenda Item 5

Board of Supervisors Chambers  
Martinez, CA

1. Chair Rob Schroder 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, Mary Piepho and Alternate Candace Andersen.

Special District Members Michael McGill and Igor Skaredoff 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 Piepho, Commissioners, by a vote of 7-0, adopted the agenda.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin

NOES: none

ABSENT: Butt (A)

ABSTAIN: none

Public Comments

There were no public comments.

5. Approval of January 14, 2015 Meeting Minutes

Upon motion of Piepho, second by Blubaugh, the minutes were approved by a vote of 7-0.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin

NOES: none

ABSENT: Butt (A)

ABSTAIN: none

6. LAFCO 14-05 - Reorganization 186 (Magee Ranch/SummerHill): Annexations to CCCSD and EBMUD

The Executive Officer reported that this proposal to annex to both CCCSD and EBMUD a total of 410± acres, 40± acres (ten parcels) of which will become a 69-lot single family subdivision, had been continued from the January 2015 meeting.

Staff highlighted additional information included in the staff report, touching on three points: the Town of Danville's EIR and the related lawsuit; timely availability of water and the timing of approvals from the US Bureau of Reclamation; and a summary of correspondence received and communication with affected and interested parties.

The public hearing was reopened.

Patricia Isom, with Save Open Space Danville (SOS Danville), endorsed continuance of this item.

**DRAFT**

Maryann Cella, also with SOS Danville, endorsed continuance and asked Commissioners to pose certain questions to both CCCSD and EBMUD. Further, Ms. Cella felt that CCCSD should, and perhaps would, withdraw its application.

Suzanne Hill, also a member of SOS Danville, also encouraged Commissioners to continue this item.

Russ Leavitt, representing CCCSD, concurred with the continuance request.

Upon motion of McGill, second by Blubaugh, Commissioners unanimously, by a 7-0 vote, kept the public hearing open and continued it to the May 13, 2015 meeting.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin  
NOES: none  
ABSENT: Butt (A)  
ABSTAIN: none

7. Fiscal Year 2015-16 Budget Schedule/Work Plan Preview

The Executive Officer reported that staff is preparing for the annual budget cycle, which includes presenting to the Commission a proposed budget in March and a final budget in May. Possible projects could be another second round MSR, continued work on policies and procedures, and continued work on island annexations. Commissioners Burke and Tatzin commented on the status of the agriculture & open space policy work. There was interest in workshops on agriculture and open space land preservation as well as broadband services.

Commissioners discussed options and agreed that the two workshops suggested should be included in the work plan, and there should be funds designated for an MSR. There was also discussion of SB 244 and LAFCO's work on Disadvantaged Unincorporated Communities (DUCs).

Commissioners received the report and directed staff to prepare a draft budget for presentation at the March 11, 2015 meeting.

8. Notification of Nominations - 2015 Special Districts Risk Management Authority (SDRMA) Board of Directors

The Executive Officer presented materials from the SDRMA announcing the procedures and timeline for nominations to the Board of Directors. No nominations were submitted.

Commissioner Skaredoff suggested that this opportunity be presented to the Contra Costa Special Districts Association.

9. Executive Officer's (EO) Performance Review and Compensation

Chair Schroder reported that following the January 14, 2015 closed session regarding compensation for the LAFCO Executive Officer, he had provided the EO with the positive feedback from their annual review, and recommended a 4% increase to the EO's base salary.

Upon motion of Blubaugh, second by Piepho, Commissioners unanimously, by a 7-0 vote, approved the 4% increase to the Executive Officer's base salary, effective January 1, 2015.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin  
NOES: none  
ABSENT: Butt (A)  
ABSTAIN: none

10. Correspondence from CCCERA

There were no comments on this item.

11. Commissioner Comments and Announcements

Commissioner McGill announced that he attended the CALAFCO Legislative Committee meeting on January 23, the CALAFCO Board retreat on January 29, and the Board meeting on January 30. Commissioner There is another Legislative Committee meeting on February 27, when they will continue discussion of legislation for disincorporation of cities, LAFCO's access to records from Joint Power Authorities, and out of agency service.

Commissioner Tatzin asked staff if in future they could take steps to ensure they have full information on any outstanding litigation regarding applications.

Commissioner Skaredoff reported on the Contra Costa Special Districts Association meeting that was held on Monday, January 26. They discussed transparency and "districts of distinction" and finding ways to help some of the smaller districts. Commissioner Skaredoff also just returned from the National Association of Conservation Districts meeting in New Orleans. He is the Western Region representative to their Urban and Community Resource Policy Group. There is a lot of interest in the urban interface.

12. Staff Announcements and Pending Projects

The Executive Officer reported that she had nothing to report.

The meeting was adjourned at 2:08 p.m.

Final Minutes Approved by the Commission March 11, 2015.

AYES:

NOES:

ABSTAIN:

ABSENT:

By \_\_\_\_\_  
Executive Officer



Lou Ann Teixeira  
 Executive Officer

**MEMBERS**  
 Donald A. Blubaugh  
*Public Member*  
 Federal Glover  
*County Member*  
 Michael R. McGill  
*Special District Member*  
 Mary N. Piepho  
*County Member*  
 Rob Schroder  
*City Member*  
 Igor Skaredoff  
*Special District 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 11, 2015  
 Agenda Item 6

March 11, 2015 (Agenda)

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

**Results of Protest Hearing - Reorganization 185: Annexations to Central Contra Costa Sanitary District and East Bay Municipal Utility District**

Dear Commissioners:

At a public hearing on January 14, 2015, the Commission approved **Reorganization 185: Annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD)**. This is a proposal to annex 172.3± acres (20 parcels, including one partial parcel) located in seven separate areas in Danville and Lafayette. The purpose of the boundary reorganization is to facilitate water and sewer services to various properties, and to avoid creating islands or illogical boundaries.

In accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, LAFCO is the agency to conduct the protest hearing. The purpose of the protest hearing is to receive written protests from affected landowners/registered voters regarding the proposal and determine whether a majority protest exists. With regard to this reorganization, which is uninhabited (i.e., contains fewer than 12 registered voters), the Commission shall take one of the following actions:

- **Order the reorganization** if written protests have been filed by less than 50% of the landowners owning less than 50% of the assessed value of land within the affected territory; or
- **Terminate the proceedings** if a majority protest exists. A majority protest constitutes 50% or more of the landowners owning at least 50% of the assessed value of land.

The protest hearing was properly noticed and held on Tuesday, February 24, 2015, at 1:00 p.m. in the LAFCO office located at 651 Pine Street, Sixth Floor in Martinez. The hearing was conducted by the LAFCO Executive Officer, who is delegated the authority to conduct the protest hearing on behalf of the Commission. CCCSD staff attended. No protests were filed; thus the reorganization is ordered.

**RECOMMENDATION** - Receive the results of the protest hearing, order the reorganization, and direct staff to execute the resolution (attached).

Sincerely,

Lou Ann Teixeira  
 Executive Officer

c: Distribution List

## CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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### DETERMINATION OF THE EXECUTIVE OFFICER OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION FINDING THERE ARE INSUFFICIENT WRITTEN PROTESTS TO TERMINATE THE PROCEEDINGS RELATING TO REORGANIZATION 185: ANNEXATIONS TO CENTRAL CONTRA COSTA SANITARY DISTRICT AND EAST BAY MUNICIPAL UTILITY DISTRICT (LAFCO 14-04)

1. This action is taken pursuant to the Cortese Knox Hertzberg Local Government Reorganization Act (Government Code §56000 et seq.) and policies of the Contra Costa Local Agency Formation Commission (hereafter Commission).

2. Proceedings for *Reorganization 185: Annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility (EBMUD)* were initiated by CCCSD and filed with the Executive Officer of Contra Costa LAFCO in June 2014, proposing annexation of 172.3± acres (20 parcels, plus one partial parcel) to CCCSD and EBMUD. The purpose of the reorganization is to facilitate water and sewer services to various properties, and to avoid creating islands or illogical boundaries.

3. On January 14, 2015, the Commission adopted Resolution No. 14-04, making determinations and approving the proposal subject to certain conditions. A true copy of said Resolution is attached hereto and incorporated by this reference, containing the terms and conditions of the Commission's approval of this proposal.

4. Acting on delegated authority from the Commission, as Executive Officer, on February 24, 2015, I conducted a properly noticed public hearing to receive protests filed against the annexation and, following conclusion of the hearing, found that fewer than 50 percent of the land owners (owning less than 50 percent of the assessed value of land) within the annexation area filed written protests against the proposal.

5. Finding there are insufficient protests to terminate the proceedings, Contra Costa LAFCO hereby orders *Reorganization 185: Annexations to CCCSD and EBMUD* subject to the terms and conditions contained within the Commission's resolution of approval.

This order is made on and is effective from March 11, 2015.

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Lou Ann Texeira, Executive Officer  
Contra Costa Local Agency Formation Commission

**RESOLUTION NO. 14-04**

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND APPROVING REORGANIZATION 185: ANNEXATIONS  
TO CENTRAL CONTRA COSTA SANITARY DISTRICT AND  
EAST BAY MUNICIPAL UTILITY DISTRICT

**WHEREAS**, a proposal to annex territory to both the Central Contra Costa Sanitary District (CCCSD) and the East Bay Municipal Utility District (EBMUD) was filed with Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code section 56000 et seq.); and

**WHEREAS**, the Executive Officer has examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; 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 proposal; and

**WHEREAS**, the Executive Officer has reviewed available information and prepared a report including her recommendations therein, and the report and related information have been presented to and considered by the Commission; and

**WHEREAS**, at a public hearing held on January 14, 2015, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, consistency with the sphere of influence, contiguity with the districts' boundaries, and related factors and information including those contained in Gov. Code §56668; and

**WHEREAS**, information satisfactory to the Commission has been presented that all the owners of land within the affected territory have given their written consent to the proposal; and

**WHEREAS**, the Local Agency Formation Commission finds the proposal to be in the best interest 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 CCCSD, as Lead Agency, found the project to be Categorically Exempt – Class 19, Section 15319.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:  
REORGANIZATION 186: ANNEXATIONS TO CENTRAL CONTRA COSTA  
SANITARY DISTRICT AND EAST BAY MUNICIPAL UTILITY DISTRICT
4. Said territory is found to be uninhabited.
5. The proposal has less than 100% landowner consent and is subject to conducting authority proceedings.
6. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Attachments 1a – 1f, attached hereto and made a part hereof.
7. The subject territory shall be liable for any existing bonded indebtedness of the annexing agencies, if applicable.

Contra Costa LAFCO  
Resolution No. 14-04

8. The subject territory shall be liable for any authorized or existing taxes, charges, and assessments comparable to properties within the annexing agencies.
9. CCCSD delivered an executed indemnification agreement providing for the District to indemnify LAFCO against any expenses arising from any legal actions challenging the reorganization.
10. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the U.S. Bureau of Reclamation (USBR), pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the Central Valley Project.
11. All subsequent proceedings in connection with this 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 14<sup>TH</sup> day of JANUARY 2015, by the following vote:

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin

NOES:

ABSTENTIONS:

ABSENT: Butt (A), Glover (M)



\_\_\_\_\_  
ROB SCHRODER, CHAIR, CONTRA COSTA LAFCO

ATTEST: *I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.*

Dated: January 14, 2015

\_\_\_\_\_  
Lou Ann Texeira, Executive Officer



Lou Ann Teixeira  
*Executive Officer*

**MEMBERS**

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>
Don Tatzin <i>City Member</i>	

**ALTERNATE MEMBERS**

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

March 11, 2015  
 Agenda Item 7

March 11, 2015 (Agenda)

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

**Proposed FY 2015-16 LAFCO Budget**

Dear Members of the Commission:

**BUDGET SUMMARY**

The proposed FY 2015-16 budget (attached) includes appropriations totaling \$808,750 and reflects an overall increase of 3.4% as compared to the FY 2014-15 budget. The increase is primarily attributable to increases in employee salary/benefit costs and an increase in funding for LAFCO's Other Post-Employment Benefits (OPEB) liability. Included in the total appropriations for FY 2015-16 is an \$80,000 contingency reserve fund, which is comparable to the current year's reserve. It is anticipated that FY 2015-16 actual revenues will be on par with FY 2014-15 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/Liability.

Salaries & Benefits

In FY 2014-15, the Commission maintained a staffing level of two full-time employees; no change in LAFCO staffing is proposed in FY 2015-16. 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 2014-15 for *Salaries & Benefits* is \$390,778; the amount proposed for FY 2015-16 is \$403,253, reflecting an increase of 3.2%. The difference is attributable to projected increases in employee salaries, 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. At the direction of the Commission, LAFCO staff explored trust options for holding LAFCO's assets to pay post-employment healthcare benefits. In October 2014, LAFCO adopted a resolution authorizing participation in PARS Public Agencies Post-Retirement Healthcare Plan Trust. LAFCO is considered a sub-account under the County's OPEB trust; and as such, will make all contributions through the County. Over the past four years, the Commission has appropriated \$10,000 per year to fund the LAFCO OPEB liability; that \$40,000 has been transferred into the PARS sub-account.

In order to participate in the PARS Trust program, LAFCO first needed to prepare an assessment of its future liability for retiree healthcare and other post-employment benefits. In March 2014, LAFCO completed an assessment prepared by Demsey, Filliger & Associates, LLC through a consortium with the California Special Districts Association and the California School Boards Association. The fiscal information will also be used in conjunction with LAFCO's annual financial audit.

Contra Costa LAFCO completed an alternative measurement method (AMM) assessment which differs from a full actuarial valuation. The AMM is permitted for employers with fewer than 100 plan members. The AMM is a method, characterized by permitting simplification of certain actuarial assumptions that is provided as an alternative means of measuring actuarial accrued liabilities and the annual required contribution. This method incorporates the same broad measurement steps as an actuarial valuation – projecting future cash outlays for benefits, discounting projected benefits to present value, and allocating the present value of benefits to periods using an actuarial cost method. It is recommended that employers who use the AMM perform new calculations at least every three years.

LAFCO's actuarial valuation shows an Employer-Paid Accrued Liability of \$516,522 and an annual contribution of \$52,278 which would fully fund the liability over a period of 30 years. LAFCO is not required to fund the OPEB liability at the recommended amount. The actuarial report does not reflect the \$40,000 LAFCO has accrued and placed in the new trust account. The proposed FY 2015-16 budget includes a contribution of \$40,000. The recommended amount takes into account the recent \$40,000 lump sum contribution, future fluctuations in the market, and avoids over-funding the account. It is recommended that a new AMM calculation be conducted in FY 2016-17.

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. The County provides fiscal, drafting, mapping and legal services. In addition, LAFCO contracts with private firms for website maintenance, financial auditing, planning and environmental services, and to assist with Municipal Service Reviews (MSRs) and special projects.

The FY 2015-16 budget assumes the continuation of these contract services, and proposes contract extensions with the existing auditing firm of R.J. Ricciardi, Inc. and the environmental planning firm of Lamphier-Gregory.

### Services & Supplies

The amount budgeted in FY 2014-15 for *Services & Supplies* is \$301,374 and includes funding for a second round, countywide reclamation services MSR. The amount proposed for FY 2015-16 is \$285,497, reflecting a decrease of 5.3%. The decrease is primarily attributable to anticipated reductions in application processing costs (i.e., postage, drafting, GIS, and planning costs). The FY 2015-16 budget includes funding for second round MSR work and LAFCO-sponsored training (i.e. workshops).

### 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. We anticipate that no funds will be spent from the FY 2014-15 reserves. The FY 2015-16 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 2014-15 budget includes \$22,000 in proposal processing fees based on a multi-year historical average. It is estimated that LAFCO will receive approximately \$10,000 in application fees this year, significantly less than projected. Application activity remains sluggish. The projected application and other revenues for FY 2015-16 are projected to be \$12,000, which is significantly less than the FY 2014-15 budgeted amount. As of March 4, 2015, LAFCO has received three 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 2014-15 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 2014-15 revenues and expenses, it is estimated that the available fund balance will be over \$150,000.

The LAFCO fund balance, or any portion thereof, can be used to offset the FY 2015-16 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 2015-15 budget, as proposed, provides that, to the extent possible, the available fund balance be used to offset FY 2015-16 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 2014-15 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 2015-16 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 3.4%. The proposed use of the available fund balance will offset agency contributions for FY 2015-16. The amount of revenue from other government agencies required to fund the FY 2014-15 LAFCO budget was \$610,152. As proposed, the total amount of revenue from other government agencies needed to fund the FY 2015-16 budget will be approximately \$646,750, reflecting a 6% increase. The increase is primarily due to projected increases in personnel and OPEB liability costs and a decrease 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 2015-16 Budget Schedule approved by the Commission in February, the hearing for the Proposed Budget is scheduled for March 11, and the hearing for the Final Budget is scheduled for May 13. 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 changes of organization (i.e., city incorporations; district formations, dissolutions, consolidations and mergers; annexations and detachments of territory to and from cities and special districts; out of agency service requests, etc.)
- 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
- 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
- Adopt an annual budget

#### Highlights of FY 2014-15

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

#### **Boundary Change and Related Applications**

- a. Completed proceedings for one out of agency service request, one SOI amendment, one SOI update, and six boundary changes/reorganizations.
- b. Processed two new applications including one annexation and one reorganization. Conducted one protest hearing.

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

- a. Initiated a second round reclamation services MSR covering 14 special districts. The Public Review Draft MSR report is expected to be released in June/July 2015.

#### **Special Projects**

- a. Participation in the County's EMS and fire service studies (stakeholder and community meetings).
- b. Initiated work on agriculture/open space preservation policy and workshop; will initiate work on broadband activities.

#### ***Administrative and Other Activities***

- a. Conducted special election to fill Commissioner Dwight Meadows' seat.
- b. Completed Request for Proposals and awarded a contract for second round reclamation services MSR/SOI updates.
- c. Updated out of agency service policies and procedures.
- d. Hosted two informational presentations on agricultural and broadband issues.
- e. Executed Post-Retirement Medical Benefit Trust Agreement.
- f. Completed amendment to Employee Benefit Plan (Deferred Comp).
- g. Received quarterly budget reports.
- h. Completed annual employee performance reviews.
- i. Provided comments on a number of local agency environmental documents.
- j. Currently updating the LAFCO Directory of Local Agencies.
- k. Initiated FY 2013-14 financial audit.

### FY 2015-16 Work Plan

The recommended work plan for FY 2015-16 includes the following activities:

- ❖ Complete second round MSR covering reclamation services.
- ❖ Initiate another second round MSR (TBD).
- ❖ Continue work on the Commissioner Handbook including developing ag/open space preservation and broadband policies, and developing new sections on Disadvantaged Unincorporated Communities (DUCs), personnel policies, and CEQA Guidelines.
- ❖ Continue to work with the County, cities and districts on boundary clean-ups/islands.
- ❖ Complete FY 2013-14 audit.
- ❖ Continue to refine electronic records for easier access.

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 (i.e., CALAFCO Legislative Committee, attendance at annual Staff Workshop and Conference, etc.). Also, LAFCO staff continues to work with the 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, recognizing the financial constraints faced by our funding agencies. Approval of the proposed budget will enable the Commission to perform its core responsibilities effectively, and continue its work on MSRs/SOI updates and other projects.

### RECOMMENDATIONS

1. Receive the staff report and open the public hearing to accept testimony on the Proposed FY 2015-16 LAFCO Budget,
2. After receiving public comments close the hearing,
3. After Commission discussion, adopt the Proposed Budget for FY 2015-16, 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 13, 2015 to adopt the Final FY 2015-16 LAFCO Budget.

Respectfully submitted,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment – Proposed FY 2015-16 LAFCO Budget

**PROPOSED FY 2015-16 LAFCO BUDGET**

	<b>FY 2014-15</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	
	<b>Approved</b>	<b>Year-End</b>	<b>Proposed</b>	<b>% Change</b>
		<b>(Estimated)</b>		
<b>Salaries and Employee Benefits</b>				
Permanent Salaries- 1011	\$ 204,718	\$ 198,194	\$ 208,432	
Deferred Comp Cty Contribution - 1015			\$ 1,020	
FICA- 1042	\$ 15,661	\$ 15,162	\$ 16,049	
Retirement expense- 1044	\$ 100,876	\$ 100,876	\$ 105,740	
Employee Group Insurance- 1060	\$ 47,535	\$ 44,059	\$ 50,387	
Retiree Health Insurance- 1061	\$ 20,000	\$ 19,263	\$ 20,000	
Unemployment Insurance- 1063	\$ 778	\$ 637	\$ 625	
Workers Comp Insurance- 1070	\$ 1,210	\$ 979	\$ 1,000	
<b>Total Salaries and Benefits</b>	<b>\$ 390,778</b>	<b>\$ 379,170</b>	<b>\$ 403,253</b>	<b>3.2%</b>
<b>Services and Supplies</b>				
Office Expense- 2100	\$ 3,000	\$ 2,847	\$ 3,000	
Publications -2102	\$ 50	\$ 20	\$ 50	
Postage -2103	\$ 2,000	\$ 1,301	\$ 1,500	
Communications - 2110	\$ 230	\$ 230	\$ 230	
Tele Exchange Services 2111	\$ 1,061	\$ 1,058	\$ 1,375	
Minor Comp Equipment - 2132	\$ 1,000	\$ -	\$ 1,000	
Pubs & Legal Notices 2190	\$ 2,000	\$ 730	\$ 2,000	
Memberships - 2200	\$ 8,500	\$ 8,509	\$ 8,858	
Rents & Leases - 2250 (copier)	\$ 3,000	\$ 2,287	\$ 4,000	
Computer Software - 2251	\$ 500	\$ -	\$ 500	
Bldg Occupancy Costs - 2262	\$ 5,629	\$ 5,565	\$ 7,623	
Bldg Life Cycle Costs - 2265	\$ 305	\$ 252	\$ 381	
Bldg Maintenance - 2284		\$ 373	\$ -	
Auto Mileage Emp. - 2301	\$ 900	\$ 214		
Other Travel Employees - 2303	\$ 10,500	\$ 8,676	\$ 9,000	
Prof & Spec Services - 2310	\$ 213,750	\$ 130,129	\$ 198,250	
Assessor	\$ 15,000	\$ 8,939	\$ 13,000	
Financial Audit	\$ 7,000	\$ 7,000	\$ 7,000	
GIS/Mapping	\$ 22,500	\$ 11,726	\$ 20,000	
Legal	\$ 35,000	\$ 19,970	\$ 35,000	
MSRs	\$ 90,000	\$ 56,890	\$ 80,000	
Planning	\$ 40,000	\$ 21,943	\$ 38,000	
Special Projects (document imaging)	\$ 3,750	\$ 3,661	\$ 3,750	
Investment Services	\$ 500	\$ -		
LAFCO Sponsored Training	\$ -	\$ -	\$ 1,500	
Special Study		\$ -		
Contracted Temp Help - 2314 (Web)	\$ 2,820	\$ 2,820	\$ 2,880	
Data Processing Services - 2315	\$ 4,000	\$ 1,901	\$ 3,000	
Data Processing Security - 2326	\$ 131	\$ 121	\$ 223	
Courier - 2331	\$ 2,174	\$ 2,130	\$ 2,130	
Other Inter-Dept Costs - 2340	\$ 124	\$ -	\$ 97	
Liability/E&O Insurance - 2360	\$ 4,300	\$ 4,037	\$ 4,100	
Commission Training/Registration/Stipends - 2467	\$ 35,000	\$ 29,846	\$ 35,000	
NOD/NOE Filings - 2490	\$ 400	\$ 300	\$ 300	
<b>Total Services &amp; Supplies</b>	<b>\$ 301,374</b>	<b>\$ 203,346</b>	<b>\$ 285,497</b>	<b>-5.3%</b>
<b>Fixed Assets</b>				
Office Equipment & Furniture - 4951	\$ -	\$ -		
<b>Total Fixed Assets</b>				
<b>Total Expenditures</b>	<b>\$ 692,152</b>	<b>\$ 582,516</b>	<b>\$ 688,750</b>	
<b>Contingency Reserve</b>	<b>\$ 80,000</b>	<b>\$ -</b>	<b>\$ 80,000</b>	
<b>OPEB Trust</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 40,000</b>	<b>300%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 782,152</b>	<b>\$ 592,516</b>	<b>\$ 808,750</b>	<b>3.4%</b>
<b>TOTAL REVENUES</b>				
Agency contributions - 9500 & 9800	\$ 610,152	\$ 610,152	\$ 646,750	6.0%
Application & other revenues	\$ 22,000	\$ 10,000	\$ 12,000	
Interest Earnings				
Fund Balance	\$ 150,000		\$ 150,000	



Lou Ann Teixeira  
*Executive Officer*

**MEMBERS**

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>
Don Tatzin <i>City Member</i>	

**ALTERNATE MEMBERS**

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

March 11, 2015 (Agenda)

March 11, 2015  
Agenda Item 8

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

**Agriculture & Open Space Preservation Policy & Workshop**

Dear Members of the Commission:

The Policy Committee is pleased to present this report.

**BACKGROUND**

LAFCO's mission is to discourage urban sprawl, promote the efficient provision of government services, encourage the orderly formation of local agencies, and preserve open space and prime agricultural lands.

The Cortese-Knox-Hertzberg Act (CKH) contains numerous references to the importance of preserving open space and agricultural land. Attachment 1 contains a summary of the most relevant provisions.

A significant part of the history of Contra Costa County revolves around agriculture and ranching. However, as the County developed over the years, agricultural uses were reduced to occupying an ever smaller portion of the County's area. This pattern occurs in many other California counties.

In October 2014, LAFCO received a presentation by Kathryn Lyddan, Executive Director of the Brentwood Agricultural Land Trust (BALT). BALT works with Contra Costa farmers and the community to permanently protect the farmland through an active conservation program. BALT also works with local governments to develop programs and policies that support a vibrant agricultural economy for Contra Costa farmers. The BALT presentation focused on the importance of Bay Area farming and ranching. Bay Area farmers and ranchers produce agricultural products with a farm gate value of over \$1.8 billion per year. The presentation also discussed the loss of prime agricultural land. Contra Costa County has lost more than a quarter of its farmland in the last 30 years. The BALT PowerPoint presentation is available online at [www.contracostalafco.org/meetings](http://www.contracostalafco.org/meetings).

On February 24, the LAFCO Policies & Procedures Committee met with Chad Godoy, the Contra Costa County Agricultural Commissioner. The County Department of Agriculture, under the direction of the California Department of Food & Agriculture, Department of Pesticide Regulations, and Division of Measurement Standards, is responsible for conducting regulatory and service activities relating to the agricultural industry and the consumers of the county. The Department works to promote and protect the County's agricultural industry, its environment, and its people. The Department publishes an annual "Crop and Livestock" report. According to the 2013 report, the total gross value of agricultural crops and products was approximately \$97 million, or approximately five percent of the Bay Area total. In 2013, there was a total of 204,060 acres of cultivated land (194,390 harvested acres) in field crops in Contra Costa County. The 2013 report is available online at <http://www.co.contra-costa.ca.us/DocumentCenter/View/34207>.

Farming and ranching are vital to Contra Costa County. There are various state, regional and local measures in place to help protect agricultural and open space lands, including Williamson Act land contracts, local land use designations, voter approved urban limit lines/growth boundaries, agricultural mitigation measures, and conservation easements.

Throughout the state, LAFCOs recognize their charge to promote orderly growth and development, while also working to preserve open space and prime agricultural lands. As a result, many LAFCOs have adopted agricultural and open space preservation policies.

At the LAFCO meeting in February, the Commission expressed interest in moving forward with developing a LAFCO agriculture & open space preservation (AOSP) policy, and hosting a workshop with stakeholders as a precursor to developing the LAFCO policy.

## **LAFCO AGRICULTURAL AND OPEN SPACE PRESERVATION POLICY**

The Policy Committee has researched and examined the agricultural and open space preservation policies covering 18 other LAFCOs throughout the State.

The various LAFCOs take different approaches to meeting the goal of preserving agricultural and open space lands, ranging from broad standards that reiterate LAFCO law, to specific terms and conditions designed to mitigate the loss of agricultural and open space land.

The following are common measures found in other LAFCO policies:

- Guiding urban development away from agricultural and open space lands, and toward infill areas and land within a local agency's current boundary and sphere of influence (SOI). Within an approved SOI, urban development is guided away from prime agricultural land.
- Requiring that applications proposing to incorporate agricultural and/or open space land in local agency boundaries/SOIs demonstrate that the local agency follow specific procedures prior to the boundary/SOI change.
- Encouraging local land use agencies to adopt policies in their general plans that result in efficient, coterminous local growth patterns, and include appropriate consideration of agricultural and open space lands.

- Requiring submittal of a mitigation plan for LAFCO applications that would impact agricultural and open space lands, which identify and analyze feasible mitigation measures that would eliminate or reduce impacts on these lands. Such mitigation measures might include greenbelt and buffer zones, permanent easements, preserving agricultural or conservation uses over agricultural land comparable in quality to that which is being converted to urban uses, payment of in-lieu fees, etc.

A summary of the various LAFCO policies is presented in Attachment 2.

Based on its research to date, the Policy Committee presents the following options for the Commission to consider as it contemplates its own local Agricultural and Open Space Preservation (AOSP) policy:

### **1. Base option**

- Create a mission and objective for Contra Costa LAFCO's AOSP policy
- Restate CKH provisions, possibly referenced, reworded and organized so they are easier to follow
- Possibly create a pamphlet incorporating relevant ag and open space CKH sections

### **2. Expanded options the Commission can choose to adopt**

- Mitigate the impacts of annexation by protecting other ag/open space land in perpetuity
  - Determine what types of land proposed for annexation must be mitigated
    - Prime ag with water
    - Open space used for agriculture and/or ranching
    - Other
  - Determine ratio of "protected to annexed" land
    - The most common replacement ratio is 1:1 replacement of comparable land elsewhere in the same county; however, some local agencies require 2:1 replacement ratios, and higher ratios are being discussed
    - Other options that may provide for varying replacement ratios depending on other factors (e.g., distance from the annexation in an effort to build a more substantial buffer, etc.)
  - Procedures
    - Do we allow protective easements or must the land be owned by a qualified organization?
    - Do we require that local agencies follow a planning procedure designed to demonstrate there is no reasonable alternative to annexing agricultural or open space land to the jurisdiction or its SOI?
    - What type of organization qualifies as an acceptable easement or land owner?
  - Timing
    - When must the mitigation be provided vis-à-vis timing of the SOI adjustment, annexation or subsequent development?
    - Does the requirement sunset if the land goes out of agricultural production?

- Require buffers where an annexation of ag land puts the boundary for urban uses adjacent to active ag land
  - Other counties have buffers of at least 300' but that is a policy choice
  - Is the buffer on the annexed parcel, on an adjacent parcel, or do we care as long as the desired buffer exists?
  - Do we require as a condition of approval that the current and all subsequent owners of the annexed property and any subdivided portions be noticed of Right to Farm legislation?

## **AGRICULTURE & OPEN SPACE WORKSHOP**

At the February 11, 2014 LAFCO meeting, the Commission discussed hosting a workshop this summer. The purpose of the workshop is to discuss and identify local conditions that LAFCO might consider as it develops an AOSP policy. Such policy would provide guidance to the Commission when considering boundary change proposals which would impact agricultural and open space lands.

A suggested list of workshop presenters/participants includes the following:

- |  |                                      |
|--|--------------------------------------|
| ❖ American Farmland Trust                                  | ❖ CCC Resource Conservation District |
| ❖ Brentwood Agriculture Land Trust                         | ❖ Environmental Community            |
| ❖ Contra Costa County (CCC) Ag Commissioner                | ❖ East Bay Regional Park District    |
| ❖ CCC Dept. of Conservation & Development                  | ❖ Farm Bureau/Urban Farmers          |
| ❖ Local agencies with boundaries adjacent to ag/open space | ❖ Ranchers                           |
|  | ❖ Reclamation Districts              |

The Policy Committee has drafted an outline for the proposed workshop (Attachment 3). We propose to hold the workshop in lieu of the July 8, 2015 LAFCO meeting; the location to be determined and possibly in East Contra Costa County.

## **RECOMMENDATIONS**

Receive the report and provide input on policy options and draft workshop outline.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

**Attachment 1** – Government Code Sections Relating to Preservation of Open Space & Agricultural Land

**Attachment 2** – Summary of the Other LAFCO Agricultural & Open Space Preservation Policies

**Attachment 3** – Draft Outline for Proposed Workshop

# Government Code Sections Relative to Preservation of Open Space and Prime Agricultural Land

## Legislative Intent and State Interests

*When it created LAFCOs in 1963, part of the Legislature's intent was to limit the premature conversion and loss of California's open space and agricultural lands, and guide development toward vacant urban land.*

**56001.** The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services.

**56377.** In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:

- (a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.
- (b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.

*The Legislature also granted LAFCO broad powers to impose conditions and adopt its own policies, procedures, and guidelines to address local conditions and circumstances.*

56375. The commission shall have all of the following powers and duties subject to any limitations upon its jurisdiction set forth in this part:

- (a)(1) To review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission.

## Definitions/Terms Related to Agricultural and Open Space Lands

*LAFCOs are guided by specific definitions relating to agricultural lands and open space.*

**56016. "Agricultural lands"** means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

**56059. "Open space"** means any parcel or area of land or water which is substantially unimproved and devoted to an open-space use, as defined in Section 65560.

**56060. "Open-space use"** means any use as defined in Section 65560.

**56064. "Prime agricultural land"** means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

(a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.

(b) Land that qualifies for rating 80 through 100 Storie Index Rating.

(c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.

(d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.

(e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

**56080. "Urban service area"** means developed, undeveloped, or agricultural land, either incorporated or unincorporated, within the sphere of influence of a city, which is served by urban facilities, utilities, and services or which are proposed to be served by urban facilities, utilities, and services during the first five years of an adopted capital improvement program of the city if the city adopts that type of program for those facilities, utilities, and services. The boundary around an urban area shall be called the "urban service area boundary" and shall be developed in cooperation with a city and adopted by a commission pursuant to policies adopted by the commission in accordance with Sections 56300, 56301, and 56425.

### **Boundary Changes and Agricultural Lands**

*When LAFCO reviews a proposal, a factor among many to be considered is how the proposal affects both the physical and economic integrity of agricultural lands.*

**56668.** Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

*LAFCO also has the ability to consider the impacts of district annexation of agricultural lands.*

**56668.3.** (a) If the proposed change of organization or reorganization includes a city detachment or district annexation, except a special reorganization, and the proceeding has not been terminated based upon receipt of a resolution requesting termination pursuant to either Section 56751 or Section 56857, factors to be considered by the commission shall include all of the following:

(3) Any factors which may be considered by the commission as provided in Section 56668.

(5) Any other matters which the commission deems material.

*LAFCO is not allowed to apply the island annexation procedures to prime agricultural land.*

56375.3. (a) In addition to those powers enumerated in Section 56375, a commission shall approve, after notice and hearing, the change of organization or reorganization of a city, and waive protest proceedings pursuant to Part 4 (commencing with Section 57000) entirely, if all of the following are true:

- (1) The change of organization or reorganization is initiated on or after January 1, 2000.
- (2) The change of organization or reorganization is proposed by resolution adopted by the affected city.
- (3) The commission finds that the territory contained in the change of organization or reorganization proposal meets all of the requirements set forth in subdivision (b).

(b) Subdivision (a) applies to territory that meets all of the following requirements:

- (5) It is not prime agricultural land, as defined by Section 56064.

*In 2014 the State adopted an amendment to the CKH Act which gives LAFCOs the power to review extensions of services into previously unserved unincorporated areas and the creation of new service providers to do so. This Authority expires on January 1, 2019.*

**56434.** (a) The commission may review and comment upon both of the following:

- (1) The extension of services into previously unserved territory within unincorporated areas.
- (2) The creation of new service providers to extend urban type development into previously unserved territory within unincorporated areas.

(b) The purpose of the review authorized by this section shall ensure that the proposed extension of services or creation of new service providers is consistent with the policies of Sections 56001, 56300, and 56301, and with the adopted policies of the commission implementing these sections, including promoting orderly development, discouraging urban sprawl, preserving open space and prime agricultural lands, providing housing for persons and families of all incomes, and the efficient extension of governmental services.

(c) This section shall remain in effect only until January 1, 2019, and as of that date is repealed.

(Added by Stats. 2014, Ch. 112)

### **Williamson Act Land**

*There are provisions in CKH to protect land that is subject to Williamson Act land conservation contracts, and designated as farmland security zones. Presently, there are 417 parcels of agricultural land with Land Conservation Contracts, covering approximately 48,000 acres in Contra Costa County. There is no land in the County that is designated as a farmland security zone.*

**56426.6.** (a) The commission shall not approve a change to the sphere of influence of a local government agency of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1) if that local government agency provides, or would provide, facilities or services related to sewers, nonagricultural water, or streets and roads to the territory, unless these facilities or services benefit land uses that are allowed under the contract and the landowner consents to the change to the sphere of influence.

(b)(1) Notwithstanding subdivision (a), the commission may nevertheless approve a change for that territory if it finds either of the following:

(A) That the change would facilitate planned, orderly, and efficient patterns of land use or provision of services, and the public interest in the change substantially outweighs the public interest in the current continuation of the contract beyond its current expiration date.

(B) That the change is not likely to adversely affect the continuation of the contract beyond its current expiration date.

(2) In making a determination pursuant to this subdivision, the commission shall consider all of the following:

(A) The policies and implementation measures adopted by the city or county that would administer the contract both before and after any ultimate annexation, relative to the continuation of agriculture or other uses allowable under the contract.

(B) The infrastructure plans of the annexing agency.

(C) Other factors that the commission deems relevant.

(c) This section shall not apply to any of the following:

(1) Territory that is subject to a contract for which a notice of nonrenewal has been served pursuant to Section 51245.

(2) Territory that is subject to a contract for which a tentative cancellation has been approved pursuant to Section 51282.

(3) Territory for which the governing body of the county or city administering the contract has given its written approval to the change and the landowner consents to the change.

**56856.5.** (a) The commission shall not approve or conditionally approve a change of organization or reorganization that would result in the annexation to a city or special district of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1), other than a contract entered into pursuant to Article 7 (commencing with Section 51296) of Chapter 7 of Part 1 of Division 1, if that city or special district provides or would provide facilities or services related to sewers, nonagricultural water, or streets and roads to the territory, unless these facilities or services benefit land uses that are allowed under the contract.

(b) This section shall not be construed to preclude the annexation of territory for the purpose of using other facilities or services provided by the agency that benefit land uses allowable under the contract.

(c) Notwithstanding subdivision (a), the commission may nevertheless approve a change of organization or reorganization if it finds any of the following:

(1) The city or county that would administer the contract after annexation has adopted policies and feasible implementation measures applicable to the subject territory ensuring the continuation of agricultural use and other uses allowable under the contract on a long-term basis.

(2) The change of organization or reorganization encourages and provides planned, well-ordered, and efficient urban development patterns that include appropriate consideration of the preservation of open-space lands within those urban development patterns.

(3) The change of organization or reorganization is necessary to provide services to planned, well-ordered, and efficient urban development patterns that include appropriate consideration of the preservation of open-space lands within those urban development patterns.

(d) This section shall not apply to territory subject to a contract for which either of the following applies:

(1) A notice of nonrenewal has been served pursuant to Section 51245, if the annexing agency agrees that no services will actually be provided by it for use during the remaining life of the contract for land uses or activities not allowed under the contract.

(2) A tentative cancellation has been approved pursuant to Section 51282.

*In the case of a proposed city annexation of Williamson Act land, the city must indicate whether it will succeed to the contract. The Commission must notify the state Director of Conservation regarding the*

*hearing for the proposal, and the city's decision must be reflected in the LAFCO action. Other provisions of the CKH Act result from the city's decision.*

**56738.** If the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), then the petition shall state whether the city shall succeed to the contract pursuant to Section 51243 or whether the city intends to exercise its option to not succeed to the contract pursuant to Section 51243.5.

**56752.** If the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 commencing with Section 51200) of Division 1), then the (LAFCO) resolution shall state whether the city shall succeed to the contract pursuant to Section 51243 or whether the city intends to exercise its option to not succeed to the contract pursuant to Section 51243.5.

**57101.** With respect to any proceeding that would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), for which the commission has determined pursuant to Section 56754 that the city may exercise its option to not succeed to the contract, the commission shall include within its resolution ordering the annexation of the territory a finding regarding whether the city intends to not succeed to the contract.

**56753.** The executive officer shall give mailed notice of any hearing by the commission, as provided in Sections 56155 to 56157, inclusive, by mailing notice of the hearing to the Director of Conservation if the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1).

**56753.5.** Within 10 days after receiving a proposal that would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), the executive officer shall notify the Director of Conservation of the proposal. The notice shall include the contract number, the date of the contract's execution, and a copy of any protest that the city had filed pursuant to Section 51243.5.

**56754.** If a change of organization or reorganization would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), the commission, based on substantial evidence in the record, shall determine one of the following:

- (a) That the city shall succeed to the rights, duties, and powers of the county pursuant to Section 51243,
- or
- (b) That the city may exercise its option to not succeed to the rights, duties, and powers of the county pursuant to Section 51243.5.

**57330.5.** (a) If a city annexes land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), and the city succeeds to the contract pursuant to either Section 51243 or Section 51243.5, then on and after the effective date of the annexation, the city has all of the rights, duties, and powers imposed by that contract.

(b) If a city annexes land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), and the city exercises its option to not succeed to the contract pursuant to Section 51243.5, then the city shall record a certificate of contract termination pursuant to that section.

*The city's decision regarding how Williamson Act land is treated must be included in the LAFCO resolution.*

**57101.** With respect to any proceeding that would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), for which the commission has determined pursuant to Section 56754 that the city may exercise its option to not succeed to the contract, the commission shall include within its resolution ordering the annexation of the territory a finding regarding whether the city intends to not succeed to the contract.

### **Sphere of Influence (SOI) Changes**

*The presence of agricultural land is a factor the LAFCO should consider in enlarging SOIs.*

**56425.** (a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to the jurisdiction of the commission to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each city and each special district, as defined by Section 56036, within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

(e) In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following: (1)

The present and planned land uses in the area, including agricultural and open-space lands.

(2) The present and probable need for public facilities and services in the area.

(3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

## ATTACHMENT 2

### Synopsis of Selected Agriculture and Open Space Policies of California LAFCOs

Staff and the Policies & Procedures Committee reviewed the agriculture and open space policies adopted by the following 11 LAFCOs:

Kings	Plumas	Stanislaus
Madera	San Joaquin	Tuolumne
Mariposa	San Luis Obispo	Yolo
Monterey	Santa Clara	

The Plumas policy was adopted by six other LAFCOs (Calaveras, Colusa, Lake, Lassen Modoc, Yuba) because they share an Executive Officer.

Copies of all reviewed policies can be obtained from the LAFCO Executive Officer.

While all policies are based on the CKH Act, they differ substantially in form of presentation, detail, and statement of how LAFCO's ability to condition applications will be used in considering annexations of agricultural and open space land. The policies are diverse and reflect the local conditions and characteristics.

The adoption date was not apparent for all policies, but the oldest dated policy is from 2006 and is for Kings County LAFCO. Mariposa County LAFCO has one of the more recent agricultural land preservation policy, dated 2014.

The remaining portion of this attachment summarizes what is similar and what differs among the policies.

#### **Consistent Provisions**

All policies acknowledge LAFCO's role to preserve prime agricultural and open space while balancing that with the need to approve orderly development. The policies also encourage jurisdictions to develop land within their boundaries and SOIs before annexing more land. Jurisdictions are discouraged from developing prime agricultural land, even when such land is in the SOI. In some cases, they are encouraged to detach prime agricultural land. A few policies create exemptions for developing prime agricultural land when that is consistent with an adopted City or County land use plan. A number of policies include special provisions that apply to Williamson Act land.

#### **Differentiated Provisions**

Almost all of the policies go beyond restating the basic CKH tenants that apply to agricultural lands and open space. These policies use the power of LAFCO to condition approvals to guide the application and review processes and to establish conditions that mitigate to a degree the effects of annexation of agricultural land. This section discusses the provisions that appear in individual policies by topic.

## **1. Pre-Application Planning and Application Requirements**

Several counties encourage jurisdictions to participate in planning to minimize the amount of and mitigate the effects of annexing agricultural land. For example, Kings County LAFCO requires that an application show that development of proposed annexed agricultural land is imminent, contiguous to current development, and anticipated in applicable land use plans.

Madera County is unlikely to support the annexation of prime agricultural land unless the property owner is supportive, and requires that the application demonstrate how agricultural and open space land will be preserved.

The requirements of Mariposa, Monterey, and Plumas Counties are similar to the ones stated above.

Stanislaus County requires applicants to submit a plan for agricultural preservation as part of an SOI or boundary expansion. The plan's purpose is to help LAFCO understand how the proposal is consistent with LAFCO policy. The required components of the plan are substantial and require declarations from the applicant regarding how they will mitigate the impacts of annexing agricultural land for non-open space purposes. Several options are included in the policy.

Santa Clara County encourages city applicants to develop agricultural mitigation policies before applying to LAFCO.

San Luis Obispo is similar to Stanislaus in that an application to annex agricultural and open space land must include substantial analysis of the surrounding area and the impacts of the application on agriculture.

Yolo LAFCO indicates that it wants mitigation measures consistent with their agricultural preservation policy in place at the time a proposal is filed with the Commission.

## **2. Necessary Findings**

Several LAFCOs indicate what findings are likely required before the Commission would approve annexation of agricultural land. For example, Mariposa LAFCO will not approve a proposal that has significant adverse effects on the physical and economic integrity of other agricultural and open space land. Furthermore, the LAFCO is unlikely to annex agricultural and open space land that will not be developed unless maintenance of the agricultural or open space use is an integral part of the development and is protected from future development.

Plumas LAFCO must find that the applicant has identified and preserved all agricultural and open space land within the SOI and has an adopted plan to encourage infill. The LAFCO must also find that the annexation will not affect the physical and economic integrity of open space and agricultural land.

San Luis Obispo LAFCO requires findings that there are measures to mitigate the loss of agricultural land, to preserve adjoining lands for agriculture, and to prevent their premature conversion to other uses. Options of such measures are provided and include acquisition and dedication of land, assignment of development rights, and others.

### **3. Buffer Zone Conditions**

Four LAFCO policies require buffer zones around agricultural uses to reduce the likelihood of conflicts with urban uses. Plumas LAFCO suggests a 300' buffer or other acceptable and enforceable protection.

Monterey LAFCO states that "...agricultural buffers provide an important means to preserve open-space and agricultural lands and preserve the integrity of planned, well-ordered, efficient urban development patterns." This LAFCO encourages "Agreements between neighboring local agencies with regard to the preservation of open-space and agricultural lands..."

Santa Clara LAFCO supports agricultural buffers where the size, location, and allowed uses are sufficient to minimize conflicts between adjacent urban and agricultural uses. The LAFCO also supports Right to Farm Ordinances to ensure that urban residents on annexed land recognize the rights of adjacent property owners to conduct agricultural operations that comply with established standards.

San Luis Obispo LAFCO uses buffers to ensure that "Development near agricultural land...not adversely affect the sustainability or constrain the lawful, responsible practices of the agricultural operations."

### **4. Non-annexed Land Conservation Requirements**

Four LAFCOs indicate that they expect applicants that seek to add agricultural land, particularly prime agricultural land, to an SOI or a city or district boundary demonstrate how they will incorporate mitigation plans in the proposal. These plans should preserve and manage at least an equal amount of comparable land in perpetuity and/or provide funding for an acceptable land trust or other entity to do so. In most cases, the land need not be purchased. Rather conservation easements or development rights prohibitions that are held by a third party are acceptable. In all cases, continued agricultural use on the protected land is desired.

For example, Santa Clara LAFCO's policy states:

Proposals involving the conversion of prime agricultural lands should provide one of the following mitigations at a not less than 1:1 ratio (1 acre preserved for every acre converted) along with the payment of funds as determined by the city / agricultural conservation entity (whichever applies) to cover the costs of program administration, land management, monitoring, enforcement and maintenance of agriculture on the mitigation lands:

Agricultural lands or conservation easements acquired and transferred to an agricultural conservation entity should be located in Santa Clara County and be lands deemed acceptable to the city and entity.

The agricultural mitigation should result in preservation of land that would be:

- a. Prime agricultural land of substantially similar quality and character as measured by the Average Storie Index rating and the Land Capability Classification rating, and
- b. Located within cities' spheres of influence in an area planned/envisioned for agriculture, and
- c. That would preferably promote the definition and creation of a permanent urban/agricultural edge.

San Luis Obispo LAFCO indicates the Commission shall approve annexations of prime agricultural land only if there is mitigation that equates to a substitution ratio of at least 1:1 for prime land and that the mitigation is accepted by the applicant and the jurisdiction with land use authority.

Stanislaus LAFCO indicates that the protected land be of equal or better soil quality, have a dependable source of irrigation water, and be located in Stanislaus County. The policy further requires that mitigation be in place before the first occurrence of grading, building permits, or final map approval. Press reports provided by our Executive Officer at Contra Costa LAFCO's February meeting indicate that some Stanislaus County cities are considering mitigation ratios of 2:1 or 3:1.

Yolo LAFCO has provisions similar to those stated above.

Acceptable preservation entities can be a city, public, or non-profit agency that has the resources and skills to hold the land or protective easements. In Contra Costa County, the East Bay Regional Parks District, the Brentwood Agricultural Land Trust, and the Muir Heritage Land Trust could all be candidate entities, along with the County and cities.

Several policies explicitly state that protective easements or land acquisitions cannot be stacked, i.e., an acre of protected land can only apply to one application. No policy states the mitigations can be stacked.

San Luis Obispo and Santa Clara LAFCO policies include payment of in-lieu fees as an optional mitigation measure.

**Contra Costa Local Agency Formation Commission (LAFCO)  
Agricultural and Open Space Preservation Workshop  
Wednesday, July 8, 2015 (1:00 – 4:00 pm)  
(Location to be Determined)**

**Purpose of Workshop:** To engage a range of stakeholders in the development of a local agricultural and open space preservation policy to be used by LAFCO to help guide its decisions when considering a proposal that would impact agricultural and/or open space lands.

<b>Time Allotment</b>	<b>Topic</b>	<b>Moderator(s)</b>	<b>Presenter(s)</b>
1:00 – 1:10	Welcome/Introductions		LAFCO Chair
1:10 – 1:30	<i>What is LAFCO</i> <ul style="list-style-type: none"> <li>• Legal framework/statutory mandate/definitions</li> <li>• LAFCO’s conditioning authority</li> </ul>		LAFCO staff
1:30 – 2:00	<i>Why should we care about ag and open space land</i> <ul style="list-style-type: none"> <li>• State, regional and local efforts to preserve ag and open space land</li> <li>• Which areas in the County (incorporated and unincorporated) are identified as important ag and open space land and Priority Conservation Areas (PCAs)</li> </ul>	LAFCO Commissioner	-American Farmland Trust -John Kopchik, Director, Contra Costa County Dept. of Conservation & Development -Bob Doyle, EBRPD
2:00 – 2:30	<i>Agriculture in Contra Costa County</i> <ul style="list-style-type: none"> <li>• How ag land has evolved in the County</li> <li>• What are ag uses in the County (including urban ag) and how much (e.g., crop types, grazing, etc.)</li> <li>• Biggest challenges facing ag community</li> </ul>		-Chad Godoy, Contra Costa County Ag Commissioner -BALT -Farmer Bureau -Ranchers
2:30 – 2:40	<i>BREAK</i>		
2:40 – 3:00	<i>Open Space in Contra Costa County</i> <ul style="list-style-type: none"> <li>• Overview of open space in Contra Costa County</li> <li>• Biggest challenges to preserving open space</li> </ul>	LAFCO Commissioner	-Environmental Groups (Greenbelt Alliance, Save Mt. Diablo, Sierra Club)
3:00 – 3:15	<i>Case Studies –Other LAFCO Policies</i>		Commissioners Burke & Tatzin
3:15 – 3:55	ROUNDTABLE DISCUSSION <ul style="list-style-type: none"> <li>• Most significant challenges to ag &amp; open space preservation in Contra Costa County</li> <li>• How can LAFCO help?</li> </ul>	LAFCO Commissioner	-All
3:55 – 4:00	NEXT STEPS/CLOSING COMMENTS	LAFCO Commissioner	





## AGENDA

### RETIREMENT BOARD MEETING

SECOND MEETING  
February 25, 2015  
9:00 a.m.

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.

#### *CLOSED SESSION*

3. CONFERENCE WITH LABOR NEGOTIATORS  
(Government Code Section 54957.6)

Agency designated representatives:  
Gail Strohl, Retirement Chief Executive Officer  
Christina Dunn, Retirement Administration Manager  
Joe Wiley/Masa Shiohira, CCCERA's Chief Negotiator

Employee Organization: AFSCME Local 2700 and IFPTE Local 21  
Unrepresented Employees: All CCCERA unrepresented positions

#### *OPEN SESSION*

4. 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.
5. Consider and Take Possible Action to adopt Resolution (2015-3) authorizing CCCERA CEO to execute documentation to effectuate in-kind (non-cash) distributions.
6. Report from staff on semi-annual rebalancing.
7. Report from staff on change of PIMCO StocksPLUS Absolute Return portfolio manager.

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 meeting.

8. Consider and Take Possible Action to revise the CCCERA Unrepresented Employees Resolution (2015-1) due to Local 21's disclaimer of interest.
9. Consider and Take Possible Action to revise pay schedules to reflect Local 21's disclaimer of interest from representation of CCCERA employees.
10. Consider authorizing the attendance of Board and/or staff:
  - a. Angelo Gordon Investor Conference, Angelo Gordon, April 7-8, 2015, New York, NY.
  - b. Institutional Investments Executive Meeting, The Connex Group, April 19-21, 2015, Minneapolis, MN. (Note: staff only).
  - c. Annual CRCEA Spring Conference, CRCEA, April 19-22, 2015, Ontario, CA. (Note: Conflict with Meeting)
11. 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 meeting.

## CALAFCO Daily Legislative Report as of Wednesday, March 04, 2015

March 11, 2015  
 Agenda Item 11a

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### [AB 402](#) ([Dodd D](#)) **Local agency services: contracts.**

**Current Text:** Introduced: 2/19/2015 [pdf](#) [html](#)

**Introduced:** 2/19/2015

**Status:** 3/2/2015-Referred to Com. on L. GOV.

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

**Summary:**

Would allow a local agency formation commission to authorize a city or district to provide new or extended services outside its jurisdictional boundaries to support existing or planned uses involving public or private properties, subject to approval at a publicly noticed hearing where the commission makes specified determinations. The bill would also make technical and conforming changes.

**Position:** Watch

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

**CALAFCO Comments:** As written, this bill expands LAFCo's existing authority to approve new and extended services beyond agencies' spheres of influence inclusive of public health and safety threats, only if LAFCo can make three findings at noticed public hearings. These findings involve determining the extension: (1) was evaluated in a municipal service review; (2) will not result in adverse impacts on open-space and agricultural lands or growth; and (3) a later change of organization is not expected or desired based on local policies. Further, the bill clarifies LAFCo's sole authority in determining the application of the statute, and deemphasizes the approval of contracts and emphasizes the approval of service extensions.

CALAFCO previously considered (over an extensive period of time) amending GC §56133, and twice (in 2011 and again in 2013) the CALAFCO Board of Directors decided not to pursue those amendments. This is not a CALAFCO sponsored bill. Assembly member Dodd is a former Napa LAFCo Commissioner.

### [AB 448](#) ([Brown D](#)) **Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Current Text:** Introduced: 2/23/2015 [pdf](#) [html](#)

**Introduced:** 2/23/2015

**Status:** 2/24/2015-From printer. May be heard in committee March 26.

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

**Summary:**

Current property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally provides that each jurisdiction shall be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. This bill would modify these reduction and transfer provisions, for the 2015-16 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:** Watch

**Subject:** Financial Viability of Agencies, Tax Allocation

**CALAFCO Comments:** As introduced, this bill is identical to AB 1521 (Fox) from last year. This bill reinstates the VLF payment (through ERAF) and changes the way that the growth in the VLF adjustment amount (property tax in lieu of VLF) is calculated starting in FY 2015-16 to include the growth of assessed valuation, including in an annexed area, from FY 2004-05 to FY 2015-16. Beginning in FY 2016-17, the VLF adjustment amount would be the jurisdiction's annual change in the assessed valuation

### [AB 851](#) ([Mayes R](#)) **Local government: organization: disincorporations.**

**Current Text:** Introduced: 2/26/2015 [pdf](#) [html](#)

**Introduced:** 2/26/2015

**Status:** 2/27/2015-From printer. May be heard in committee March 29.

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

**Summary:**

Would, in the case of a disincorporation or reorganization that includes a disincorporation, require the plan

for services to include specific provisions, including, among others, an enumeration and description of the services currently provided by the city proposed for disincorporation and an outline of current retirement obligations, as specified. This bill contains other related provisions and other existing laws.

**Position:** Sponsor

**Subject:** CKH General Procedures, Disincorporation/dissolution

**CALAFCO Comments:** Sponsored by CALAFCO. As introduced, this bill addressed the long-outdated statutes relating to disincorporation. Although many other areas of CKH have been updated over the past 52 years, the areas pertaining to disincorporations remain in their original format as written in 1963.

This bill does the following: (1) Clarifies the expectation for assignment of responsibility for debt that will continue in existence after disincorporation; (2) Establishes the parameters and requirements for the submission of the Plan for Service for a disincorporation proposal which outlines existing services, the proponent's plan for the future of those services, and whether or not a bankruptcy proceeding has been undertaken; (3) Establishes the responsibilities of LAFCOs in preparing a Comprehensive Fiscal Analysis for disincorporations, the determination of the transfer of property tax revenues previously received by the proposed disincorporating City, and the determination of the transfer of debt to a successor agency or agencies. Further, the bill retains LAFCOs existing authority to impose terms and conditions on a proposed disincorporation as well as the election requirements necessary for approval of disincorporation. The proposed disincorporation statutory changes use the incorporation provisions as a template to propose changes in the disincorporation process.

**SB 25 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**Current Text:** Introduced: 12/1/2014 [pdf](#) [html](#)

**Introduced:** 12/1/2014

**Status:** 1/15/2015-Referred to Com. on GOV. & F.

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

**Summary:**

Would modify specified reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2014-2015 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 Support\\_March 2015](#)

**Position:** Support

**Subject:** Financial Viability of Agencies

**CALAFCO Comments:** Identical to SB 69 (Roth) from 2014, the bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2014/15 year for cities that incorporated between 1-1-2004 and 1-1-2012.

**SB 239 (Hertzberg D) Cities and districts: extended services.**

**Current Text:** Introduced: 2/17/2015 [pdf](#) [html](#)

**Introduced:** 2/17/2015

**Status:** 2/26/2015-Referred to Com. on GOV. & F.

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

**Summary:**

Current law requires the executive officer of a local agency formation commission, within 30 days of receipt of a request for approval by a city or district of a contract to extend services outside its jurisdictional boundary, to determine whether the request is complete and acceptable for filing, as specified. This bill would extend the period within which the executive officer is required to make that determination to 45 days.

**Position:** Placeholder - monitor

**Subject:** CKH General Procedures, Municipal Services

**CALAFCO Comments:** According to the author's office, this is a spot bill relating to service extensions. It is unknown at this time what those changes will be. It is known that the sponsor of the bill is the California Professional Firefighters Association.

**SB 393 (Nguyen R) Local agencies.**

**Current Text:** Introduced: 2/25/2015 [pdf](#) [html](#)

**Introduced:** 2/25/2015

**Status:** 2/26/2015-From printer. May be acted upon on or after March 28.

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, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make technical, nonsubstantive changes to the above-described law.

**Position:** Placeholder - monitor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is a spot bill. According to the author's office, it has been introduced by the Senator on behalf of the Republican Caucus as a local government spot bill (Senator Nguyen is the Vice Chair of the Senate Gov & Finance Comm). CALAFCO will monitor.

**AB 3 (Williams D) Isla Vista Community Services District.**

**Current Text:** Introduced: 12/1/2014 [pdf](#) [html](#)

**Introduced:** 12/1/2014

**Status:** 12/2/2014-From printer. May be heard in committee January 1.

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

**Summary:**

Would express the intent of the Legislature to clarify and establish the necessary authority for the creation of the Isla Vista Community Services District within the unincorporated area of Santa Barbara County, and would make legislative findings and declarations relating to that intent.

**Attachments:**

[CALAFCO Letter of Concern Dec 2014](#)

**Position:** Placeholder - monitor

**Subject:** LAFCo Administration, Special District Powers

**CALAFCO Comments:** As introduced, this bill gives legislative authority for the creation of the Isla Vista Community Services District (CSD). This authority would completely bypass the LAFCo process in the creation of this special district. CALAFCO issued a letter of concern on the intent language on December 20, 2014.

**AB 541 (Dahle R) Big Valley Watermaster District Act.**

**Current Text:** Introduced: 2/23/2015 [pdf](#) [html](#)

**Introduced:** 2/23/2015

**Status:** 2/24/2015-From printer. May be heard in committee March 26.

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

**Summary:**

Would create a watermaster district with unspecified boundaries within the Counties of Lassen and Modoc to be known as the Big Valley Watermaster District. The bill would generally specify the powers and purposes of the district. The bill would prescribe the composition of the board of directors of the district. The bill would require the district to provide watermaster service on behalf of water right holders whose place of use under an appointed decree, as defined, is a parcel of real property within the district.

**Position:** Watch

**Subject:** LAFCo Administration, Special District Powers, Water

**AB 707 (Wood D) Agricultural land: Williamson Act contracts: cancellation.**

**Current Text:** Introduced: 2/25/2015 [pdf](#) [html](#)

**Introduced:** 2/25/2015

**Status:** 2/26/2015-From printer. May be heard in committee March 28.

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

**Summary:**

Current law provides for the procedure to cancel a contract entered into under the provisions of the California Land Conservation Act of 1965 and provides that the landowner and the Department of Conservation may agree on the cancellation value of the land. This bill would repeal the authorization for the landowner and the department to agree on the cancellation value of the land.

**Position:** Watch

**Subject:** Ag Preservation - Williamson

**CALAFCO Comments:** As written, this bill repeals the provision that allows cancellation of the valuation of the land.

**SB 272 (Hertzberg D) The California Public Records Act: local agencies: inventory.**

**Current Text:** Introduced: 2/19/2015 [pdf](#) [html](#)

**Introduced:** 2/19/2015

**Status:** 2/20/2015-From printer. May be acted upon on or after March 22.

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

**Summary:**

Would require each local agency, in implementing the California Public Records Act, to conduct an inventory of data gathered by the agency that discloses what data is maintained by the agency, by whom, and with what frequency it is collected. The bill would require the inventory to be available to the public. Because the bill would require local agencies to perform additional duties, it would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFCo Administration, Public Records Act

**CALAFCO Comments:** As written, this bill requires all local agencies (including LAFCo) to conduct an inventory of all data gathered by the agency that includes (1) what the data is; (2) who collects it; and (3) the frequency with which it is collected. This bill is an unfunded mandate on public agencies.

**AB 168 (Maienschein R) Local government finance.**

**Current Text:** Introduced: 1/22/2015 [pdf](#) [html](#)

**Introduced:** 1/22/2015

**Status:** 1/23/2015-From printer. May be heard in committee February 22.

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

**Summary:**

Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

**Position:** Placeholder - monitor

**Subject:** Tax Allocation

**CALAFCO Comments:** This is a spot bill. No information is available on the author's intent at this time.

**AB 369 (Steinorth R) Local government.**

**Current Text:** Introduced: 2/17/2015 [pdf](#) [html](#)

**Introduced:** 2/17/2015

**Status:** 2/18/2015-From printer. May be heard in committee March 20.

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

**Summary:**

The Planning and Zoning Law establishes in each city and county a planning agency with the powers necessary to carry out the purposes of that law. Current law sets forth the Legislature's findings and declarations regarding the availability of affordable housing throughout the state. This bill would make nonsubstantive changes to those findings and declarations.

**Position:** Placeholder - monitor

**CALAFCO Comments:** This is a spot bill. No information is available at this time regarding the author's intent for the bill. CALAFCO will monitor for amendments.

**AB 656 (Garcia, Cristina D) Joint powers agreements: mutual water companies.**

**Current Text:** Introduced: 2/24/2015 [pdf](#) [html](#)

**Introduced:** 2/24/2015

**Status:** 2/25/2015-From printer. May be heard in committee March 27.

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

**Summary:**

Current law authorizes local public entities, as defined, to enter into a joint powers agreement for the purposes of providing risk-pooling, as specified. This bill would specifically authorize 2 or more mutual water companies, or 2 or more mutual water companies and one or more public agencies that operate a public water system, to participate in joint powers agreement for risk-pooling, technical support, and other similar services.

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** As written, the bill gives the ability to two or more mutual water companies, or a mutual water company and a public agency to enter into a joint powers agreement. The bill limits the purpose of such a joint powers agreement to the following either risk-pooling or the provision of technical support, continuing education, safety engineering, operational and managerial advisory assistance to be provided to the members of that joint powers agency.

**AB 948 (Patterson R) Local government: community service districts.**

**Current Text:** Introduced: 2/26/2015 [pdf](#) [html](#)

**Introduced:** 2/26/2015

**Status:** 2/27/2015-From printer. May be heard in committee March 29.

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

**Summary:**

The Community Services District Law authorizes the establishment of community services districts to provide various services to the geographic area within each district, and further authorizes specified community services districts to enforce covenants, conditions, and restrictions within that district, as provided. This bill would make a nonsubstantive change to those provisions.

**Position:** Watch

**Subject:** Special District Powers

**CALAFCO Comments:** As introduced this is a spot bill. CALAFCO will watch for amendments.

**SB 13 (Pavley D) Groundwater.**

**Current Text:** Amended: 2/24/2015 [pdf](#) [html](#)

**Introduced:** 12/1/2014

**Last Amended:** 2/24/2015

**Status:** 2/24/2015-From committee with author's amendments. Read second time and amended.

Re-referred to Com. on N.R. & W.

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

**Summary:**

Would specify that the State Water Resources Control Board is authorized to designate a high- or medium-priority basin as a probationary basin. This bill would provide a local agency or groundwater sustainability agency 90 or 180 days, as prescribed, to remedy certain deficiencies that caused the board to designate the basin as a probationary basin. This bill would authorize the board to develop an interim plan for certain probationary basins one year after the designation of the basin as a probationary basin. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** While this bill has no direct affect on LAFCos, the formation of groundwater management agencies and groundwater management is of interest, therefore CALAFCO will watch the bill.

**SB 181 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/9/2015 [pdf](#) [html](#)

**Introduced:** 2/9/2015

**Status:** 2/19/2015-Referred to Com. on GOV. & F.

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

**Summary:**

This bill would enact the First Validating Act of 2015, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.

**SB 182 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/9/2015 [pdf](#) [html](#)

**Introduced:** 2/9/2015

**Status:** 2/19/2015-Referred to Com. on GOV. & F.

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

**Summary:**

This bill would enact the Second Validating Act of 2015, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.

**SB 183 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/9/2015 [pdf](#) [html](#)

**Introduced:** 2/9/2015

**Status:** 2/19/2015-Referred to Com. on GOV. & F.

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

**Summary:**

This bill would enact the Third Validating Act of 2015, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.

**SB 184 (Committee on Governance and Finance) Local government: omnibus bill.**

**Current Text:** Introduced: 2/9/2015 [pdf](#) [html](#)

**Introduced:** 2/9/2015

**Status:** 2/19/2015-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 requires the legislative body of a local entity to annually file with the auditor a list of lots or parcels of land subject to specified fees or charges for water, sanitation, storm drainage, or sewerage system services and facilities and the amounts of the installments of the fees or charges to be entered against the affected lots or parcels of land. Current law requires the auditor to enter on the assessment roll the amounts of installments of these fees or charges. Current law defines the auditor, for the purposes of these provisions, as the financial officer of the local entity. This bill would clarify that the above-described provisions relating to the authority and duties of the auditor apply only to the county auditor. The bill would also make technical, nonsubstantive changes to these provisions.

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** This bill is the Senate Governance & Finance Committee's annual Omnibus bill. This bill is intended to make technical, non-substantive changes to the Government Code outside of CKH.

**SB 226 (Pavley D) Sustainable Groundwater Management Act: groundwater rights.**

**Current Text:** Introduced: 2/13/2015 [pdf](#) [html](#)

**Introduced:** 2/13/2015

**Status:** 2/26/2015-Referred to Coms. on N.R. & W. and JUD.

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

**Summary:**

Would provide, under the Sustainable Groundwater Management Act, that a groundwater sustainability plan or coordinated groundwater sustainability plans establishes a timely method for determining rights to groundwater in furtherance of the objectives of the act. This bill would require the process to be available to any court of competent jurisdiction. This bill would require the boundaries of a basin to be as identified in Bulletin 118, unless other basin boundaries are established, as specified.

**Position:** Placeholder - monitor

**Subject:** Water

**CALAFCO Comments:** This is a spot bill to address groundwater rights relating to the new Sustainable

Groundwater Management Agencies.

Total Measures: 20

Total Tracking Forms: 20

3/4/2015 10:20:50 AM

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
PENDING PROPOSALS – MARCH 11, 2015**

March 11, 2015  
Agenda Item 11b

<b>LAFCO APPLICATION</b>	<b>RECEIVED</b>	<b>STATUS</b>
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	Continued from 11/12/14 meeting
Northeast Antioch Reorganization Area 2A: Annexations to City of Antioch and DDS; detachments from CSAs L-100 and P-6	7/30/13	Continued from 6/11/14 meeting to 6/10/15
Reorganization 186 - Annexations to CCCSD and EBMUD: proposed annexation of Magee Ranch/SummerHill (402± acres; 9 parcels total;) to CCCSD (8 parcels) and EBMUD (7 parcels)	6/20/14	Continued from 2/11/15 meeting to 5/13/15
City of Concord Out of Agency Service Request - request to extend sewer service to a parcel located at 4761 Laura Drive in the Ayers Ranch area	2/20/15	Under review

# East Bay cop whose gun was stolen by a prostitute still working

March 11, 2015  
Agenda Item 11c

By Thomas Peele

[Tpeele@bayareanewsgroup.com](mailto:Tpeele@bayareanewsgroup.com)

Posted: 02/08/2015 03:26:56 PM PST Updated: 16 days ago

Kensington police Sgt. Keith T. Barrow lost more than his moral compass last year during an encounter with a prostitute in a Reno hotel room.

When he fell asleep and woke up a short time later, according to court records and interviews, the hooker -- and Barrow's badge, handcuffs, .40-caliber service pistol and two clips of ammunition -- were all gone.

The one thing the 47-year-old detective hasn't lost is his job.

Barrow was never even placed on administrative leave when his East Bay police department learned what happened in the "Biggest Little City in the World" and investigated it. Law enforcement experts consulted by this newspaper found that deeply troubling, and some residents of the quaint, affluent hillside town called it outrageous.

But late Friday, nearly nine months after his bad night in Reno, and after this newspaper started asking questions of Barrow and Kensington officials, his attorney said a disciplinary decision has been made. Barrow will be suspended, attorney Justin Buffington told the newspaper, but he would not say for how long or when it would begin.

It's already too late, police experts say. By losing his weapon, they say, Barrow put the public at risk -- and the town of Kensington under huge liability. Reno police got the gun back, but only after the prostitute's pimp shot himself in the leg with it while, as a Nevada judge described it, "trying to be a tough guy."

"It's drilled in your head from Day One," said Tom Nolan, a retired Boston police lieutenant turned academic. "Losing your weapon is the most egregious error a (police officer) can make."

Barrow did not return multiple messages for comment.

Prostitution in Nevada is only legal in licensed brothels. A police report taken the night the gun was stolen states that \$70 was exchanged for sex, said Reno police spokesman Tim Broadway. Barrow was not cited. In interviews with this newspaper, Broadway and the Washoe County, Nevada, district attorney at the time would not explain the decision.

Broadway told the newspaper details of the incident but did not identify Barrow. Court records list Barrow as the crime victim, along with the Kensington Police Department's address.

Despite a scalding feud between a group of residents and the town's elected governing board over the Police Department, word about Barrow's misfortunes seems not to have spread through Kensington, an enclave of about 5,000 residents nestled in the hills north of Berkeley, where half the residents have advanced degrees and the median income is \$133,000.

But police have known for months. Police Chief Greg Harman has repeatedly listed in his monthly public reports a pending internal investigation of unbecoming conduct stemming from an incident involving an off-duty officer on May 23, 2014. That's the date Barrow's gun was stolen. The last reference to the open investigation was Jan. 8.

Kensington Police Protection and Community Services District President Len Walsh said he and Harman would not discuss the matter, citing police personnel laws.

Barrow remains head of the Kensington police union, negotiating for raises with Welsh and others. Barrow was the department's second-highest compensated officer in 2014, public data show, at \$186,000 in cash and benefits.

Barrow should have been immediately suspended and aggressively investigated when Kensington officials first learned about the stolen gun, said Sam Walker, a criminology professor at the University Nebraska, Lincoln.

"This should have cost him his job already. It was dereliction of duty," Walker said. "He showed a complete lack of professionalism in allowing his weapon and other equipment to be stolen."

While what happened in Reno may seem shocking, a group of Town Hall watchdogs say it's only the latest violation of trust from Kensington officials and their police.

A group of residents sued the town two years ago, claiming the board rammed through a new contract for Harman in violation of its own rules. When a state appellate court eventually ruled against the residents, the town filed legal papers to recoup \$158,000 in legal costs from them. First Amendment lawyer Karl Olson, just hired by the residents to fight the fee issue, said the local politics seem like something out of "Vladimir Putin's Russia" with the government punishing his clients for questioning the Police Department's administration.

The Barrow saga only adds to the ongoing tumult, residents said. "It's egregious and shocking but not really surprising," said David Bergen, who has questioned the department's competency in emails to public officials.

Cathie Kosel, a former Kensington board member and El Cerrito mayor, said she wasn't surprised in the least that Barrow didn't face swift discipline. She called the Police Department "a boys' club. They protect each other."

The theft of the gun occurred in a hotel along a seedy stretch of Reno's main drag, Virginia Street, where prostitution is rampant. "There are girls on the street. There are girls in the casinos," said Broadway, the Reno police spokesman.

Buffington said an investigation done by his law firm raised the "possibility" that Barrow had been drugged. He declined to provide specifics.

Within 45 minutes, police arrested Christina Mae Taylor, then 25, who lived in a nearby ramshackle motel, and charged her with grand larceny.

When police found her, Barrow's gun was gone. She later admitted passing it off to a man she called her "dude," Tashanta Grant, 36, described in court records as a methamphetamine user with a felony record, who'd disappeared into the night.

Grant surfaced the next morning at a downtown pawnshop, where he got into an altercation with two people. He was carrying Barrow's gun, its serial number scratched off. But when he tried to draw it, he shot himself in the leg and police arrested him.

Taylor pleaded guilty to reduced charges on Sept. 11. She told Judge Elliot Sattler that Barrow "was a john. He was a cop. He was off duty." She said she "just freaked out and when I found" the gun and gave it "to my dude who actually shot himself. I told the cops where I got it and where the badge and the rest of the stuff was," according to a transcript of her plea hearing

Taylor was placed on probation, but she failed to check in with her officer. As of last week, a warrant was active for her arrest. Grant missed a court date, and a warrant was also active for him.

Back in California, Barrow quickly returned to work on Kensington's tree-lined streets.

"There are often problems with these tiny little departments," said Walker, where "high rates of unprofessionalism," especially in matters of internal investigations and discipline, are common. In situations like Kensington's, he said, "you have to ask if the Police Department is essentially lawless."

Follow Thomas Peele at [Twitter.com/thomas\\_peele](https://twitter.com/thomas_peele).

# Kensington police scandal: Residents call for investigation of Reno incident, possible disbanding of department

By Thomas Peele [tpeele@bayareanewsgroup.com](mailto:tpeele@bayareanewsgroup.com)

Posted: 02/09/2015 04:48:16 PM PST Updated: 15 days ago

KENSINGTON -- Demanding greater oversight, residents of a small, affluent East Bay community reacted sharply Monday to a report that a local police officer had his gun stolen during an encounter with a Reno prostitute last year but wasn't suspended for nearly nine months.

"As a resident of Kensington for over nine years, never have I felt more embarrassed by how we are handling our civic affairs," resident Brian Meckler wrote in an email to this newspaper, calling for the hillside town to contract with another community for police services. "I don't want the liabilities, the old-boy protections and political rats nest required for maintaining our own police force."

One member of Kensington's Police Protection and Community Service District board broke the panel's silence Monday in a statement calling for greater police oversight about how the investigation of Sgt. Keith T. Barrow was handled.

"I've heard from dozens of residents. Many are embarrassed for our community, others are shocked and angered by the board's absence of leadership in this matter," Director Vanessa Cordova wrote, suggesting the district consider looking outside the small department for oversight.

"If enlisting the expertise of an outside agency is what it takes to regain the trust and confidence of our community, then it must be done." She said she was not yet prepared to discuss more specifics, or what agencies she meant.

Board president Len Welsh said Monday that Cordova "should not be commenting. I was not informed of this." He declined further comment.

District officials, citing strict police personnel-record protections, have refused to discuss Barrow. The police sergeant remained at work and wasn't disciplined until this newspaper started asking the board questions last week about revelations that Barrow had fallen asleep and been robbed by a prostitute last May in Reno.

The town board is scheduled to meet Thursday night for both a closed-session review of Police Chief Greg Harman's job performance and a public vote on a new police union contract. Barrow, president of the local union chapter, helped negotiate the proposed deal.

On a local online bulletin board, a resident called for people to "storm the meeting (and) demand accountability."

Barrow's lawyer, Justin Buffington, told this newspaper late Friday that his client would be suspended for an undisclosed period of time as discipline for the Reno incident, and that an investigation of the incident by his law firm suggested Barrow may have been drugged.

A Reno Police spokesman said Monday there is no mention of a possible drugging in a report on the gun theft taken when Barrow showed up at the Nevada department's headquarters on May 23. He was in the company of "fellow officers," the spokesman, Officer Tim Broadway said. They were not identified, and their identity is unclear.

Barrow's gun was recovered the next morning when the prostitute's pimp shot himself in the leg with it during a dispute with two people at a pawn shop.

Policing experts said Barrow should have been placed on paid leave, the stolen-gun incident quickly investigated, and harsh discipline such as firing or demotion meted out.

Harman wrote in a July report to the board that he was investigating an incident involving an off-duty officer for alleged dereliction of duty. The department's monthly reports show that Barrow was heavily involved in its day-to-day activities over the next six months while Harman continued to report the investigation was ongoing.

In an email Sunday to board members, resident Anna Shane demanded "immediate action" to suspend Harman "without pay while his conduct is investigated." Welsh did not respond to an email requesting a response.

# Kensington: Police officer scandal draws crowd at town meeting

[By Thomas Peele and Julia Prodis-Sulek Bay Area News Group](#)

Posted: 02/12/2015 07:37:45 PM PST | [Comment](#) | Updated: about 12 hours ago

1/5



A Kensington Police car is parked near Kensington Community Center where they held a board meeting in Kensington, Calif., on Thursday, Feb. 12, 2015. Kensington Police Sgt. Keith Barrow lost his gun, badge, bullets and handcuffs to a \$70 hooker in Reno, Nev. in May 2014. Board President Len Welsh ...

[↪](#)

KENSINGTON -- A raucous crowd criticized elected town leaders Thursday night for their handling of a scandal involving an officer whose gun was stolen by a Reno prostitute -- just as, in an uncomfortable bit of timing, those leaders were to consider whether to give that officer and his colleagues a 16 percent raise over four years.

The council late Thursday delayed its vote on the contract, which was negotiated for the police union by the officer at the center of the Reno controversy, Sgt. Keith T. Barrow. That fact, police district Director Rachelle Sherris-Watt said, "may require us to start again" with negotiations because of potential conflicts of interest.



Kensington Police Chief Greg Harman answers a question regarding Sgt. Keith Barrow during a board meeting at Kensington Community Center in Kensington, Calif., on Thursday, Feb. 12, 2015. Sgt. Barrow lost his gun, badge, bullets and handcuffs to a \$70 hooker in Reno, Nev. in May 2014. Board President Len Welsh requested an independent investigation of how police chief Harman handled his probe into Barrow's incident in Reno during a trip with three other officers who have not been identified. (Ray Chavez/Bay Area News Group) ( RAY CHAVEZ )

Barrow, 47, was under investigation for nearly eight months by Chief Greg Harman without being placed on administrative leave.

On May 23, a 25-year-old prostitute, Christina Mae Taylor, stole Barrow's gun, badge, two magazines of ammunition and his handcuffs. Reno police quickly arrested Taylor on grand larceny charges, but Barrow's pistol was gone.

The weapon was located the next morning when a man Taylor later called her "dude" got in an altercation with two people at a downtown Reno pawnshop and shot himself in the leg with it.

Harman decided last month that Barrow's discipline should be a suspension.

The chief, who said he is a dues-paying member of the union in order to be covered by the legal services it provides its members, said he aided the board in the contract negotiations as part of his dual job as district general manager but does not fall under the contract. "I don't vote" on union business, he said. "I did not negotiate this contract."

At Thursday's meeting, district President Len Walsh said Harman's handling of the Barrow investigation will be the subject of a special closed-door meeting at 8 p.m. Monday.

No members of the nine-person police union spoke on the matter. Barrow was not present.

"The police officers elect who negotiates" for them, Harman said. The union has already voted to accept the contract terms, he said. He did not say when that occurred.

In a brief interview with this newspaper, Harman addressed the Barrow controversy publicly for the first time.

"I believe I handled it properly. I believe the discipline administered was appropriate under the circumstances, and it is unfortunate that others don't feel that way."

Residents urged the board not to act on the contract, mixing their concerns about Barrow and Harman with worries about the deal's affordability. Others questioned Harman's dual position of both police chief and general manager.

Harman sat quietly as some called for his firing over the Barrow scandal. He admitted that four police officers, not three as officials previously stated, were with Barrow in Reno. He said that no district resources were used on the trip. The other four Kensington officers -- Eric Stegman, Christopher Turner, Juan Ramos and Doug Wilson -- were interviewed as part of the investigation.

"They were up there (in Reno) as a team socially," Harman said. "Two of them had their wives with them. They are allowed to carry weapons in Nevada."

Deep frustrations over the Reno incident were expressed while some residents defended Barrow and Harman, calling them fine police officers who care deeply about the town.

But others gave blunt criticism.

"I am angry," said resident Bill Stanton, 75, saying people had lost trust in the police.

Rory Douglass, a former PTA president, called Barrow a man of "low moral character and zero integrity" and expressed shock that Harman did not immediately suspend Barrow as he investigated the encounter between Barrow and the prostitute.

The comments came before town officials retreated behind closed doors to discuss the scandal involving Barrow that has rocked this hillside community since this newspaper broke the story Sunday.

By 7:30 p.m., more than 250 people had crammed into the meeting, filling all available seats and lining the walls.

One expert on police matters said Thursday that Harman made a serious error by leaving Barrow on duty.

"Whether or not an officer is considered a 'threat' is irrelevant in making the determination as to whether or not to place him or her on administrative leave pending an internal affairs investigation," said Tom Nolan, a retired Boston police lieutenant who now teaches criminal justice at Merrimack University.

"In a matter as serious as an officer losing or having his or her weapon stolen, that officer is ordinarily placed on administrative leave with pay pending a determination" how the weapon was lost and to evaluate the officer's "fitness to continue to serve as a police officer."

As public comments opened about 8 p.m. and dozens of people said they intended to address the board, speakers ripped into Harman and Barrow.

Micki Tal, a criminal defense lawyer and former prosecutor, said Barrow's actions in Reno put his case work as a detective at risk.

"We have to make sure they are clean" of crimes of moral turpitude that could taint a court testimony, Tal said of police officers. "Things here are broken," she said, calling for Barrow to be fired "for the protection of our community."

In an interview Wednesday, Welsh said that because Barrow has been served with Harman's disciplinary decision, no further action could be taken against him.

# Kensington cop scandal turns quiet Bay Area enclave into cutthroat community

[By Julia Prodis Sulek and Thomas Peele Staff writers](#)

Posted: 02/14/2015 04:04:55 PM PST Updated: 10 days ago

KENSINGTON -- Before all the nastiness -- the cop, the Reno prostitute, the stolen gun and the alleged cover-up -- this little enclave in the East Bay hills liked to think of itself as a place of "quiet affluence."

Rather than flashy megamansions taking advantage of the spectacular bay views, most of the hillside houses are lovely bungalows and charming Tudors home to many UC Berkeley professors.

And while two of its Nobel laureates have passed away, the town's most celebrated inhabitant, Daniel Ellsberg, who famously released the Pentagon Papers, was just nominated for a Nobel Peace Prize.

If only he could be persuaded to help make peace right here!

Over the past week, Kensington -- an unincorporated district of Contra Costa County -- has exploded after this newspaper revealed police Sgt. Keith Barrow's recklessness last May in Reno -- and the eight months it took the police chief to discipline him. The scandal has spurred calls to fire the chief and recall some of the five board members who let the investigation drag on.

"People are embarrassed, first and foremost, and shocked," said Garen Corbett, who lives with his wife and young daughter here and works as a policy analyst in the university's Office of the President. "It's a bucolic area, incredibly pretty. Because people can landscape their properties, you think surely the district is run as well."

But little did they know that half the Kensington police force took an off-duty weekend trip to Reno last May, where Barrow hired a \$70 prostitute, according to interviews with Reno police and court records. He woke up to discover his gun, ammo, badge and handcuffs were all gone. The weapon was recovered the next day when the prostitute's pimp shot himself in the leg during a dispute at a pawnshop.

Barrow wasn't cited -- even though soliciting a prostitute is a misdemeanor in Reno.

After what police Chief Greg Harman called an eight-month investigation, Barrow was informed in January that he would be suspended, but it didn't become public until this newspaper started asking about the incident. He has a right to appeal. The long lag has incensed locals, but the chief says the timeline "wasn't that long. Others thought it should be instantaneous."

Tensions came to a head Thursday night, when more than 250 people arrived early to the cinderblock community center -- a remnant from the 1950s and in need of repair. Some carried seat pads to settle in to the metal chairs for a long night under the glaring fluorescent lights.

The meeting opened with rounds of boos and catcalls as the police chief and the five-member board, elected but unpaid, took their seats at the folding tables up front. Residents lined up at the podium to speak.

"This officer has brought shame to our entire community," Rony Douglass, former president of the local PTA, said to rousing applause.

As one after another angry resident got up to speak, one middle-aged woman sat quietly in the back of the room.

"We're a small town with a lot of really intelligent people, and sometimes that works against us," said the woman, who asked to remain anonymous out of fear she would be vilified for supporting the board. "I think some of these people are too smart for their own good. That's my opinion."

Besides, she whispered, "there can be some pretty vicious people" who might turn on her.

Some of the locals tried to encourage Ellsberg, who lives in a simple yellow ranch house in town, to bring some gravitas to the meeting as one of the country's best-known activists and whistle-blowers.

The 83-year-old former military analyst was busy writing his new book and traveling, his wife, Patricia, said. It wasn't the first time Ellsberg has been asked to act locally. Some years ago, when former board member Cathie Kosel, urged him to run for the district board, he declined.

"He said, 'Cathie, my wife and I are trying to stop a war in Iraq,' " said Kosel, adding, "he was totally oblivious to the war right here in his own town."

Indeed, there have been some dust-ups over the design of the "Welcome to Kensington" sign on Arlington Avenue, and a small group sued the board over a controversial meeting to vote on a pay raise for the chief. But many locals have been blissfully unaware of district politics.

"Up till now, it's been quiet, nicely run, good people. What's not to like?" said Kevin Padian, 63, a Berkeley biology professor. "I've lived here for 25 years and I never paid attention to anything in this town until the last week, when it became clear that the people who took over this town are running it their own way."

The controversy, he said, "is on the brink of destroying" Kensington.

In this well-credentialed community of 5,000, about half the adults hold advanced degrees, and the library boasts the highest circulation per capita in the county.

This is a place where streets are named for elite Eastern colleges -- Amherst, Wellesley, Yale. The elementary school is top-rated and the block-long downtown holds annual Halloween parades.

The classic sign on the Rexall Drug Store remains, but it has been turned into a gourmet wine and cheese shop. The marquee under the welcome sign announced last week a night of "Love

Songs & Chocolate," and the community bulletin board on the corner advertised dog walkers and yoga and guitar classes.

"Everything now going on was inconceivable 20 years ago," said Kosel, who graduated from UC Berkeley in 1968 and lives in the home where she grew up. "When I was young I felt people were not so ambitious. They were more service-oriented, simple, raising families. A lot of professors are living here, but they're not involved in politics -- those involved are the lawyers and business people. If you disagree with someone, there's no tolerance for diversity of thought."

But one of the board members, who came into office in November and said she was kept in the dark about the Barrow investigation, speaks the local language of the advanced degree:

"For some time now, it's been an oligarchy sustained by obfuscation," said Vanessa Cordova, a public policy consultant. "After this debacle, who wouldn't dismiss Kensington as a tony, dystopic enclave?"

Worse than headlines, she said, "this egregious absence of oversight has made us the punch line."

Contact Julia Prodis Sulek at 408-278-3409 and follow her at [twitter.com/juliasulek](https://twitter.com/juliasulek). Contact Thomas Peele at [tpeele@bayareanewsgroup.com](mailto:tpeele@bayareanewsgroup.com) and follow him at [twitter.com/thomas\\_peekle](https://twitter.com/thomas_peekle).

# Kensington: Police chief ousted after stolen-gun scandal

By Thomas Peele [tpeele@bayareanewsgroup.com](mailto:tpeele@bayareanewsgroup.com)

Posted: 02/16/2015 10:27:26 PM PST Updated: 7 days ago

KENSINGTON -- This small town's governing board cut ties with its embattled police chief late Monday night after nine days of public outcry over his handling of an investigation into how a local sergeant's gun and badge were stolen by a prostitute in Reno.

Board members announced after a closed-door meeting that contract negotiations with Chief Greg Harman were ended, effectively terminating him. Harman's last day on the job will be May 31.

Many residents had heavily criticized Harman since this newspaper reported nine days ago that a prostitute had stolen Sgt. Keith Barrow's gun, badge, ammunition and handcuffs from a Reno hotel room as Barrow slept.

But as directors, after nearly an hour of public comments, discussed whether to end negotiations with Harman, a Concord resident, they faced a second closed-door session over new developments involving Barrow unrelated to the theft of his service weapon in Reno last year. The board planned to discuss a federal civil rights lawsuit naming Barrow as a defendant and alleging improper conduct during a drug enforcement task force raid last year.

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Kensington is not a defendant in the suit, but it was unclear what liability it would face as Barrow's employer. The suit names a regional police cooperative, the West Contra Costa Narcotics Enforcement Task Force, known as WestNET, to which Kensington contributes both funding and Barrow's participation, as well as Barrow and several other officers individually.

Although the suit was filed in U.S. District Court in September, and dozens of filings have occurred since then, no lawyer for Barrow is listed in court records. Court records show Barrow was served with a copy of a third complaint of the suit on Jan. 16.

Neither of McDonald's lawyers, Jan Little and Benjamin Rothstein of the San Francisco firm Kecker and Van Ness, could be reached Monday. Deputy Attorney General John Devine, who is representing WestNET, was also not available for comment.

# Police chief's ouster, prostitute-stolen gun scandal only beginning of changes in Kensington

By [Thomas Peele tpeele@bayareanewsgroup.com](mailto:Thomas.Peele@bayareanewsgroup.com)

Posted: **02/17/2015** 03:47:21 PM PST Updated: 6 days ago

KENSINGTON -- The scandal that has rocked this unincorporated town in the East Bay hills and forced the ouster of the police chief will now likely lead to another fundamental change: how Kensington runs its government.

Instead of one official serving as both the town's top cop and town manager, local officials said Tuesday, the community services and police protection district will explore splitting the job into two positions.

"There is a fair amount of sentiment that the positions should be separate," District President Len Welsh said in an interview Tuesday, a day after a contentious meeting during which the board announced it would not be renewing Police Chief Greg Harman's contract. "We need careful analysis. How much would a city manager cost?"

While Harman was known primarily as police chief, he also served as the civilian general manager of Kensington's community services and police protection district. That created what critics said was a lack of oversight that became glaringly clear as the chief took eight months before disciplining an officer whose gun was stolen in May by a Reno prostitute.

Harman was effectively his own boss as chief, reporting only to a part-time, unpaid board. In most California local governments, city managers supervise police chiefs.

Harman did not return messages Tuesday, the day after directors agreed to cut off negotiations with him for a multiyear contract to remain in both jobs, in effect firing him.

Residents revolted this month over Harman's judgment after this newspaper revealed the chief had opted not to put Sgt. Keith Barrow on paid leave during the lengthy investigation into Barrow, who lost his gun, badge and ammunition after falling asleep in a motel room with a prostitute. Harman told district board members about the matter last year, but they've said they stayed distant from it because of the potential that Barrow would appeal any discipline to the board.

Doing both jobs "creates a structural conflict of interest," director Vanessa Cordova said Tuesday. "Even the most talented leader would be poised to fail."

Kensington has had the same person in both jobs for decades to save money, Welsh said, with "80 to 90 percent" of the work as police chief. The general manager's responsibilities have

included negotiating and managing contracts for garbage pickup and overseeing community facilities like parks, a meeting hall and the public safety building.

Harman, who received \$262,000 in salary and benefits in 2014, was also in charge of the district's \$2.9 million budget, composed mostly of police salaries, and he has recently aided directors in negotiating a four-year contract with the police union, analyzing proposals by Barrow, the union's president at the same time the Reno incident was under investigation.

"It appears as though conflicts of interest abound, and there are law enforcement red flags down all over this uneven and warped playing field," said Tom Nolan, a retired Boston Police lieutenant who teaches criminology at Merrimack University and analyzed the Kensington scandal for this newspaper. "This is completely counterproductive and inimical to the effective delivery of police services."

District director Rachelle Sherris-Watt said it seemed obvious that Harman was conflicted when his general manager's job touched on the police department, such as in contract negotiations. "He was proud of his officers and protective of his officers," she said. "We have to take a very close look at separating the two positions."

Welsh said Harman came to the job with no management experience, which hurt him. As directors debated his future behind a gray metal door Monday night, Harman sat with friends nearby, smiling and laughing freely, his status signified by the four gold stars aligned vertically on each collar of his dark blue uniform shirt.

Then the door opened -- and a lawyer summoned Harman inside. A minute later, he could be seen through a window, slumped in that chair as directors told him his stars were coming off, effective May 31.

"It's too bad it had to end this way," Welsh, said Tuesday. "It's not been an easy eight years for the chief."

Follow Thomas Peele at [Twitter.com/thomas\\_peele](https://twitter.com/thomas_peele).

# East Bay police chief ousted after stolen-gun scandal

*By Thomas Peele*

tpeele@bayareanewsgroup.com

KENSINGTON -- This small town's governing board cut ties with its embattled police chief late Monday night after nine days of public outcry over his handling of an investigation into how a local sergeant's gun and badge were stolen by a prostitute in Reno.

Board members announced after a closed-door meeting that contract negotiations with Chief Greg Harman were ended, effectively terminating him. Harman's last day on the job will be May 31.

Many residents had heavily criticized Harman since this newspaper reported nine days ago that a prostitute had stolen Sgt. Keith Barrow's gun, badge, ammunition and handcuffs from a Reno hotel room as Barrow slept.

But as directors, after nearly an hour of public comments, discussed whether to end negotiations with Harman, a Concord resident, they faced a second closed-door session over new developments involving Barrow unrelated to the theft of his service weapon in Reno last year. The board planned to discuss a federal civil rights lawsuit naming Barrow as a defendant and alleging improper conduct during a drug enforcement task force raid last year.

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# Drummond: Kensington police scandal hiding in plain sight

By Tammerlin Drummond Oakland Tribune Columnist

Posted: **02/18/2015** 04:31:22 PM PST Updated: 6 days ago

The scandalous tale of a Kensington police officer whose gun was stolen during a hookup with a Reno prostitute was hiding in plain sight.

Since August, Kensington Police Chief Greg Harman had made regular mention of an active internal affairs investigation in his monthly public reports. The notation cited a case of "conduct unbecoming a police officer" stemming from a May 23, 2014 incident. Nothing more. No one, it appears, bothered to delve any further.

That changed in December when Bay Area News Group reporter Thomas Peele got a tip from a confidential source who told him that Sgt. Keith Barrow had gotten his gun stolen by a prostitute in a Reno hotel. The officer's weapon had been used by a felon who accidentally shot himself the next day. Peele learned Barrow had not been placed on administrative leave, which is standard in police internal affairs investigations.

What followed is an example of solid, no-frills investigative journalism that helped bring down a police chief and has led to calls for reforms in the way the tiny unincorporated town in Contra Costa County conducts the business of government.

I asked Peele to walk me through the back story -- from the time he first got the tip to publication of the articles -- some co-written with Julia Prodis-Sulek -- that have caused a public uproar in the sleepy town.

"I immediately realized I needed to see all this laid out in paper, naturally," Peele said.

He discovered two Reno Police Department news releases from May 2014. One described an arrest for grand theft involving a gun stolen from someone who was asleep. Christina Mae Taylor, 25, had been arrested for grand theft. There was also a report of a shooting the following morning. Tashanta Grant, 36, has been arrested for being a felon in possession of a firearm and defacing a firearm. Police confirmed to Peele that the two incidents were related.

Peele went next to the Superior Court website. He was able to get a basic outline of the criminal proceedings involving Taylor and Grant.

But he had to go to the Washoe County Courthouse in person to access the detailed narrative.

Peele drove four hours to Reno. At the courthouse, he read the transcript of Taylor's plea bargain in which she'd told the judge that she had stolen the gun from an off duty police officer who was a "John." She said she had "freaked out" and stole his gun, which she gave to Grant, her "dude."

Peele learned from police records that Grant had pulled the weapon during a dispute at a pawnshop and shot himself in the leg.

Having established the paper trail tying the Kensington police officer to the theft of the weapon at the Reno motel, to Taylor and to Grant, Peele headed back home to begin piecing together the story.

Chief Harman wouldn't comment. Neither would Police Protection and Community Services District President Len Welsh. Peele called Barrow several times. The officer's lawyer finally contacted Peele saying that Barrow would be suspended.

The first story published on Feb 8. immediately caused a public furor. Angry Kensington residents jammed public meetings demanding Harman's ouster. The town's governing board voted not to renew the embattled chief's contract, effectively terminating him.

There have been calls for major changes in the town's administrative structure, which lacks accountability. Harman is both the chief and civilian manager for the town -- an obvious conflict of interest.

"The reaction this story got in Kensington tells me the public still hungers for solid, fundamental, critical, arms-length journalism in communities," Peele said.

The sad thing is, with so many cutbacks at news organizations, this kind of good boots-on-the-ground reporting is becoming all too rare.

Tammerlin Drummond is a columnist for the Bay Area News Group. Her column runs Thursday and Sunday. Contact her at [tdrummond@bayareanewsgroup.com](mailto:tdrummond@bayareanewsgroup.com) or follow her at [Twitter.com/Tammerlin](https://twitter.com/Tammerlin).

# EBMUD shuts down its biggest aqueduct to repair leak

By Denis Cuff [dcuff@bayareanewsgroup.com](mailto:dcuff@bayareanewsgroup.com)

Posted: 02/20/2015 06:50:30 AM PST Updated: 4 days ago

WALNUT CREEK -- The largest of three big pipelines that deliver water to 1.3 million East Bay residents has sprung a leak and is temporarily shut down for repairs.

Crews are digging up the buried 87-inch diameter pipeline to make repairs expected to continue through this weekend, the East Bay Municipal Utility District reported Thursday.

The leak flooded the yard of a house on Cornwall Court in a hilly area between Larkey Park and the Acalanes Ridge Open Space.

Water service to EBMUD customers is not disrupted because the district has increased pumping in its other two aqueducts, and has reserves stored in local reservoirs, said EBMUD spokeswoman Abby Figueroa.

The leaky pipe can deliver 100 million gallons of water per day from the Sierra foothills.

During the repairs, a segment of a trail between Briones Regional and Mount Diablo State parks will be closed, she added.

Contact Denis Cuff at 925-943-8267. Follow him at [Twitter.com/deniscuff](https://twitter.com/deniscuff)

# Moraga-Orinda Fire District finances brighten

By Jennifer Modenessi [jmodenessi@bayareanewsgroup.com](mailto:jmodenessi@bayareanewsgroup.com)

Posted: 02/20/2015 10:54:24 AM PST Updated: 4 days ago

MORAGA -- Barely a year after running out of cash, the Moraga-Orinda Fire District is projecting a much rosier financial future.

According to a midyear budget review recently approved by MOFD's board of directors, the fire district expects to see a total surplus of nearly \$720,000 when the current fiscal year ends in June.

"This is a positive development for the district, and I'd like to remind the board that less than two years ago, the fund balance in the general fund was \$75,000. Now we're approaching \$1 million," said Gloriann Sasser, the district's administrative director, at a recent board finance committee meeting.

The surplus is a result of continued higher property tax revenue, vacated firefighting positions and lower health care costs for current employees and retirees resulting from a new labor contract, among other factors, Sasser said. The district also plans to start paying down \$16.9 million in retiree health care debt, earmarking \$84,000 this fiscal year toward that debt to be contributed once the board establishes a trust fund, Sasser said at a Feb. 4 board meeting.

The turnaround comes a little more than a year after the district found itself planning to borrow \$700,000 from its capital projects fund to keep the general fund afloat, after exhausting its reserves the prior fiscal year. The district will still need to tap revenue from a special "fire flow" tax normally used for capital projects to balance its general fund for the next three years, Sasser said.

The midyear financials show general fund revenues \$592,000 higher than previously budgeted, and property taxes rising 8 percent, or \$1.2 million, over the previous year, Sasser said.

On the expense side, permanent salaries are \$656,000 less than budgeted due to six retirements and other open positions since May 2014. The new contract calls for the hiring of single-role paramedics to replace a dozen firefighter-paramedics who leave the district through retirement or attrition.

Sasser credited the new labor contract for reducing costs by capping how much the district pays for medical and dental insurance for active employees and retirees. The contract caps the district's monthly minimum contribution amount for retiree health insurance for new hires at \$122.

"These were significant concessions which helped the district manage retiree medical costs," Sasser told directors. The deal also shaved \$7.2 million off about \$24 million in unfunded retiree health care debt, according to the district.

Overtime costs, however, continue to rise. Sasser attributed those costs -- projected to run \$1.2 million over budget -- to workers' compensation injuries and an increase in daily minimum staffing from 17 firefighter-paramedics on duty to 19 last fall, Sasser said. Those positions cost the district an additional \$250,000.

She also reminded the board that a 1 percent salary increase for all employees will go into effect July 1. That raise follows a 3.5 percent across-the-board salary decrease last July. Salaries will grow 4 percent next year and an additional 3 percent if certain revenue targets are met. They'll go up another 4 percent in 2017.

In addition to approving the budget, at least one board member is moving on a January request from a resident to establish the district's first citizens finance advisory committee.

Director Steve Anderson asked fellow board members to consider attending similar finance meetings held by the town of Moraga and city of Orinda, saying he'd like the board to deliberate and discuss forming such a committee at some point.

# Contra Costa Times editorial: It's time to close Doctors Medical Center

Contra Costa Times editorial © 2015 Bay Area News Group

Posted: 02/22/2015 04:00:00 PM PST Updated: about 3 hours ago

It's time.

No one wanted to reach this point. No right-thinking person would take pleasure closing West Contra Costa's public hospital. But every attempt to save Doctors Medical Center in San Pablo has failed.

Voters have approved two parcel taxes, but they haven't been enough. A plea for a third tax was rejected at the polls. Attempts to find a bigger hospital, such as UC San Francisco, to absorb Doctors have gone nowhere.

Last-minute solicitation of offers from private groups fell flat last month when none was even willing to put up earnest money and none had a substantive plan beyond borrowing more money and digging the hospital deeper in debt.

We commend hospital Director Eric Zell, county Supervisor John Gioia and former hospital CEO Dawn Gideon for their extraordinary efforts trying to find a way out. If anything, they could be faulted for not pulling the plug sooner.

Now, it's time to start responsibly closing the doors, while ensuring that care for remaining patients is transferred, that medical and personnel records are properly preserved, that employees' retirement plans are fully funded and that radioactive equipment is safely shut down.

It's also time to open up an urgent care center to help treat nonemergency patients that have regularly turned to Doctors for their primary and urgent care. For that, we've heard surrounding hospitals say they are willing to provide assistance. It's time for them to step forward.

As for the hospital, some remain in denial. And some simply are irrational. It's time for them to recognize that the district has borrowed for years to keep the operation going. As a result the health care district that runs the hospital owes \$74 million to bondholders and the county.

It also has about \$18 million of other debts, primarily unfunded liabilities for employees' retirement benefits that the workers and retirees have already earned. The district must not walk away from that obligation.

It's against that backdrop that the district is about to sell to the city of San Pablo an office building it owns across the street from the hospital and part of the hospital parking lot. The mathematically challenged closure deniers undoubtedly will cry that the money should be used to keep the hospital running.

The fact is that the district will run out of cash in less than a week. The revenues from the sale of the ancillary property will barely cover the costs of the closure, which is estimated to take about four months.

Delaying the inevitable closure will only lead to more debt later. Sadly, it's time to say goodbye.

# San Pablo: City Council weighs \$11M Doctors Medical Center land deal

By [Tom Lochner, tlochner@bayareanewsgroup.com](mailto:tlochner@bayareanewsgroup.com)

Posted: 02/22/2015 12:00:00 AM PST Updated: a day ago

SAN PABLO -- With the survival of Doctors Medical Center seemingly hanging on down-to-the-wire negotiations with San Pablo officials, the City Council will hold the latest in a string of special closed sessions Monday to discuss a possible real estate deal that would provide a lifeline to West Contra Costa's only public hospital.

But what portion, if not all, of the hospital's properties is under negotiation was not entirely clear Friday. And also unclear is whether such a deal will pave the way for the cash-strapped hospital to pursue a long-term solution that will preserve it as a full-service facility.

After a closed meeting Thursday of the board of the West Contra Costa Healthcare District, which owns the hospital, board Chairman Eric Zell said "only a small portion" of the 10.8-acre hospital campus is "in play," and that "we will preserve the integrity of our primary hospital asset." He did not specify how much of the campus, which consists of a single Assessor's parcel and is at 2000 Vale Road, is in play.

But according to Monday's closed-session San Pablo City Council agenda, the entire portfolio of properties is under negotiation: the campus as well as 2023, 2023-A and 2121 Vale Road. The properties other than the campus are across Vale Road and consist of a condo and two buildings on parts of five parcels, Zell said.

The hospital's immediate neighbor to the east, the Lytton Rancheria Indian casino, paid \$4.6 million up front last year for a 20-year lease on a slice of the campus parcel, to use for parking.

A month ago, attorneys for San Pablo sent a letter of interest to the health care district offering to buy all six properties in exchange for \$11 million plus the transfer of a 5.88-acre city-owned parcel known as Lot 5 near the Contra Costa County Health Services Department's West County Health Center.

The Jan. 21 letter values Lot 5 at \$7.865 million based on a broker's opinion.

Under the Jan. 21 San Pablo proposal, the city would lease the hospital back to the health care district for five years at \$1 a year.

Lot 5 could be used only as a medical facility, according to the proposal. The Jan. 21 letter notes that the Lytton tribe has a right of first refusal to Lot 5, and that the proposed deal would require that Lytton waive its right.

On Jan. 8, the City Council approved a \$20 million lease revenue bond issue "to finance certain capital improvements and property acquisition for the city." The City of San Pablo Joint Powers

Financing Authority, the product of a joint powers agreement of San Pablo and its redevelopment successor agency, passed a similar resolution.

The acquisitions would include the hospital campus at 2000 Vale Road and a health care district-owned property across Vale Road. The capital improvement projects include upgrades to City Hall and conversion of a building at 13751 San Pablo Ave. for library use.

On Jan. 9, Standard & Poor's assigned an "AA-" long-term rating to the bond issue. According to the council resolution, the city would lease the properties back from the financing authority.

The financially ailing hospital, long home to the largest emergency room in West Contra Costa, is running an annual deficit of about \$18 million and could run out of cash by the end of the month. Kaiser Permanente's Richmond hospital operates the only other ER in West County.

DMC, which suspended emergency ambulance traffic last summer, now faces two possible scenarios, Zell said Friday: remaining open as a full-service, acute-care hospital with an emergency room, or an orderly closure.

"Will the money that we receive in a San Pablo deal be enough to sustain a full-service hospital with a sustainable financial future, or will circumstances require an orderly closure?" Zell said. "And are there any other sources of external money that would allow this hospital to sustain itself?"

Steve Simpson, a Doctors Medical Center operating room nurse, said during a break at Thursday's meeting: "We're still committed, and working hard, to keep this hospital open and provide patient care."

Zell on Friday ruled out the possibility of the health care district converting DMC into an urgent care facility if efforts to sustain a full-service hospital fail, though he added other health care providers might pursue such a path.

San Pablo City Manager Matt Rodriguez said Friday he could not comment on details of a deal until both parties accept one.

"The city continues to work toward keeping DMC operating as a vital community resource in providing critically needed medical services to local residents and the West County region," Rodriguez said. "Our goal is to get to a workable solution soon by providing one-time cash for DMC to continue to operate in exchange for a portion of (health care district) assets before the hospital's resources are depleted by the end of this month to avoid immediate closure."

Larry Stidham, attorney for the Lytton tribe, did not immediately respond to a request for comment Friday.

Monday's special closed session council meeting will be at 5:30 p.m. at San Pablo City Hall, 13831 San Pablo Ave.

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

# Drought: EBMUD eyes fines for water thieves

By Denis Cuff

[dcuff@bayareanewsgroup.com](mailto:dcuff@bayareanewsgroup.com)

Posted: 02/21/2015 03:37:57 PM PST Updated: 3 days ago

With tap water becoming an increasingly hot commodity in the drought, East Bay officials say it's time to turn up the pressure on meter cheaters and others who steal water.

The East Bay Municipal Utility District -- like many Bay Area water districts -- has never fined people who try to get water without paying for it, in keeping with a philosophy that emphasizes educating rather than penalizing customers. Repeat offenders have had their water turned off and been charged reconnection fees.

But now, with the theft of water on the rise, district officials are considering adopting fines or even criminal penalties.

"I get it that we are not a police agency, but when someone is caught, we should have some fine greater than the cost of water," said John Coleman, a board member from Contra Costa County.

The district is the second agency in the East Bay to consider tougher action against water thieves.

The Contra Costa Water District in December increased fines for stealing to \$250 for a first offense and \$500 for subsequent offenses. The fine previously had been \$25.

Some thieves steal from hydrants, wrenching them open illegally rather than securing a permit and portable meter to pay for the water used for dust control, street sweeping, construction or other purposes.

Some residential thieves pry open meters that were shut off because the homeowner didn't pay the bill. Others improvise illegal plumbing connections to public water pipes or their neighbors' pipes.

One church applied for a break on its bill after its water was stolen by a pot grower who used a church hose to water his crop, EBMUD officials said.

Reports of thefts are on the rise as the drought, now in its fourth consecutive year, has spiked public attention on the issue of water use in California, said Abby Figueroa, an EBMUD spokeswoman.

"We hear reports from people on the street, and they sometimes send us cellphone photos of connections people consider suspicious," she said.

In response to water thefts from homes, the district added locks to 1,128 water meters that had been pried open illegally during the first 11 months of 2014 -- an increase from 842 locked meters in all of 2013, officials said.

Many, if not most, of those meters were locked when customers illegally turned their meters back on after they had been turned off for lack of payment, Figueroa said.

Some locked-out customers cut the locks and turned the water back on again.

Figueroa said the 1,128 locked meters represent just a fraction of the 325,000 water meters districtwide. EBMUD serves 1.3 million people in Contra Costa and Alameda counties.

Coleman of the water board said he wants to look at options for criminal penalties for tampering with district equipment or neighbors' pipes.

A water board committee will meet March 10 to consider options for punishing water thieves.

Newly elected EBMUD Director Marguerite Young, of Oakland, agrees some fines are appropriate.

"If people know you can be hit with a substantial fine, people are going to be more reluctant to steal water," Young said.

Contact Denis Cuff at 925-943-8267. Follow him at [Twitter.com/deniscuff](https://twitter.com/deniscuff).

# Feb. 24 letters to the editor

Letters to the editor, Oakland Tribune © 2015 Bay Area News Group

Posted: 02/24/2015 04:00:00 PM PST

Should be outside probe in Kensington

There seems to be a few problems with the situation with the Kensington Police Department's investigation. ("Kensington: Police chief ousted after stolen-gun scandal," Feb. 16)

I agree that the officer should have been put on suspension immediately upon reporting the theft/loss of his badge, gun, ammo and cuffs to his chief.

The other problem: Being how small of a town Kensington is, their town board should not be involved in this type of investigation. It should be done by an outside agency, such as either the District Attorney's Office, sheriff's office, CHP, or the state Department of Justice. The people in town are too closely connected to the police department to do a proper investigation.

Tom Matarrese  
Oakland



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## **Non-Competitive Compensation Package Plagues MOFD Recruiting Efforts**

*By Nick Marnell*

The Moraga-Orinda Fire District is struggling to recruit and retain qualified firefighter-paramedics, and both management and the rank and file have expressed concern that increasing staffing to handle this year's fire season will be a challenge.

Moraga and Orinda are two of the gold standard communities in Contra Costa County. The 35,000 residents, whose median home value exceeds \$1.2 million and who earn some of the highest incomes in the Bay Area, allocate over 20 percent of their property taxes to their fire district, helping provide it with annual revenue of more than \$18 million. The revenue funds the operation of five fire stations, above the National Fire Protection Agency 2013 fire department survey average of 3.3 stations for districts the size of MOFD. The residents have paid for this enhanced level of service since the district's 1997 inception.

Despite serving such wealthy communities, MOFD firefighters do not keep pace financially with their peers. "They are one of the lowest paid and they have the worst health and retirement benefit package of the paid firefighters in the county," said Vince Wells, president of firefighters union Local 1230.

The plight of the MOFD firefighters evokes little sympathy from many, who cite the firefighters' high average salaries and benefits; 36 MOFD firefighters earned total compensation of over \$200,000 in 2014. But firefighters have recently departed the district for more lucrative deals, potentially leaving MOFD as a veritable training ground and feeder system - likely not the scenario that residents envisioned 18 years ago. "It's a valid concern," said Fire Chief Stephen Healy. "It's a challenge for us because we compete in a regional job market, and other agencies offer better benefits than we do."

To aid in employee recruitment and retention, the district recently increased its health care premium contribution for firefighters. But its contribution for retiree medical insurance for new hires remains at the California Public Employees' Retirement System minimum, compared with the contribution of the Contra Costa County Fire Protection District, which pays the same amount in health care premiums for its retirees as it does for its active members. Most of the MOFD firefighters also pay a 9 percent subvention of the employer share of the district's pension contribution, while ConFire negotiated out the employee subvention in its latest contract. "No doubt, the ConFire deal added pressure to our district," said Healy.

The district employs 51 firefighters to cover its basic 51 weekly shifts, and to cover the shifts missed by those on vacation, sick, on disability or on a strike team. Last year MOFD increased its daily staffing from 17 to 19 firefighters during the height of the fire season. "We are concerned the district does not have the capacity to go to 19 this summer," said Mark DeWeese, MOFD union representative.

Healy agreed that increasing the staffing for fire season will be a challenge, but he said that MOFD has the capacity to staff at 19 by using overtime. Overtime is a fact of firefighting life, and paying overtime is less expensive than hiring additional firefighters. But it can exact a high human toll. Last year, as ConFire coped with its own overtime crisis, Wells said, "... I get concerned when overtime is so excessive that the firefighters don't want to work it and you're forcing them to." As provided in the latest labor contract, MOFD has the right to hire single role paramedics to fill current vacancies. Either the district or the union can request other adjustments. "You can always renegotiate a contract," said district union representative Anthony Perry - like eliminating the firefighters' subvention of district pension costs or increasing the amount of the district contribution to cover retiree health care. "Those would be public policy decisions for the board to make," said Healy.

"Maintaining competitive wages and benefits for our employees is important to the district," said

Alex Evans, MOFD board president, who would not elaborate.

The chief said that he does not expect the size of the current staff to impede district firefighting efforts. "We'll be looking at this every day through the summer, and it will have some impact on our ability to provide statewide mutual aid. But our first duty is to protect our own citizens."

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## San Pablo: Doctors Medical Center property negotiations enter final stage

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ContraCostaTimes.com

SAN PABLO -- A deal to sell some of Doctors Medical Center's real estate holdings to San Pablo could come to fruition Wednesday, just days before the struggling hospital is slated to run out of cash.

The transaction would provide a small amount of breathing room as the hospital's governing board looks at two scenarios: an orderly closure, or continuing the current full-service, acute-care model, including an emergency room.

But with the hospital running an annual deficit of about \$18 million, and with apparently no debt support from other health care systems forthcoming, the hospital would need a steady source of cash. To that end, the West Contra Costa Healthcare District, which owns the hospital, has commissioned a poll to gauge voter support for possible parcel taxes of \$50, \$100 and \$150 per year that would raise about \$5 million, \$10 million and \$15 million a year, respectively.

Eric Zell, board chairman of the health care district, said that for the district to consider a parcel tax measure, the poll would have to show very strong support for the higher amounts.

He noted that just last May, a measure for an annual tax of 14 cents per square foot, or about \$210 a year on a 1,500-square-foot house, won only 52 percent yes votes, far short of the two-thirds approval required. That tax would have raised about \$20 million a year, according to district estimates, enough to cover the deficit.

"I'm not optimistic that there will be enough support for a parcel tax," Zell said Tuesday.

A third scenario -- converting Doctors Medical Center into a smaller, urgent care facility without an emergency room -- is not being considered by the health care district. The Hospital Council of Northern and Central California, however, is discussing the possibility in consultation with a private health care provider, according to the hospital council's spokesman, Kevin Keane.

The health care district and San Pablo have conducted numerous negotiations over real estate recently, but how much of the hospital's holdings are in the balance has been something of a moving target.

Zell last week said "only a small portion" of the 10.8-acre hospital campus is "in play," but according to the agenda of a closed session Monday of the San Pablo City Council, the entire portfolio is under negotiation: the campus as well as property at 2023, 2023-A and 2121 Vale Road. The properties include two medical office buildings, a parking lot and a residential condo.

A roughly 2-acre section of the hospital campus is being used by the adjacent Lytton Rancheria casino for parking under the terms of an easement for which the casino paid the health care district \$4.6 million for 20 years up front last year.

The San Pablo council closed session on Monday did not result in any reportable action, Mayor Kathy Chao Rothberg announced afterward.

Wednesday's health care district board meeting will include a financial presentation. The board will meet at 4 p.m. in open session in the hospital auditorium, 2000 Vale Road.

## West County Wastewater District postpones decision on system upgrade, rate hikes

By Rick Radin Correspondent

Updated: 02/24/2015 06:09:58 PM PST

ContraCostaTimes.com

RICHMOND -- With the support of two new board members, West County Wastewater District directors decided to postpone for at least a year consideration of a 20-year system upgrade and proposed steep rate hikes that would accompany it.

The master plan for the improvements, which was in the making for two years and completed last fall, would involve replacing more than 79 miles of the system's 249 miles of pipeline and eventually raise rates for district property owners to over \$1,000 annually.

Some of the pipes in the system date from the district's creation 94 years ago with an average age of 30 to 40 years, according to district statistics. Forty percent of the pipeline is more than 50 years old.

It also proposes critical repairs and improvements to the district's sewage treatment plant in Richmond and upgrading or relocating the district's headquarters and service facilities.

These changes will help the district comply with water and air quality regulations and help protect the low-lying treatment plant from rising water levels in the Bay.

But the cost in terms of debt and rate hikes made board President Michael Caine and recently elected directors Leonard McNeil and Audrey Comeaux pause.

The entire upgrade would require spending \$515 million accounting for inflation over the 20 years, with three proposed funding scenarios that include borrowing from a special state revolving fund for wastewater treatment improvements.

The fund is offering loans with 1 percent interest for water reuse projects under the governor's drought-relief program and 1.9 percent for other wastewater projects.

Under the scenario that involved the least borrowing -- \$95 million -- and steeper rate increases, wastewater treatment rates would rise from \$381 a year per household in 2015 to \$1,346 a year by 2020 and remain there through 2034.

Under an alternative scenario where the district would borrow the entire \$515 million, rates would rise more slowly, increasing from the current \$381 per household to \$980 a year by 2024 and then continuing to rise to nearly \$1,400 a year by 2033.

The last improvement program to the district's infrastructure took place in the 1970s, when 87 percent of the work was paid for from state and federal grants.

"It's a great master plan, but putting all of the burden on our ratepayers is going to be hard to swallow," Caine said.

Comeaux agreed and urged her fellow directors to take another look at the master plan and prioritize the work to reduce costs.

"Review the project with the priorities on complying with regulations, public safety and the environment," she said. "Reassess the timelines and the importance of the work."

Board Secretary Alfred Granzella and board member George Schmidt disagreed, saying that surveys of the district's infrastructure proved there is an urgent need to implement the master plan to lower the likelihood of a system failure.

"Things are at a crisis point, and we've come up with a good plan to improve the system," Schmidt said. "Our rates have always been the lowest in Contra Costa and will be low after we (do the improvements) ."

Caine also acknowledged the risk inherent in the delay.

"If you don't do anything, you set yourself up for tremendous liability" from flooding, service outages and other malfunctions, he said.

The 3-2 vote to table the plan put off any decision to go ahead until 2016. The district needed to approve a financing plan Tuesday to get a rate increase approved this year.

West County Wastewater serves 93,000 residents in San Pablo and portions of Richmond, Pinole and unincorporated El Sobrante, with the population in its service area expected to rise to 113,000 over the 20-year master plan term.

# Time quickly running out on Doctors Medical Center

By [Tom Lochner, tlochner@bayareanewsgroup.com](mailto:tlochner@bayareanewsgroup.com)

Posted: **02/26/2015** 12:00:00 AM PST Updated: about 2 hours ago

SAN PABLO -- After a months-long effort to save West Contra Costa's only public hospital, local health care officials acknowledged Wednesday that its chances for survival remain bleak despite a tentative deal to sell part of its real estate holdings.

During a West Contra Costa Healthcare District board meeting, officials began discussions about the best way to close Doctors Medical Center in coming months if last-ditch efforts to preserve a full-service hospital fail.

The cash from the sale of land to the city of San Pablo would allow the hospital to close in an orderly fashion, including paying employee payroll as well as accrued sick leave, pension obligations, workers' compensation and unemployment dues, insurance, utilities and vendors' bills, officials said. "We owe it to our employees to make them whole," health care board Chairman Eric Zell said.

Any hope of saving DMC now hinges on a long-shot attempt to generate public support for a new parcel tax, something that seems unlikely after voters rejected a similar tax proposal last year.

The deal, involving mostly property across the street from the hospital campus, would net its owner, the health care district, \$7.5 million in cash. The deal needs to be ratified by the San Pablo City Council, likely next week, and a formal purchase-and-sale agreement is supposed to go before the DMC board next Wednesday.

The financially-strapped hospital has been running an annual deficit of \$18 million and has steadily reduced services in recent months, generating widespread concern throughout the region about the impact on public health. DMC has long operated West County's largest emergency room and handled lifesaving care for heart attack and stroke victims.

It was on course to run out of cash the week of March 13, consultant Harold Emahiser told the board.

An orderly "wind-down," Emahiser said, would cost between \$4 million and \$6 million and would take about six months, although the hospital would be closed to patients much sooner.

To keep the hospital open, he said, would require a positive answer to two questions: "Is there a sustainable model, long term?" and "Is there another source of cash?"

The hospital's patient mix -- about 80 percent Medi-Cal and Medicare, 10 percent uninsured and 10 percent private patients -- is the prime factor preventing the hospital from being sustainable, officials said.

"If we got the full cost of care from Medi-Cal and Medicare, we wouldn't be here today," Zell said.

As for the needed infusion of cash, a request for \$4.3 million a year in debt relief to Kaiser Permanente, Sutter Health and John Muir Health, made through the Hospital Council of Northern and Central

California, recently was rejected, Zell said, as was a one-time request for \$4 million in "cash crunch relief."

The three providers have emergency rooms in the East Bay that have had to absorb patients that normally would go to DMC, which had to stop accepting ambulances in August; DMC's ER remains open for walk-in patients.

Results of a poll commissioned by the health care district to gauge voter support for a parcel tax are expected next week.

The deal approved unanimously by the health care district board Wednesday calls for San Pablo to pay the district \$3 million in March and \$4.5 million in April. San Pablo would receive title to two medical office buildings, a condo and some parking, all on the north side of Vale Road. The city would also receive a 2-acre chunk of the hospital's campus currently used for parking by the adjacent Lytton Rancheria casino under a 20-year easement for which the tribe paid \$4.6 million last year; the health care district would be absolved of paying back the \$4.4 million unused balance of the easement term, making the deal worth \$11.9 million.

San Pablo previously had proposed to buy the hospital's entire real estate portfolio for \$11 million and a nearby piece of land -- enough cash for about four or five months of DMC's expenses.

Under that proposal, "We would be trading operation money for assets," Zell said.

During the public comment period, El Sobrante resident Marilynne Mellander urged the board not to invest anymore taxpayer money in the hospital.

"I say, shut it down as soon as possible," Mellander said.

But other speakers, including several DMC nurses, urged the board to do everything in its power to keep the hospital open. Respiratory therapist Sandra Willingham, addressing those who want the hospital to close, said: "Those few people may one day need this service, and when they do.... we will take care of them in the same good way as we've done in the past."

Outside the hospital, Richmond resident Salvador Rodriguez, 26, said he has no medical insurance, but he was treated at the hospital several times for an injury to his leg and other ailments.

"I like this hospital," Rodriguez said. "I like the treatment; I like the care. Everything is convenient.

"I would hate it if this place went out."

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## ConFire, AMR expected to bid for Contra Costa's new ambulance contract

By Matthias Gafni [mgafni@bayareanewsgroup.com](mailto:mgafni@bayareanewsgroup.com)

Updated: 02/27/2015 07:06:07 PM PST

ContraCostaTimes.com

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Contra Costa's ambulance contract is up for grabs.

The contract for American Medical Response, which has served the county's emergency calls for decades, expires at the end of the year, and the bidding process to find a new ambulance provider opened Friday.

Contra Costa Fire District, the county's largest fire department, is expected to compete for the county contract, which designates an agency to respond to all 911 medical emergencies. Firefighters for the San Ramon Valley and Moraga-Orinda fire districts already provide emergency ambulance services in those areas. AMR also is expected to bid to keep servicing the county.

Bids for the new, five-year contract are due May 21, and the new contract would begin in 2016. The contract includes a five-year renewal option based on performance.

Bidders are asked to provide two different service models: one similar to the current model and another with ways to optimize services to match patient need.

County supervisors hired consultants to create the EMS Modernization Project Report in 2012 to make Contra Costa's system more efficient and reduce the chances the county would have to subsidize the ambulance provider.

The bidders must also show their capabilities, including response times, staffing and equipment requirements.

The Board of Supervisors is expected to choose a provider in July.

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# Barnidge: D-Day fast approaching for Doctors Medical Center

[By Tom Barnidge Contra Costa Times Columnist](#)

Posted: 02/28/2015 12:00:00 PM PST

Recent meetings of the governing board of Doctors Medical Center San Pablo have felt like a waiting room for an intensive care unit. Well-wishers wearing solemn expressions assemble in hushed silence awaiting a prognosis on the chances for survival.

Funding woes have plagued the hospital for as long as anyone can remember, but there was always a flicker of hope in the past -- an infusion of cash from Kaiser Permanente and John Muir Health; \$35 million in loans from Contra Costa County; a \$3 million gift from the state; a promise of \$15 million from Richmond.

Thanks to an assortment of saviors, DMC has stared down death more often than James Bond. But all the harrowing escapes seemed a distant memory Wednesday afternoon, when directors of the West County Healthcare District signaled that the time is near to prepare for the end.

They announced their intention to sell three parcels of hospital property to San Pablo for \$7.5 million, most of which is expected to be used for paying off outstanding expenses in preparation for closure.

"We're no longer kicking the can down the road," board President Eric Zell said. "We're dealing with the reality of our financial situation."

The coffin has not been nailed shut. The hospital will remain open in a limited capacity for now, clinging to the faint hope that survey results will reflect an appetite for a new district parcel tax. But inasmuch as the last effort, just 10 months ago, came up 15 percent short at the polls -- 52 percent in favor of a measure needing two-thirds support -- this escape would rival anything Houdini ever attempted.

Zell pegged decision time at 30 days. "We have to decide when we're going to stop burning money on operations and start using it for closure," he said.

There's never been a shortage of a need for DMC. It typically averages 40,000 emergency room patients a year, including more than 500 requiring cardiac care. The problem is that funding for services has not kept pace. About 80 percent of patients are on Medicare or Medi-Cal; about 10 percent are uninsured.

"This hospital cannot continue on a stand-alone basis as long as Medicare and Medi-Cal rates are as low as they are," Zell said. "If we got the full cost of care, we wouldn't be having these conversations."

He couldn't help but note the irony of recent nationwide health care reform: "Under the Affordable Care Act, we're providing greater access to health care but not providing more money to serve the people who are getting access."

No one can fault the hospital's supporters for the long-dreaded arrival of D-Day. Directors knocked on doors and lit up phone lines in search of funding answers. Members of a dwindling staff took extra shifts and agreed to benefit concessions. Their collective sense of loss was in the air at the most recent meeting.

This end was likely inevitable. The question that follows: What's next?

Zell holds out hope that LifeLong Medical Care, which operates a health care clinic in one of the nearby facilities San Pablo bought, will find the resources to convert to an urgent care center. He hopes the West County Health Center on San Pablo Avenue can pick up some of the slack when Doctors closes its doors.

Even in recent weeks, as service has been scaled back, the hospital has treated nearly 100 patients a day. The unanswered question is where those folks will find help when the plug is pulled on DMC.

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# East Contra Costa Fire District to try again on mail-in election

By Rowena Coetsee [rcoetsee@bayareanewsgroup.com](mailto:rcoetsee@bayareanewsgroup.com)

Posted: 03/03/2015 09:45:20 PM PST Updated: about 12 hours ago

OAKLEY -- The East Contra Costa Fire District will be mailing ballots to property owners this month in a second attempt to pass a benefit assessment that would enable it to reopen a fifth station for the next few years.

The district board of directors on Monday agreed to resume the effort to drum up more revenue for the financially beleaguered agency, which had to close one of its Brentwood stations in September.

The four fire houses that remain serve an approximately 249-square-mile area.

The fire district will mail 42,807 ballots to every property owner -- residential, commercial and governmental -- by March 13, proposing assessments that range from \$14.71 to \$1,291.

The assessments would remain in effect for five years and would not include an inflation factor to cover cost-of-living increases.

Ballots must be returned by April 27. At 10 a.m. that day, the district will hold a public hearing at Oakley City Hall, where constituents can weigh in on the assessment and turn in last-minute ballots.

Following the hearing, the public can watch votes being counted; fire Chief Hugh Henderson said he expects the results to be announced at a special board meeting that night.

A majority vote would generate an estimated \$4.2 million per year in additional revenue, enabling the district's Discovery Bay, Knightsen and Oakley stations to stay open as well as both of Brentwood's stations.

As much as first district officials hope the assessment will succeed, Henderson readily acknowledges that it's no panacea.

"This is a temporary fix. We know this isn't a permanent answer for the district," he said.

East Contra Costa Fire suspended its first attempt at a benefit assessment in September after discovering that about 10,000 of the ballots it had mailed proposed charges that were either too high or too low.

The district had calculated the assessments based on information it had received from other government agencies on the proximity of properties to fire hydrants and streets, data that turned out to be obsolete.

The assessment on a parcel varies according to those two factors, among others: The farther it is from a water source and the more difficult it is to reach, the less benefit that property owner derives from fire services and the less he or she consequently pays.

An investigation into the reasons for the erroneous data revealed that although some East Contra Costa properties weren't being assessed enough, most landowners had received ballots reflecting an overcharge.

If voters reject this benefit assessment, the district will have to close its Knightsen station again, returning to the three fire houses it had in 2012.

Following the failure of a proposed parcel tax in June of that year, East Contra Costa Fire shuttered half of its six stations until that November, when a two-year federal grant it had received allowed it to reopen Knightsen's firehouse.

The district reopened Brentwood's downtown station in May 2013 only to mothball it again last fall.

East Contra Costa Fire is only able to keep the remaining four facilities open through the end of this fiscal year because of the grant coupled with a \$1.4 million windfall in property tax revenue, Henderson said.

Should the agency find itself with just three stations, firefighters will be forced to change the way they do their job, he said.

With fewer personnel responding to calls and longer distances to travel because stations have closed, crews are more likely to encounter structures that are fully engulfed by the time they arrive, he said.

If that's the case, they'll take a defensive approach, focusing on preventing the blaze from spreading to nearby homes instead of trying to salvage the contents of the building where it started, Henderson said.

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