

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

May 9, 2012

Board of Supervisors Chambers
Martinez, CA

June 13, 2012
Agenda Item 5a

1. Chair Don Tatzin called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Seating of Commissioners
Don Blubaugh, selected to fill the Public Member seat; Sharon Burke, selected to fill the Alternate Public Member seat; Mike McGill, elected to a full term as Public Member; and Don Tatzin, elected to a full term as City Member were given the oath of office by County Counsel Sharon Anderson and formally welcomed to the Commission.
4. 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.
Public Members Don Blubaugh and Alternate Sharon Burke.
Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, and Clerk Kate Sibley.
5. Approval of the Agenda
Upon motion of McGill, second by Piepho, Commissioners adopted the agenda unanimously.
6. Public Comments
There were no public comments.
7. Approval of April 11, 2012 Meeting Minutes
Upon motion of Schroder, second by McGill, the minutes for the regular meeting on April 11, 2012 were approved, with Commissioner Blubaugh abstaining.
8. LAFCO 12-01 – Round Hill Annexation to County Service Area (CSA) R-7 (Zone A)
The Executive Officer provided background, noting that the areas to be annexed already benefit from park and recreation services provided by CSA R-7; this annexation will reallocate a portion of the future property taxes in these areas to help fund the services provided by CSA R-7 and to correct boundary irregularities.
There were no public speakers on this item.
Upon motion of Piepho, second by Blubaugh, Commissioners unanimously found the annexation exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3); approved the proposal to be known as Round Hill Annexation to CSA R-7 (Zone A) as submitted, with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is inhabited, has less than 100% consent of the affected landowners and registered voters, that no affected landowners/registered voters opposed the annexation, that the annexing agency has given

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written consent to the waiver of conducting authority proceedings, waived the protest proceeding, and directed staff to complete the proceeding.

9. Northeast Antioch Update

Victor Carniglia, representing the City of Antioch, reported that all tax issues have been resolved with regard to the annexation of Northeast Antioch to the City. The intent is to get this to the City Council and the County Board of Supervisors in June. Mr. Carniglia expressed his appreciation for the draft letter regarding the subsequent annexations of Areas 2A and 2B. Rich Seithel, representing the County, agreed with Mr. Carniglia's points.

Commissioners reminded Mr. Carniglia that the annexation of Areas 2A and 2B is necessary, urged completion of the annexation of Area 1 as expeditiously as possible, and thanked Mr. Carniglia and Mr. Seithel for their work on this issue. There was brief discussion regarding LAFCO's role in facilitating the next steps.

Upon motion of Glover, second by Piepho, Commissioners unanimously accepted the report, directed staff to add "and complete" to the first sentence of the letter and send it to the City of Antioch and the County.

10. Mt. Diablo Health Care District (MDHCD) Update

The Executive Officer provided a brief update noting that on May 8, the Concord City Council voted to authorize an Ad Hoc committee, composed of Laura Hoffmeister and Dan Helix, to review and approve the remaining pieces of the City's application, which is expected to be submitted within the next two weeks. The County Auditor has sent letters to affected agencies, and is working with the CAO to resolve a property tax agreement between the County and the District.

The District Board has taken two actions in response to the reorganization application. The first is a letter requesting a 30-day review extension given that the City of Concord application is currently incomplete. The second action is a resolution of intent to file an alternative proposal in the event that the Commission denies its request for an extension of time to review and comment on the City's application.

All parties are working to expedite the process in light of the November 2012 election. The District needs to file its call for election with the County by July 4. Staff suggested that the Commission may wish to consider setting a special meeting for June 29 in the event a full proposal can be presented for action at that time.

Daymon Doss, MDHCD Interim General Manager, acknowledged the role of LAFCO staff in helping them work through this process. The District would like to avoid an election if possible. They hope to have a report back soon from the firm they've hired to set up the OPEB liability fund. Mr. Doss noted that it was encouraging to see that Pleasant Hill had passed a resolution on Monday supporting the City of Concord's application and indicating its interest in being included in the subsidiary district and in all discussions of the reorganization. He also noted that it would be important to hear from the cities of Clayton, Martinez and Walnut Creek regarding the proposed reorganization.

Upon motion of McGill, second by Blubaugh, Commissioners unanimously accepted the update, directed LAFCO staff to discuss the proposed reorganization with the cities of Clayton, Martinez and Walnut Creek, approved the District's request for a 30-day review extension, and

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set June 29, 1:30 p.m., for a special meeting provided the application is complete and actionable.

11. Adoption of Final FY 2012-13 LAFCO Budget

The Executive Officer presented the final budget for FY 2012-2013, noting that this budget represents an approximately 7% increase over the FY 2011-12 budget, including an estimated 2.7% increase in Salaries & Benefits related to slight increases in benefit costs, and an estimated 4.9% increase in Services & Supplies, primarily associated with ongoing MSR work and legal services..

There were no public speakers on this item.

Commissioners expressed concern over ongoing budget challenges faced by all local agencies, and applauded staff's continued fiscal prudence. Upon motion of Blubaugh, second by Piepho, Commissioners unanimously adopted the Final Budget for FY 2012-13 and authorized staff to distribute the Final Budget to the County, cities, and independent special districts as required by Government Code Section 56381.

12. LAFCO Policies and Procedures Committee

The Executive Officer provided brief background, noting that there are a number of updates needed for the Commission's Policies and Procedures, and asking the Commission to appoint one additional member for this committee, on which Commissioners Tatzin and Uilkema currently serve.

Upon motion of Tatzin, second by Piepho, Commissioners unanimously appointed Alternate Public Member Sharon Burke to the committee.

13. Financial Audit for FY 2010-11

The Executive Officer provided brief background, noting that R.J. Ricciardi, Inc. prepared the audit following selection through an RFP process earlier this year.

The auditors identified no deficiencies in internal control that they would consider to be material weaknesses, and no current year observations.

Commissioner Piepho suggested rotation of audit staff to promote objectivity.

Upon motion of Piepho, second by Blubaugh, Commissioner unanimously received the audit report.

14. Contra Costa County Grand Jury Report No. 1206 – "Rollingwood-Wilart Park Recreation and Park District: Who's Minding the Store?"

The Executive Officer reported that LAFCO has received the above-named report dealing with management problems and deficiencies of the District and recommending dissolution. LAFCO is required to respond to the Grand Jury report by July 25, 2012.

Commissioner Piepho asked if the Grand Jury is aware of LAFCO's tools; staff responded that a presentation on LAFCO is made to the Grand Jury each year LAFCO's authority is discussed. Commissioner McGill encouraged substance in the LAFCO response, and LAFCO staff responded that governance options will be included in the response.

Commissioner McGill suggested that a draft response be prepared by staff for review by the Commissioners.

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15. Correspondence

There were no comments on the correspondence.

16. Commissioner Comments and Announcements

Commissioners congratulated new and returning Commissioners.

The Chair congratulated Commissioner McGill on his appointment to the CALAFCO Board.

Commissioner Schroder reported that the Martinez City Council will set the North Pacheco election date on May 16.

Commissioner McGill reported that he attended the CALAFCO Board of Directors meeting on May 4 and was appointed as the Coastal Region/Special District Member. That seat will be up for election at the October 2012 CALAFCO Annual Conference. The July CALAFCO Board meeting will be moved from southern California to Sacramento.

17. Staff Announcements and Pending Projects

The Executive Officer congratulated Commissioner McGill on his appointment to the CALAFCO Board.

On behalf of all Contra Costa LAFCO staff, she expressed appreciation of Commissioners' support of their participation at the recent CALAFCO Staff Workshop in Murphys.

A CALAFCO U course has been added in the Los Angeles area, on Disincorporations and Dissolutions.

CALAFCO has received 11 proposals for the CALAFCO Executive Director position.

Regarding the June 13 meeting, LAFCO consultant Beverly Burr may present a workshop on the Library/Miscellaneous Municipal Services Review that day. If she is not ready for this workshop, the June 13 meeting may be cancelled.

The meeting was adjourned at 2:23 p.m.

Final Minutes Approved by the Commission on June 13, 2012.

AYES:

NOES:

ABSTAIN:

ABSENT:

By _____
Executive Officer

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