



Lou Ann Texeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member
Federal Glover
County Member
Michael R. McGill
Special District Member

Dwight Meadows
Special District Member
Mary N. Piepho
County Member
Rob Schroder
City Member

Don Tatzin
City Member

ALTERNATE MEMBERS

Candace Andersen
County Member
Sharon Burke
Public Member
Tom Butt
City Member
George H. Schmidt
Special District Member

February 12, 2014 (Agenda)

February 12, 2014
 Agenda Item 10

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

Fiscal Year 2014-15 Budget and Work Program Schedule

Dear Members of the Commission:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) creates a specific process for preparing and adopting LAFCO’s budget. Government Code §56381 provides that the Commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. Contra Costa LAFCO typically adopts a proposed budget in March and a final budget in May each year.

In conjunction with a proposed budget, the Commission sets out a work plan in March each year. The work plan typically includes goals and objectives such as preparing Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) updates, updating the Commission’s policies and procedures, and other projects and programs.

In April 2013, the Commission conducted a strategic planning session. As part of the session, the Commission identified a number of priorities, including conducting second round MSRs, enhancing LAFCO terms and conditions, being an active participant in the County’s fire and EMS studies, updating the Commissioner’s Handbook, and facilitating island annexations. Here is a brief update on these activities:

MSRs/SOI Updates - In the past year, the Commission completed its inaugural round of MSRs/SOI updates, and initiated a countywide second round MSR covering water and wastewater services, including eight cities, 19 special districts, and private mutual water companies. The second round Public Review Draft Water/Wastewater MSR report will be released in March 2014. The Commission has expressed an interest in initiating the fire and EMS second round MSR in 2014.

Enhancing LAFCO Terms and Conditions - In recent proposals, including the Northeast Antioch reorganizations, the Commission expanded its use of LAFCO terms and conditions.

Participation in County Fire and EMS Studies - Also this year, the Commission participated in the County's fire and EMS studies, and appointed Commissioners Blubaugh and Tatzin to represent LAFCO in meetings with the project team and at stakeholder meetings. The LAFCO representatives met with the project consultants, attended various community meetings, and provided written comment on the recently released draft fire report. The County reports are expected to be released in late February 2014.

Policy and Procedure Updates - In 2013, the Commission made significant progress updating its policies and procedures, and adopted new procedures for the following changes of organization: city annexations/ detachments, district annexations/detachments, district mergers, establishment of subsidiary districts, LAFCO-initiated proposals, new or different services, district dissolution, district formation, district consolidation, city consolidation, disincorporation, reorganization and out of agency service; and updated the *Membership and Rules and Procedures* policies.

Island Annexations - LAFCO continues to work with cities to facilitate island annexations. In January 2014, the Commission approved an island annexation (i.e., Northeast Antioch Area 2B Reorganization). LAFCO staff is currently working with the San Pablo City Manager on the potential annexation of the Rollingwood community to the City. LAFCO staff will continue to work with the City and Concord and the County on the Ayers Ranch annexation.

In FY 2014-15, LAFCO will continue work on second round MSRs, updates to the Commission's policies and procedures, and other priorities.

RECOMMENDATIONS

1. Direct the staff to prepare the LAFCO budget and work plan for Fiscal Year 2014-15;
2. Direct staff to present a Proposed Budget for review and approval at the March 12, 2014 LAFCO meeting;
3. Direct staff to present a Final Budget for review and approval at the May 14, 2014 LAFCO meeting; and
4. Provide direction regarding related matters as desired.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: All Contra Costa County Cities
All Contra Costa County Special Districts
Contra Costa County Administrator
Contra Costa County Auditor-Controller