

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

August 10, 2011

Board of Supervisors Chambers
Martinez, CA

1. Chair Michael McGill 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 Gayle Uilkema and Alternate Mary Piepho.

Public Member Alternate Sharon Burke.

Special District Members Michael McGill and Alternate George Schmidt.

Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, and Clerk Kate Sibley.

4. Approval of the Agenda

The Chair requested that Agenda Item #9, Northeast Antioch Monthly Update, be moved to a position immediately following Agenda Item #6. Upon motion of Tatzin, second by Uilkema, the agenda was adopted unanimously with that change.

5. Public Comments

There were no public comments.

6. Approval of July 13, 2011 Meeting Minutes

Upon motion of Piepho, second by Tatzin, the minutes for the July 13, 2011 meeting were approved unanimously.

7. Northeast Antioch Update

The Executive Officer gave an overview and brief chronology of the issues pertaining to the pending annexation of the Northeast Antioch area, and presented the written monthly report submitted by the City of Antioch and Contra Costa County, noting that the July 25 meeting was attended by Commissioner McNair and LAFCO staff.

Staff noted that the next meeting is scheduled for August 22.

Victor Carniglia, with the City of Antioch, answered questions from Commissioners relating to infrastructure, service and costs. Mr. Carniglia suggested that, in order to expedite future reports, Commissioners provide LAFCO staff with their questions in advance of the meeting so that City and County staff may respond to them in writing, thus eliminating their need to be at the LAFCO meeting.

8. Special Presentation - Delta Protection Commission

Mike Machado, former Senator and current Executive Director of the Delta Protection Commission (DPC), was introduced by Commissioner Piepho, who is a member of the DPC. Machado gave a presentation and update on the activities of the DPC, including its three main projects: the Primary (and Secondary) Zone Study, a feasibility study of the development of the Primary Zone as a national heritage area, and the Economic Sustainability Plan. It is generally

agreed that any plans for the Delta must maintain the viability of agriculture, recreation, ecotourism, and agri-tourism, even while considering the water needs of the State of California.

Commissioners discussed Machado's report and how it relates to Contra Costa County's reclamation districts. Machado stressed that of the 1,100 miles of levees that were evaluated in the DPC's studies, only about 150 miles are in need of repair, with about 50 miles in serious trouble. Work is being done on some of these levees already. Machado stated that the State has overcommitted four times more water than is actually available. The Chair thanked Machado for his time and work on these issues.

9. Police Services Municipal Services Review (MSR)

The Executive Officer provided an overview of the work that has been completed on the Law Enforcement Services MSR, covering the County Sheriff's Office, 19 cities, seven special districts and other agencies engaged in providing police services in Contra Costa County. Staff noted that this agenda item deals only with the MSR report, which the Commission is asked to accept, along with approving the required determinations. The next agenda item will focus on Sphere of Influence (SOI) updates.

Bruce Baracco, of Baracco & Associates, and Jennifer Stephenson, of Policy Consulting Associates, presented highlights from the MSR as well as a comment log and subsequent changes to the document. A copy of the PowerPoint presentation can be obtained through the LAFCO office. The consultants noted that all agencies are facing budget challenges; staffing levels have been reduced to cover rising costs, especially those related to retirees. Four cities contract with the Sheriff's Office; 13 agencies have citizen advisory committees; six publish annual reports; average staffing level is 1.2 sworn officers to 1,000 residents. There are critical issues with the County Service Areas that provide police services. Among other changes, all of the statistics in tables 3-1 and 3-2 have been updated to reflect more accurate numbers.

The public hearing was opened at 2:50 p.m.

Vince Maiorana, resident of Orinda, spoke regarding unfunded retiree costs and sustainability of public services, and suggested that LAFCO may be the agency to focus attention on these issues.

Chief Dan Lawrence of the City of Clayton Police Department spoke on behalf of the Contra Costa County Police Chiefs Association and praised the consultants for a comprehensive and fair report. He noted that some of the chiefs were concerned about the consultants' conclusions regarding reported response times.

The public hearing was closed at 2:58 p.m.

Commissioners discussed their concerns and suggestions for the report including the following: 1) consider weighted statistics in tables 3-1 and 3-2 in terms of area and population (i.e., not fair to compare Clayton and Kensington with Concord and Richmond); 2) gather more information on CSA funding; 3) include information regarding Prop 72 funding; and 4) engage Police Chiefs Association.

Upon motion of Uilkema, second by Piepho, the Commission unanimously determined that the MSR project is Categorically Exempt pursuant to CEQA Guidelines §15306, Class 6.

Upon motion of Tatzin, second by Uilkema, the Commission unanimously considered the comments presented prior to and during the public hearing and accepted the report with desired changes including those discussed during the hearing.

Upon motion of Piepho, second by Tatzin, the Commission unanimously adopted the MSR determinations with corrections noted by staff and directed staff to prepare the Final MSR report.

10. Law Enforcement Services Sphere of Influence (SOI) Updates

The Executive Officer provided a brief overview and history of the MSR and SOI updates for Law Enforcement Services, noting that most of the city SOIs and SOIs for the two CSDs were updated with the subregional MSRs in 2009; thus, no SOI updates were recommended for most of these agencies. However, there were a number of boundary, service and fiscal issues identified for the CSAs and several of the west county cities.

Commissioners discussed the consultants' and staff SOI and policy recommendations regarding the local agencies, and the procedure for following through on the recommendations.

The public hearing was opened, with no one commenting.

Upon motion of Piepho, second by Uilkema, Commissioners closed the public hearing and unanimously approved the SOI recommendations; directed staff to prepare any necessary LAFCO resolutions; and as Lead Agency, determined that the SOI updates are exempt pursuant to §15061(b)(3).

11. East County Fire Service Update

The Executive Officer provided the monthly update on recent actions and discussions involving East Contra Costa FPD (ECCFPD), the cities of Brentwood and Oakley, San Ramon Valley FPD, Cal Fire, and other interested parties.

The ECCFPD board met on August 1 and discussed pursuing a parcel tax and possible consolidation with CCCFPD, which also faces fiscal and service challenges. The Board directed its staff to work with CCCFPD staff on cost and service estimates. The ECCFPD Board meets again on September 12.

Commissioner Piepho commented on having a directly elected board and asked if ECCFPD would apply to LAFCO to obtain independent special district status. Staff responded that such a change in the Board and district status is subject to voter approval.

Paul Eldredge, Brentwood Assistant City Manager, stated that a report on Brentwood's "Plan B," to detach from ECCFPD and form a Brentwood-only fire district, would be discussed at the Brentwood City Council meeting on August 23.

Commissioner Tatzin asked what the timeline would be if the City of Brentwood were to go forward with such an action; staff stated that it would take six to twelve months depending on the completeness of the application when submitted.

Chief Hugh Henderson, ECCFPD, responded to Commissioner questions regarding the proposed parcel tax/timing and service models. Chief Henderson reported that at the board's September 12 meeting they will look at putting a district-wide parcel tax on the ballot. If that is successful, they will then hold a later election to determine if voters want a directly elected board.

12. Mt. Diablo Health Care District (MDHCD)

The Executive Officer gave an overview and a brief chronology leading to the issuance of a Request for Proposals to conduct a special study to review MDHCD's operations, fiscal stability, and outlook for the future. Four proposals were received, and staff noted that all firms possess

the skills necessary to conduct the study, although none has dealt specifically with LAFCO-initiated dissolutions, as these are rare. Proposal costs ranged from \$18,600 to \$36,000.

Commissioners Piepho and McGill asked if Los Medanos Community Health Care District (LMCHCD) should also be included in the study. Legal Counsel Anderson suggested that a contract can always be amended later.

Staff reported that the passage of AB 912 (Gordon) has relaxed the requirements and time frame for the special study, as there is now no requirement to conduct an election.

The public hearing was opened.

Roya Biarash, with MDHCD, noted that MDHCD has in the past two weeks received six or more grant proposals from nonprofit organizations wanting to carry out health related projects; and asked if MCHCD is dissolved, where will these organizations go for critical funding?

Wendy Lack, resident of Pleasant Hill, stated that the public deserves the benefit of a special study. Further, that she spoke with County Supervisor Karen Mitchoff regarding dissolution of MDHCD, and that Supervisor Mitchoff supports dissolution. Ms. Lack encouraged the Commission to stay focused on MDHCD.

Kris Hunt, Executive Director of Contra Costa Taxpayers Association, echoed Ms. Lack's comments and expressed concerns with the District's fiscal situation. Ms. Hunt stated that it is time to move forward with a thorough examination of the District.

Grace Ellis, Chair of the MDHCD Board, asked Commissioners to look at the whole picture, noting that taxpayers gain nothing by dissolution of MDHCD, and the small monies collected for MDHCD should still go to health care. Ms. Ellis commented on the District's recent activities, and urged the Commission to wait one year before launching a special study.

The public hearing was closed.

Upon motion of Tatzin, second by Burke, Commissioners unanimously approved a budget adjustment in the amount of \$25,995 and authorized an appropriation in that amount from the contingency reserve; and authorized LAFCO staff to execute a contract with Economic & Planning Systems (EPS) to prepare the special study relating to MDHCD and governance options, including dissolution, with a contract term from August 2011 through February 29, 2012 in an amount not to exceed \$25,995.

At 4:35 p.m. Commissioners Piepho and Schmidt left the meeting.

13. SDRMA Election

Commissioners Burke and Schroder, who served as an ad hoc committee to review the nominations and make recommendations to the Commission, provided the report. The committee recommended three candidates based on geographic and district type representation as well as experience: Sandy Raffelson, Herlong Public Utility District, Lassen County; Edmund K. Sprague, (Appointed Incumbent), Olivenhain Municipal Water District, San Diego County; and Ed Gray, (Appointed Incumbent), Chino Valley Independent Fire District, San Bernardino County.

The Commission commended the committee and thanked them for their work. Upon motion of Schroder, second by Burke, the Commission unanimously cast its vote pursuant to the committee's recommendations; adopted Resolution 2011-01 containing the Official 2011

SDRMA Election Ballot; and directed staff to file the LAFCO resolution with SDRMA prior to September 16, 2011.

14. CALAFCO Proposed Amendment to Government Code §56133

The Executive Officer reported that the CALAFCO Legislative Committee and several LAFCO executive officers had been working for the past year on changes to GC §56133 that would allow a LAFCO, subject to making certain findings, to approve out of agency service extensions, based on additional factors. The intent is for CALAFCO to seek legislation in 2012 to make the changes to the statute.

The CALAFCO Board and Legislative Committee believe the proposed amendments will provide LAFCOs with more flexibility in accommodating out of agency service extensions beyond a local agency's SOI. It is important to note that the public health and safety criteria remain an option for approving out of agency service.

Following brief discussion, Commissioners asked staff to bring this item back in September for further review.

15. Correspondence

Commissioner Tatzin suggested that lengthy documents from CCCERA be posted on the website only, without copying for Commissioners' agenda packets.

16. Commissioner Comments and Announcements

Chair McGill asked staff to request updates from both Los Medanos Community Healthcare District and West Contra Costa Healthcare District.

17. Staff Announcements and Pending Projects

Staff reminded Commissioners of the August 15 strategic workshop and provided agenda highlights.

The meeting was adjourned at 4:47 p.m.

Final Minutes Approved by the Commission on September 14, 2011.

AYES: Glover, McGill, Tatzin, Uilkema

NOES:

ABSTAIN: Meadows

ABSENT: Burke (A), Butt (A), McNair (M), Schroder (M)

By  _____
Executive Officer