



**Lou Ann Texeira**  
*Executive Officer*

**MEMBERS**

<b>Federal Glover</b> <i>County Member</i>	<b>Dwight Meadows</b> <i>Special District Member</i>
<b>Michael R. McGill</b> <i>Special District Member</i>	<b>Rob Schroder</b> <i>City Member</i>
<b>Don Blubaugh</b> <i>Public Member</i>	<b>Don Tatzin</b> <i>City Member</i>
<b>Gayle B. Uilkema</b> <i>County Member</i>	

**ALTERNATE MEMBERS**

**Sharon Burke**  
*Public Member*

**Tom Butt**  
*City Member*

**George H. Schmidt**  
*Special District Member*

**Mary N. Piepho**  
*County Member*

May 18, 2012 (Agenda)

May 18, 2012  
Agenda Item 6

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

**Mt. Diablo Health Care District Update**

Dear Commissioners:

In March 2012, the Commission was asked to consider governance options for the Mt. Diablo Health Care District (MDHCD). At that time, the Commission closed its public hearing and expressed an interest in a governance option to “reorganize” the District whereby the City of Concord would apply to LAFCO to shrink the boundaries of the District and establish MDHCD as a subsidiary district of the City.

This update provides information regarding activities which have occurred since the May 9 LAFCO meeting.

As previously reported, on May 8, the Concord City Council authorized Councilmembers Dan Helix and Laura Hoffmeister to act as an ad-hoc Council Committee, to work with staff to complete additional application documents to LAFCO supporting the City's request to reorganize the MDHCD. LAFCO staff is working with the City and other affected agencies to facilitate the application process.

On May 7, the Pleasant Hill City Council adopted a resolution supporting the City of Concord's application to reorganize the MDHCD and establish a subsidiary district encompassing the cities of Concord and Pleasant Hill, provided that as a condition of LAFCO's approval, the City of Pleasant Hill is assigned two seats on the John Muir/Mt. Diablo Community Health Benefit Corporation Board (see attached).

On May 11, LAFCO received copies of letters sent by Rich Seithel, Senior Deputy County Administrator to each Board Member and staff of the MDHCD informing the District of the property tax sharing consultation and negotiation process.

Finally, the Commission requested that LAFCO staff contact the cities of Clayton, Martinez and Pleasant Hill, which have territory within the MDHCD, and request input from these cities on the proposal to reorganize MDHCD. LAFCO staff is following up with each city.

RECOMMENDATION – It is recommended that the Commission receive the update and provide direction as appropriate.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment 1 – City of Pleasant Hill Letter and Resolution No. 37-12

c: Distribution



**City of Pleasant Hill**  
OFFICE OF THE CITY MANAGER

**JUNE W. CATALANO**  
*City Manager*

May 8, 2012

Lou Ann Texeira  
Executive Officer  
Contra Costa Local Agency Formation Commission (LAFCO)  
651 Pine Street, Sixth Floor  
Martinez, CA 94553-1229

Re: Mt. Diablo Health Care District Reorganization  
LAFCO Proposal No. 12-02

Dear Ms. Texeira:

On May 7, 2012, the City Council of the City of Pleasant Hill adopted the attached Resolution No. 37-12 indicating its support of LAFCO Proposal No. 12-02 submitted by the City of Concord which requests reorganization of the Mt. Diablo Health Care District ("District") by detaching certain territory of the District and establishing a subsidiary district consisting of territory within the exterior boundaries of the cities of Concord and Pleasant Hill. The City of Pleasant Hill desires to be included within the boundaries of the new subsidiary district and specifically desires to participate on the John Muir/Mt. Diablo Community Health Benefit Corporation Board. To that end, the City of Pleasant Hill requests that LAFCO impose a condition on its approval of the City of Concord's proposal requiring that the Concord City Council, as the *ex officio* board of the District, assign two seats on the Community Health Benefit Corporation Board to the City of Pleasant Hill.

Furthermore, the City of Pleasant Hill requests that it be invited to participate in any meetings between Concord, John Muir Health, the current District and LAFCO regarding the City of Concord's reorganization proposal.

Thank you for your consideration of these requests.

Sincerely,

  
June Catalano  
City Manager

cc: Valerie Barone, Interim City Manager, City of Concord

L:\DEBBIE\MISC\Mt. Diablo Health Care District\LT Texeira re support of Concord's application.doc

RESOLUTION NO. 37-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANT HILL  
AUTHORIZING THE CITY MANAGER TO SEND A LETTER TO THE CONTRA COSTA  
LOCAL AGENCY FORMATION COMMISSION (LAFCO) IN SUPPORT OF THE CITY OF  
CONCORD'S APPLICATION REGARDING REORGANIZATION OF THE MT. DIABLO  
HEALTH CARE DISTRICT

WHEREAS, on or about April 9, 2012, the City of Concord submitted an application to LAFCO (Proposal No. 12-02) seeking the detachment of certain territory within the Mt. Diablo Health Care District ("District") and the establishment of the District as a subsidiary district of the City of Concord; and

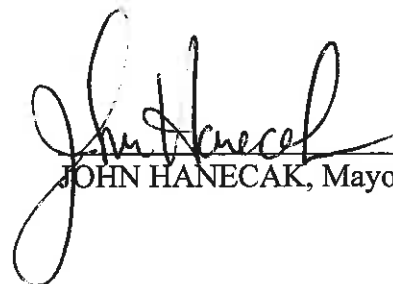
WHEREAS, the City of Concord's application includes the City of Pleasant Hill within the boundaries of the newly established subsidiary district based upon the City of Pleasant Hill's expression of preliminary interest in remaining within the District; and

WHEREAS, the City of Pleasant Hill desires to remain within the District boundaries as long as it is entitled to appoint two representatives to the John Muir/Mt. Diablo Community Health Benefit Corporation Board which oversees the distribution of grant funds for health care programs and services that benefit Pleasant Hill residents and well as residents within central and east Contra Costa County.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Pleasant Hill that the City Manager is authorized to send a letter to LAFCO indicating the City's support of the City of Concord's reorganization application (LAFCO Proposal No. 12-02) and requesting that it impose as a condition of approval of the City of Concord's application the requirement that the Concord City Council, as the *ex officio* board of the District, assign two seats on the John Muir/Mt. Diablo Community Health Benefit Corporation Board to the City of Pleasant Hill.

ADOPTED by the City Council of the City of Pleasant Hill at a regular meeting of the Council held on the 7<sup>th</sup> day of May, 2012 by the following vote:

AYES: Harris, Weir, Williamson, Hanecak  
NOES: None  
ABSENT: Durant  
ABSTAIN: None

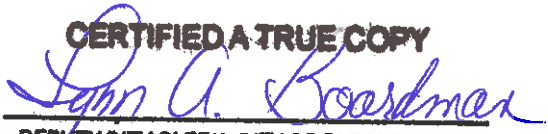
  
JOHN HANECAK, Mayor

ATTEST:

  
\_\_\_\_\_  
MARTY C. McINTURF, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEBRA S. MARGOLIS, City Attorney

**CERTIFIED A TRUE COPY**  
  
\_\_\_\_\_  
DEPUTY CITY CLERK, CITY OF PLEASANT HILL