

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

MINUTES OF MEETING

August 11, 2010

Board of Supervisors Chambers
Martinez, CA

1. Vice Chair David Piepho called the meeting to order at 1:32 p.m.
2. The Pledge of Allegiance was recited.
3. Roll was called. A quorum was present of the following Commissioners:
City Members Helen Allen and Alternate Don Tatzin.
County Members Gayle Uilkema and Alternate Mary Piepho.
Public Member Alternate Sharon Burke.
Special District Members Dwight Meadows and David Piepho and Alternate George Schmidt.
Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, and Clerk Kate Sibley.
4. Approval of the Agenda
Upon motion of Allen, second by Tatzin, the agenda was adopted.
5. Public Comments
There were no public comments.
6. Approval of July 14, 2010 Minutes
Upon motion of Tatzin, second by Meadows, the minutes for the July 14, 2010 meeting were unanimously approved.
7. County Service Areas M-30 and R-7 SOI Updates
The Executive Officer reviewed with the Commission the governance and SOI options pending from the recently completed MSR covering CSAs M-30 and R-7. A meeting was held in June with County Public Works staff and staff of Supervisor Piepho's office, and on August 4 LAFCO staff met with the Alamo Municipal Advisory Council (MAC) to further discuss the options as outlined for the CSAs.
With regard to CSA M-30, the Alamo MAC agreed with the consultant and staff recommendations to retain the current coterminous SOI.
For CSA R-7, the MAC reaffirmed its opposition to combining Green Valley RPD with CSA R-7. The MAC also indicated its interest in the potential annexation of Round Hill to CSA R-7. Commissioner M. Piepho noted that District III representatives will meet with Round Hill residents to further discuss the potential annexation. In response to a question from Commissioner Burke regarding CSA R-7 Zone B, staff stated that the Board of Supervisors will initiate dissolution of Zone B, which is inactive.
Upon motion of Uilkema, second by Burke, Commissioners unanimously retained the existing coterminous SOI for CSA M-30 and deferred the SOI update for R-7 pending further discussions with interested parties.

8. Fire Service Updates

The Executive Officer reported that, following the July 14 recap of the May 21, 2010 fire workshop, Commissioners directed staff to request updates from all of the fire and emergency medical service providers in Contra Costa County. Staff noted that some reports had been included in the agenda packet, two more had arrived in time to be distributed at the meeting, and others will provide oral reports.

The Chair opened public discussion.

Ellen Dale, resident of Orinda, spoke against the formation of a blue ribbon committee on fire services issues.

The Chair asked each fire agency representative to provide a brief oral report, and Commissioners followed up with questions and comments.

Lance Maples, Fire Chief for El Cerrito and for Kensington FPD, reported that the City of El Cerrito has adopted a budget that retains the same service levels. El Cerrito has placed a half-cent sales tax increase on the November ballot; if it does not pass, they will make assignment adjustments. He noted that the City and Kensington FPD are satisfied with the status quo; the regional concept of auto aid works.

Jim Parrott, Fire Chief for the City of Pinole drew the Commission's attention to the West County written update. He noted that they're still working on sustaining the collaborative Battalion 7, they're browning out the valley station, and they're working with Local 1230 on personnel issues. In response to a question, Chief Parrott noted service options currently under consideration and challenges with some, such as contracting with CalFire.

Michael Banks, Fire Chief for the City of Richmond, said that the city's, and the fire department's, financial situation is stable thanks to a community benefit agreement with Chevron. The Richmond FD shares great relations with other fire districts, especially in West County.

Hugh Henderson, Fire Chief of ECCFPD, submitted his written report and spoke of governance changes in the past months. Staff has been reduced from 54 to 48, they have closed two stations, but now have four stations with three personnel and three stations with two personnel. The board plans to hire a polling consultant to prepare for a possible ballot initiative in June of 2011 for increases in fees and support of capital projects, along with formal election of a board. They are looking at instituting charges for responding to accidents incurred by people outside of the service area.

Commissioner Tatzin suggested moving Agenda Item 11 up to this discussion, as it relates to ECCFPD. Commissioner D. Piepho spoke regarding a letter from Discovery Bay CSD, which is frustrated by the closure of a fire station in their district. Further discussion ensued on this specific topic; Chief Henderson assured commissioners that the ECCFPD Board is considering all possible options with regard to budget, consolidation, and levels of service throughout the district.

Nina Ramsey, Board President of Kensington FPD, stated that her district is fiscally solvent, despite flat revenues and expenditures, and that it does not wish to merge with the Kensington Police Protection and CSD (KPPCSD). She explained that a parcel tax recently passed that has resolved the fiscal issues of the KPPCSD.

Randy Bradley, Fire Chief of Moraga-Orinda FD, reported that they have balanced their preliminary budget but still have to find \$400,000. They have no interest in consolidation with ConFire, and they are carefully watching the impact of ConFire's brownouts. In response to a question, the Chief noted that the fire flow tax paid by Orinda residents garners about \$2 million in revenues annually.

Alan Biagi, Fire Chief of Rodeo-Hercules FPD, reported that as a part of the Battalion 7 collaborative, they are also part of the discussion of service delivery in West County. They are all discussing consolidation, and he feels they are closer to solutions than in the past. In West County, they live by auto aid in order to provide adequate service. One of their financial problems is Hercules's redevelopment area, which is costing the district \$1 million annually.

Bryan Collins, Assistant Fire Chief of San Ramon Valley FPD, stated that their district's budget is down by about 3% this year (5% last year); they are using some reserves. They work closely with other districts and share resources. The district enhances its revenues by recovering insurance payments made to their residents as well as to those outside the district. They have been working with Local 1230 on personnel issues.

Commissioner D. Piepho commented that SRVFPD has been a missing element at previous fire meetings and workshops, and encouraged the district to be more engaged in the future, adding that SRVFPD has had a great deal of success, and it would be useful to other districts to have their input.

Art Lathrop, Director of County Emergency Medical Services, reminded commissioners that County Service Area (CSA) EM-1 is not an operating entity, but rather a revenue-collecting agency. Revenues are collected through taxes as well as development and new building fees; these revenues are flat at this time. Services are purchased from American Medical Response, and they are currently measuring response times, which are very good. Lathrop pointed out that Measure H provided a subsidy to ambulance service to ultimately put paramedics on fire engines instead. He also commented on the LAFCO recommendation regarding PSAP issues.

Gil Guerrero, Local 1230, spoke on behalf of ECCFPD and ConFire, in support of their work despite their financial problems.

Vince Wells, President of Local 1230, thanked LAFCO for this continuing dialogue and spoke of station closures and labor cuts. Most districts have managed to keep stations open so far, but the result is less weed abatement, less trail cutting, fewer training opportunities, etc. ConFire is owed about \$75,000 from the City of San Pablo, which has indicated it will not be paying.

Daryl Louder, Fire Chief for Contra Costa County FPD (ConFire), reported that its final budget has been postponed to September; there is a structural imbalance between revenues and expenditures and they are digging into their reserves. Even with the possibility of some service reductions, they continue to face challenges, and are discussing with a polling consultant a strategy for increasing revenues. They are in discussion with San Pablo and Pinole for creation of a Joint Powers Authority.

- 1) Following the reports, commissioners discussed next steps. Commissioner M. Piepho requested that staff research and provide information regarding impacts of revenue losses due to redevelopment areas; percentage of 1% property tax that goes to fire districts, and "return to source."

- 2) Commissioner Tatzin suggested including County redevelopment and before and after pass-through amounts. He also noted that the economy has been a driving factor in fiscal and service challenges and asked whether having LAFCO involved in these discussions has been beneficial.

Commissioner Uilkema suggested the Commission focus its goals and next steps in terms of short, mid and long term. She suggested that each commissioner come to the September meeting with one or two ideas of what LAFCO should do next.

Upon motion of Allen, second by Tatzin, commissioners continued the matter to the September 15 meeting and directed staff to collect and report on the requested information.

9. Professional Services Contract – Baracco and Associates

The Executive Officer provided a brief update on the status of the baseline Municipal Service Reviews (MSRs), which have all been completed except for a comprehensive review of police services. Staff proposes contracting with Baracco and Associates to conduct this MSR. Bruce Baracco has provided professional services to this LAFCO since 2007, including MSRs for the cities of Antioch and Pittsburg and for the reclamation districts.

Commissioners discussed the amount of the contract and the scope of the work to ensure that all possible policing entities will be reviewed. Commissioners suggested including the County Sheriff and State Department of Fish & Game. There was discussion of using number of officers per 1,000 residents as a variable. Commissioner Burke commented on accuracy of data relating to County Service Areas and obtaining input from County advisory bodies. Upon motion of Uilkema, second by Tatzin, commissioners unanimously authorized LAFCO staff to execute a service agreement with Baracco & Associates in an amount not to exceed \$22,000.

10. Professional Services Contract– Incrementum

The Executive Officer reported that currently LAFCO files are primarily hard copies residing in cabinets in the office. Staff has been scanning documents for the past year or so, but an electronic document management system requires a more comprehensive approach. LAFCO staff recommends retaining Incrementum, which has been working with Napa and Los Angeles LAFCOs and numerous special districts, to design and implement a system to capture, index, search, retrieve, and distribute all LAFCO documents.

Upon motion of Tatzin, second by Uilkema, commissioners unanimously authorized LAFCO staff to execute a contract with Incrementum for the purchase and implementation of an electronic document imaging and management system in an amount not to exceed \$33,000.

11. Financial Audit – Fiscal Year 2008-09

The Executive Officer provided a brief overview of the FY 2008-09 financial audit conducted by R.J. Ricciardi. Commissioner Tatzin provided a number of comments and questions, as follows:

- 1) Expedite timing of annual audit for an earlier completion date.
- 2) Audit should include LAFCO's capital assets in accordance with new policy (i.e., capital assets include furniture, fixtures and equipment with a useful life of three or more years and a value of \$5,000 or more).
- 3) Unfunded liabilities (i.e., pension, medical) should be included.

- 4) Review investment policy, which seems to currently be dependent on County Treasurer's policy. Does the County investment policy reflect recent changes in investment law?

Upon motion of Allen, second by Uilkema, commissioners unanimously accepted the Fiscal Year 2008-09 Financial Audit.

12. Communication from Discovery Bay Community Services District

This item was moved to Agenda Item 7 – Fire Services Workshop Report.

13. Letter from County Supervisor Mary Nejedly Piepho

14. Letter from Vincent Maiorana

Vince Maiorana spoke regarding his belief that Orinda residents are being charged three times over by Moraga-Orinda Fire District for emergency medical services in terms of their property tax (22.6%), a special tax that includes EMS, and a fee for emergency medical services (instituted without Orinda voter approval).

15. Commissioner Comments and Announcements

Commissioner D. Piepho commented on an article that he has asked LAFCO staff to forward.

16. Staff Announcements and Pending Projects

The Executive Officer drew Commissioners' attention to the pending projects, legislative update, and recent news articles.

The meeting adjourned at 4:19 p.m.

Final Minutes Approved by the Commission on September 15, 2010.

AYES: Allen, McNair, Meadows, M. Piepho, Schmidt, Schroder

NOES:

ABSTAIN:

ABSENT: Glover (M), Uilkema (M)

By _____ /s/ Lou Ann Teixeira
Executive Officer