

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

MINUTES OF MEETING

September 15, 2010

Board of Supervisors Chambers
Martinez, CA

1. Chair McNair 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 Rob Schroder and Alternate Don Tatzin.
County Member Alternate Mary Piepho.
Public Member Martin McNair and 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.

Alternate County Member Mary Piepho sat in place of County Members Federal Glover and Gayle Uilkema, and Alternate Special District Member George Schmidt sat in place of Special District Member David Piepho, who sat in the Alternate's seat.
4. Approval of the Agenda
Upon motion of Allen, second by M. Piepho, the agenda was adopted.
5. Public Comments
There were no public comments.
6. Approval of August 11, 2010 Minutes
Upon motion of Allen, second by M. Piepho, the minutes for the August 11, 2010 meeting were approved by majority, with Commissioners McNair and Schroder abstaining.
7. LAFCO 10-02 - Northeast Area Annexation to Delta Diablo Sanitation District (DDSD)
The Executive Officer presented an overview of this annexation request from the City of Pittsburg, which consists of approximately 874 acres (42 parcels) to be annexed to DDSD. The project area is located in the City of Pittsburg around the northern portion of Loveridge Road and the Pittsburg Antioch Highway, extending north to the waterfront, and includes properties that already receive municipal sewer service as well as those that may need such service in the future. No new development is planned at this time, but the City is currently processing several land use applications in the project area.

Discussion ensued regarding parcels that seemed to be excluded from the annexation despite the fact that they would have aligned the annexation with the Urban Limit Line. Staff noted that those parcels were either partial parcels or submerged, and therefore unnecessary for the annexation. Commissioner D. Piepho asked that in the future staff tag such areas with explanations for their exclusion.

Kristin Vahl, Associate Planner for the City of Pittsburg, concurred that these parcels were either partial parcels or submerged, and stated the city's full support of this annexation.

Upon motion of M. Piepho, second by Allen, the Commission unanimously certified that it reviewed and considered the information contained in the Negative Declaration; approved the proposal to be known as the Northeast Area Annexation to Delta Diablo Sanitation District as submitted with specified conditions; determined that the territory being annexed shall be included in Zone 2 and is liable for taxes, assessments and charges; found that the subject territory is uninhabited, that no landowners object to the annexation, that the annexing agencies have consented to the waiver of conducting authority proceedings, waived conducting authority proceedings and directed staff to complete proceedings.

8. LAFCO 10-07 - Cities of Pinole and Richmond (Kay Road) Sphere of Influence (SOI) Amendments

The Executive Officer reported that this SOI adjustment and a subsequent annexation application will correct a boundary irregularity created with a prior annexation of Montalvin Manor. There will be no changes in land use for this ten-foot strip of road.

Melissa Tigbao, with the Richmond Engineering Department, confirmed that the City of Richmond supports this SOI update and the pending annexation.

Upon motion of M. Piepho, second by Allen, the Commission unanimously determined that Contra Costa County as lead agency found the project to be categorically exempt; certified that the Commission has reviewed and considered the information contained in the CEQA documents and declared the project exempt; and amended the SOIs of the cities of Pinole (reduced) and Richmond (expanded) by 0.195± acre located in the unincorporated Montalvin Manor area adjacent to the eastern city limit of the City of Richmond.

9. Fire Service Report

The Executive Officer presented charts regarding economic challenges, with an emphasis on the effects of redevelopment on fire and emergency medical service revenues.

Table 1 provides a year-by-year summary, for three years, of property tax gains and losses by city. The County Assessor reports that there was a \$4.9 billion decrease in the total tax base for 2010-11, and that Contra Costa County real estate continues its lackluster showing due to economic decline.

Table 2 is an excerpt from the LAFCO Fire and Emergency Services MSR report which shows the difference in property tax shares received by the fire districts in the County. Property tax shares accruing to some districts (i.e., ECCFPD and RHFD) are relatively low due to the historically low-cost (volunteer) providers in these areas at the time Prop 13 was implemented. By contrast, property tax shares accruing to other districts (i.e., KFPD and MOFD) are much more substantial as higher-cost fire departments were operating in these communities at the time Prop 13 was adopted, which established the tax shares for all agencies.

Table 3 provides a summary of the “calculated” impacts of redevelopment on property tax by fire district and city. This table shows the gross and net AB8 funding by district and city, and the gross and net (i.e., less redevelopment pass-through) effects of redevelopment on fire service revenue.

Commissioner M. Piepho suggested that Table 1 (assessed values) include the unincorporated areas of the County, and that footnotes be added to each table to more fully clarify the sources for the information. She also suggested that the full RDA funds for each agency be

listed, not just the fire districts' portions of those funds. And on Table 2, the percentages should be explained further— i.e., percent of what?

Commissioner Tatzin asked that staff make certain the RDA funds are not overstated. The AB8 designations in the columns are confusing.

Commissioner Schroder requested clarification regarding redevelopment funding pass throughs. Counsel Anderson noted that the redevelopment funding formula was essentially frozen as of a date specific.

Commissioner M. Piepho asked that it be noted on Table 3 that only fire districts affected by redevelopment funds are listed.

The Chair asked Commissioner Tatzin to work with staff on refining this report. Commissioner Schroder suggested that staff call on Jim Kennedy to provide further information and clarification regarding redevelopment funds.

Jim Parrott, Pinole Interim Fire Chief, stated that there are three city fire departments out of 19 cities in the county; and for those cities, it's a choice that they make. He also commented on redevelopment agency sunsets dates, noting that San Pablo has a redevelopment area that is due to expire in 2013; if that were to happen it would free up some of their revenues, but if it gets renewed, which it very well may, then we start all over again. It would seem that when those things expire that would be the time to get some control over whether they get resurrected again or not.

Commissioner M. Piepho stated that on September 14 the CAO presented to the Board of Supervisors a budget report and proposed corrective action plan for ConFire. A final plan will be presented on September 28.

The Chair asked staff to include these two reports in the next agenda packet.

Rich Seithel, from the County Administrator's Office, confirmed that all of the figures presented in Table 3 are strictly related to fire district revenues.

Vince Wells, President of Firefighters Local 1230, urged that further education is needed to ensure that people understand that station locations in any fire district don't necessarily indicate the service levels for those particular areas; tax revenues are combined and used for the entire district.

Commissioner Allen noted that while there have been ongoing discussions regarding salaries and benefits for public employees, when the San Bruno explosion happened firefighters were present from all over the region, and their service were appreciated.

10. Fourth Quarter Budget Report for FY 2009-10

The Executive Officer presented the figures comparing adopted and actual revenues and expenditures for the fourth and final quarter of FY 2009-10.

Commissioner McNair asked whether the contingency reserve carries over from year to -year, and LAFCO staff responded it does not. Commissioner Burke commented on cost associated with noticing and publications. Following discussion, and upon motion of M. Piepho, second by Allen, the Commission unanimously received and filed the FY 2009-10 budget report as presented.

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

The Executive Officer presented recent correspondence from CCCERA.

12. Commissioner Comments and Announcements

Chair McNair asked whether LAFCO has to approve a change in ownership of a water district. Counsel Anderson responded that some areas are served by water companies, rather than districts, and they would not be answerable to LAFCOs. This generated a brief discussion of various types of agreements between districts and between districts and companies.

13. 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 2:38 p.m.

Final Minutes Approved by the Commission on October 13, 2010.

AYES: Burke, Glover, Meadows, D. Piepho, Schroder, Tatzin, Uilkema

NOES:

ABSTAIN:

ABSENT: Allen (M), McNair (M)

By /s/ Lou Ann Texeira
Executive Officer