

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

February 8, 2012

Board of Supervisors Chambers
Martinez, CA

1. Chair Don Tatzin 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 Rob Schroder and Don Tatzin.
County Members Federal Glover and Alternate Mary Piepho.
Special District Members Michael McGill and Dwight Meadows and Alternate George Schmidt.
Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, Planner Nat Taylor, and Clerk Kate Sibley.
4. Approval of the Agenda
Upon motion of Glover, second by Piepho, Commissioners adopted the agenda unanimously.
5. Public Comments
There were no public comments.
6. Approval of January 11, 2012 Meeting Minutes
Upon motion of Schroder, second by Piepho, the minutes for the January 11, 2012 meeting were approved unanimously.
7. Northeast Antioch Update (Agenda Item No. 9)
The Executive Officer gave a brief report and introduced City (Victor Carniglia) and County (Rich Seithel) staff, who provided an update on the tax sharing agreement negotiations.
Mr. Carniglia reported that the two parties have resolved almost all major issues. He estimated that the City of Antioch tax sharing agreement resolution will be presented at the end of March, and Mr. Seithel reported that the Board of Supervisors will pass their resolution in early April. All issues of substance have been addressed at this point in time. Commissioners thanked them for their efforts.
8. Unincorporated Islands
The Executive Officer provided an overview of the challenges unincorporated islands create and a chronology of the State Legislature's and LAFCOs' efforts to address island issues. Staff noted that given the political and financial hurdles faced by cities in annexing unincorporated lands, they have been reluctant to do so despite certain legal provisions that can expedite the process. Contra Costa has a total of 21 islands – 16 of which are less than 150 acres and are candidates for the expedited process contained in the statute.
The County has vintage tax sharing agreements with all 19 cities that could be used in these island annexations, and annexations under 150 acres would be approved without protests if they were to be submitted to LAFCO before January of 2014. Several LAFCOs around the State have instituted successful island annexation policies and programs.
Particularly challenging islands are the "Bancroft Triangle," whose residents approached LAFCO about being annexed into Walnut Creek even though the area is primarily in the Concord SOI; the Ayers Ranch area, which is completely surrounded by Concord and whose residents are indicating a preference for being annexed into that city. Another challenging area is the Northeast Antioch area, currently in discussion for imminent annexation into Antioch.

Victor Carniglia, representing the City of Antioch, suggested that the Commissioners develop and adopt as soon as possible a comprehensive policy addressing island annexations, including a definition of "substantially surrounded," in order to facilitate and safeguard such processes.

Andrew Smith, City of Walnut Creek Planner, commented on the land uses in the islands areas and acknowledged that if all the unincorporated island areas within Walnut Creek were to be annexed, the population of the city would increase by approximately a third. While he could not represent the city in his comments, he felt that the existing master tax sharing agreement may not be up to date fiscally.

Discussion ensued regarding issues related to an island policy and moving forward on annexing islands under 150 acres. Legal Counsel commented on the effects of LAFCO findings and a potential policy defining "substantially surrounded."

Several Commissioners noted that it would be useful to hear from cities as to the specific challenges associated with annexing islands, and what LAFCO could do to facilitate these annexations.

Upon motion of Piepho, second by McGill, Commissioners unanimously directed staff to schedule a workshop with affected cities and Commissioners and return to LAFCO with a framework for an island policy.

9. LAFCO Fiscal Year 2012-13 Budget/Work Plan Schedule

The Executive Officer presented the Fiscal Year 2012-13 budget schedule, with a proposed budget to be presented in March, followed by a final budget in May.

Staff also presented a schedule of Municipal Service Reviews (MSRs) noting that second round MSRs begin in 2012-13. Commissioners discussed a process whereby agencies will be asked to report on how they're doing with issues identified in the round one MSRs, after which staff can focus on those agencies needing more in-depth reviews.

Upon motion of Piepho, second by Glover, Commissioners directed staff to proceed with the Fiscal Year 2012-13 budget and work plan with a proposed budget to be presented at the March 14 LAFCO meeting, a final budget at the May 9 LAFCO meeting, and to return to a future meeting with a list of those agencies that have been reviewed and deemed in need of full second round MSRs.

10. Second Quarter Financial Report

The Executive Officer noted that with 50% of the year elapsed, the Commission's second quarter total expenses are at about 37% of approved expenditures, with salaries/benefits at 42% and services/supplies at 32% of budgeted amounts. In August, the Commission approved a budget adjustment and moved \$26,000 from reserves to fund a special study relating to the MDHCD. Total revenues are at about 96% of projected revenues. As of February 7 all local agencies, have paid their prorated contributions to the LAFCO budget. Staff noted that LAFCO has received five new applications since the beginning of the fiscal year.

The report was accepted.

11. CALAFCO Board Vacancy

In response to the announcement of a vacancy on the CALAFCO Executive Board, the Chair announced that Commissioner McGill had indicated his interest in running for the region's vacant special district seat on the CALAFCO Board.

Upon motion of Meadows, second by Piepho, Commissioners unanimously nominated Commissioner McGill for the vacant special district seat and directed that a letter of recommendation be sent to the selection committee.

12. Executive Officer's Performance Review and Compensation

Upon motion of McGill, second by Schroder, Commissioners voted 5-1 to pay Executive Officer Lou Ann Teixeira a one-time bonus payment of \$5,000 in recognition of her excellent work.

13. Correspondence

There were no comments on the correspondence.

14. Commissioner Comments and Announcements

Commissioner Schroder asked about the process for appointing the Public Member and Public Alternate. Staff responded that an announcement would be posted on the LAFCO website and distributed widely, through newspapers, the LAFCO email and mailing lists, and numerous online sites and governmental agencies, on Friday, February 10. At the March meeting a screening committee will be appointed by the LAFCO Chair to review all applications and provide a short list of candidates to the Commission in April.

Commissioner McGill reported that he attended the latest CALAFCO U on health care districts. Commissioner Tatzin added that he and Commissioner Schroder also attended, along with the Executive Officer, and that it was a useful session.

Commissioner McGill noted the plethora of information about Contra Costa special districts in the most recent issue of *California Special District*, and credited Stan Caldwell, Mt. View Sanitary District Board Member, for his diligence in reporting this county's activities to the California Special District Association.

15. Staff Announcements and Pending Projects

Staff announced that she would be attending a CALAFCO Board meeting on February 10. Staff also noted a new annexation application from Contra Costa County, and that this will enable LAFCO to finalize a Sphere of Influence for County Service Area R-7 Zone A.

The meeting was adjourned at 2.31 p.m.

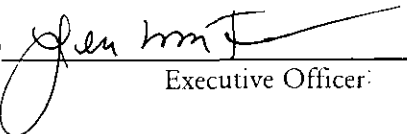
Final Minutes Approved by the Commission on March 14, 2012.

AYES: Glover, McGill, McNair, Meadows, Piepho, Schroder, Tatzin

NOES:

ABSTAIN:

ABSENT: Butt (A), Uilkema (M)

By  _____
Executive Officer: