February 12, 2014
Agenda Item 14c

Richmond council urges Kaiser to provide millions to beleaguered West Contra Costa hospital

By Robert Rogers Contra Costa Times Contra Costa Times
Posted:

Thursday, January 9, 2014
ContraCostaTimes.com

RICHMOND -- With West Contra Costa's only public hospital in danger of closing, pressure is building to find outside funding sources before Doctors Medical Center runs out of money.

On Tuesday, the Richmond City Council urged Kaiser Permanente to provide emergency funding to keep the San Pablo hospital open this year.

"West County will have a health crisis if we close," said Eric Zell, board chairman of the West Contra Costa Healthcare District, which owns and operates the hospital. "We are not crying wolf."

The five present council members voted to support a resolution that calls on Kaiser to provide bridge funding to DMC to maintain operations until a new institutional partner can be secured. Without funding, the hospital could close by May.

"Doctors Medical Center is a vital part of our community's medical safety net," said Councilman Jim Rogers, one of the resolution's co-sponsors. "We are very concerned."

The West Contra Costa Healthcare District board declared a fiscal emergency for the hospital in November.

At the time, interim hospital CEO Dawn Gideon said Doctors has been hemorrhaging $1.5 million per month for the past two years and faces a growing deficit crisis that requires deep cuts, new funding streams and partnerships with other hospitals to avert closure.

The Richmond resolution has no power to force any action.

DMC spokeswoman Remy Goldsmith said hospital officials have been exploring "all potential (funding) sources, including Kaiser, John Muir Medical Center, the county and other private sources." One possibility is a partnership with UCSF Medical Center in San Francisco.

"But it will take at least 18 months for anything to be codified with any strategic partner," Goldsmith said. "To get to that point, we need funding."

The hospital, which mostly cares for MediCal and Medicare patients, has been in financial turmoil for years. In the past decade, Kaiser has already given the hospital about $13 million to sustain operations, and county voters approved parcel taxes to support DMC in 2004 and 2012, Zell said.

In a funding proposal sent to Kaiser in November, Zell requested up to $20 million from the Kaiser Foundation to continue operations while exploring a potential partnership with UCSF.

Kaiser Permanente spokesman Jessie Mangaliman released a statement Tuesday saying the hospital is "currently evaluating that request."

Mangaliman added that Kaiser Permanente shares "a mutual concern about access to care for underserved residents of Richmond and West Contra Costa County" and has provided financial support to DMC in the past.

DMC has 25 emergency room beds, and Kaiser has 15, according to county Supervisor John Gioia, who also urged Richmond to pass the resolution.

John Muir Health spokesman Ben Drew said Wednesday his agency gave $3 million to Doctors Medical between 2008 and 2010. He said John Muir has not been contacted by DMC for additional funding.

DMC released a statement Tuesday saying it "welcomes the city of Richmond's support during this time and appreciates the efforts of Richmond's City Council to raise awareness about the severity of our situation."

The city's resolution notes that 38 percent of DMC's patients are Richmond residents.

"DMC is the only public, safety net hospital in western Contra Costa County," the agenda report reads. "Its closure would significantly impact the community and the wait times at Kaiser Richmond."

Kaiser operates the only other emergency room in West County.

DMC, which receives more than 40,000 emergency room patients annually, faces a $16 million budget shortfall this year, Goldsmith said. DMC officials are expected to give a report to San Pablo's leaders on Tuesday, San Pablo City Manager Matt Rodriguez said.

"DMC is the city's largest employer and provides essential medical services to many uninsured residents in our community," Rodriguez said, adding that he supports a long-term partnership between the hospital and UCSF.

Zell said the hospital board must decide within 30 days whether to forge ahead or begin preparations for closure.

DMC's closure could mean significant increases in emergency room wait times, said Councilman Jael Myrick, and lives could potentially be imperiled.

"It could be the difference between life and death," Myrick said.

Contact Robert Rogers at 510-262-2726 or rrogers@bayareanewsgroup.com. Follow him at Twitter.com/SFBaynewsrogers.

Annexation nears for land northeast of Antioch

By Paul Burgarino Contra Costa Times Contra Costa Times
Posted:

Thursday, January 9, 2014
InsideBayArea.com

MARTINEZ -- The Contra Costa County agency that oversees local government boundary changes gave the go-ahead Wednesday to Antioch's plan to annex 678 acres to its northeast.

But don't redraw those maps just yet.

The Contra Costa Local Agency Formation Commission unanimously approved two main pieces of a complex proposal package by the city and county for the industrial waterfront land, despite objections from a handful of residents who live in the rural area off Viera Avenue that they were being deprived of a protest vote.

The land in question is divided into three swaths: 481 acres of industrial waterfront that include two natural gas-fired power plants; 103 acres of established rural properties off Viera Avenue; and 94 acres for marina and storage uses. The marina annexation will be considered at the commission's February meeting, officials said.

The annexation will not be a done deal until a protest hearing is held for the dozen property owners on the waterfront piece of land. The hearing won't take place for at least 30 days. Much of Wednesday's meeting focused on the residential area by Viera, as commissioners determined it met the state's "land islands" criteria and waived the right for owners of the roughly 110 properties to vote on the matter.

Under state law, a county formation commission can approve annexation without a vote of property owners or registered voters for unincorporated land smaller than 150 acres and substantially surrounded by a city or adjacent cities.

"We're not taking rights away; we're following the law," commissioner Dwight Meadows said.

Attorney Scott Jenny says Viera became a land island when it was "artificially chopped up," and the whole 678 acres should be considered together, which would allow for residents to have a say.

"It feels like this is being steamrolled through and we don't have a voice," resident Carey Mitosinka said.

Meadows, who has been the most vocal on the formation commission about the slow pace of this annexation, and others lauded the work to try to accommodate the residents.

"I was thoroughly impressed at the effort Antioch made to address every concern. You just don't see that happen," said commissioner Don Blubaugh, a longtime city manager. "I'm convinced this will help that community and really be a net gain."

Antioch and the county will contribute $3 million apiece over 10 years to add water, sewer and storm drains, with Antioch covering the rest with grants and loans. Antioch also says it will allow residents to continue using septic tanks and water wells, provided they meet county health standards.

The city also included a provision where it will help residents cover the $18,000 to $20,000 connection costs to city water and sewer lines. It is also looking into zoning that reflects the rural character of the area, including preserving narrow streets and private roads, livestock, vineyards and home-based businesses.

"Our two goals are we do not want this to cost those residents, and we want to preserve the character of that area," Mayor Wade Harper said.

He expressed his excitement about the decision, and the city's efforts finally coming to fruition.

Antioch first applied for annexation of the industrial piece of land in 2007 but was later directed by the formation commission to include the Viera area, which drew international attention in 2009 because of the Jaycee Dugard kidnapping.

Local leaders see the area as a golden opportunity to boost its economy, estimating it could yield nearly $1 million in net tax revenue each year and provide other economic opportunities on the waterfront. Both Antioch and the county plan to set aside $500,000 over the next five years to boost area economic development initiatives.

Contact Paul Burgarino at 925-779-7164. Follow him at Twitter.com/paulburgarino.

Forum looks at boosting Contra Costa's northern waterfront

By Paul Burgarino Contra Costa Times Contra Costa Times
Posted:

Saturday, January 10, 2014
ContraCostaTimes.com

ANTIOCH -- The industrial-heavy waterfront on the northern part of Contra Costa County once played the most pivotal role in the local economy.

But, after decades of declining employment and some neglect, an initiative is under way to bring vitality -- and more jobs -- back into the 55-mile stretch from Hercules to Oakley.

About 400 business leaders, local and state lawmakers and other stakeholders attended a forum Friday at the Antioch Community Center looking at how the area can be enhanced so it is competitive in the 21st century global economy.

"When we learned today is that we have a shared vision that the waterfront needs to be revitalized. We're on the right track," county Supervisor Federal Glover of Pittsburg told those in attendance.

Glover started the Northern Waterfront Economic Development initiative early last year. It calls for improving maritime and land-based resources to encourage development of vacant and underused industrial lands in the absence of redevelopment programs.

But to do that, Glover said, stakeholders must stay engaged and promote the idea.

A report released at the event conducted by Gary Craft of Craft Consulting Group identified seven ways to make the shoreline more competitive, including developing a regional marketing program similar to how the 680 Corridor and Silicon Valley are distinguishable by name, and boosting workforce development with a more robust manufacturing job training system.

The waterfront does have several things in place already, including deep-water shipping channels, undeveloped riverside land zoned for industrial use, clusters of uses such as oil refineries, food processing plants and chemical plants, and accessible railroad lines and roads.

Kish Rajan, director of Gov. Jerry Brown's office of business and economic development, said that it was good to see a lot of local enthusiasm around the initiative, given that there are a lot of challenges in renewing the waterfront.

The governor's office is talking about some of the same things the Contra Costa stakeholders are looking at, including the essential nature of industry in the economy and thinking regionally rather than city by city, Rajan said.

"Contra Costa County and the East Bay are better equipped than any other place in the country to be able to wrestle through how do we have a growing and thriving industrial economy output, and harmonize that with environmental and community health objectives," he said.

Sean Wright, CEO of the Antioch Chamber of Commerce and a founder of the EC2 group, said his goal is to improve the local quality of life so that residents have "jobs where they live."

Some of the next steps include creating action teams, developing an action plan, and continued public and private collaboration.

"This is a starting point, and now we're going to finish it up," Glover said.

Part 1 of Friday's forum will air on Contra Costa television at 7 p.m. Tuesday and January 21. The second part will air on those days at 9 p.m.

CCTV can be seen on Comcast Channel 27, Astound Channel 32, and AT&T U-Verse Channel 99. For additional air dates, visit www.contracostatv.org.

Contact Paul Burgarino at 925-779-7164. Follow him at Twitter.com/paulburgarino.

MARTINEZ NEWS-GAZETTE

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Homeowners in neighboring cities protest annexations

Darya Esipova | January 12, 2014 | 0 Comments
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The Contra Costa Local Agency Formation Commission (LAFCO or the commission) met Jan. 8 for its first regular meeting of the year. Members of the commission elected a chair and vice chair for 2014, and worked on annexation of the lands in Danville, Rodeo, and Antioch.

LAFCO elected Special District member Dwight Meadows a chairman and City member Rob Schroder a vice chairman to serve the following year.

The commission ordered the annexation of 28-plus acres that are located in five separate areas in the community of Alamo and Danville to Central Contra Costa Sanitary District, in order to provide for logical boundaries and to allow for the extension of sewer services to the properties.

The next agenda item that the commission was working on was the annexation of 28-plus acres at the Rodeo Marina to Rodeo Sanitary District. This territory includes the northwestern edge of Rodeo by the San Pablo Bay. A public hearing was held, and the annexation was approved; the next step the commission will take is to hold a protest hearing.

Then the commission was considering the annexation of 481-plus acres of PG&E to Antioch and Delta Diablo Sanitation District (DDSD), and this area is located between San Joaquin River, Highway 160 and the City of Antioch. The annexation is needed in order to provide municipal services to the heavily industrialized area. Another annexation that was considered by the commission is area 2B of Northeast Antioch to the City of Antioch and DDSD. It is 103-plus acres of land on the south of Wilbur Avenue.

During the public hearings on these two Antioch annexations, the Mayor of Antioch, Wade Harper, and a consultant for the City of Antioch, Victor Carniglia, made comments in support of the annexations. Attorney Scott Jenny, who represents landowners John and Carey Mitosinka that live in Antioch, protested against the annexation. In his official letter, he said “their property is considered as an island surrounded by the city to which annexation is proposed, and dividing islands into smaller segments, avoiding the landowner protest proceedings is not permitted.”

Besides the attorney, another landowner from Antioch named Ken Wentworth, protested against the annexations, but he didn’t believe that it would help because at least 50 percent of the landowners of the area have to protest in order to stop annexation. Either way, the protest hearing on these annexations will be held no earlier than in one month.

The last agenda item of the meeting was the annexation of the area 168C to Central Contra Costa Sanitary District. It includes 16.42-plus acres, and the commission received a report from staff and provided comments as desired.

The next regularly scheduled LAFCO meeting will take place Feb. 12 in the Board of Supervisors Chambers at 651 Pine St., Martinez. The public is encouraged to attend.

Tags: Alamo, Antioch, Contra Costa Local Agency Formation Commission, Danville, DDSD, Delta Diablo Sanitation District, Dwight Meadows, LAFCO, Martinez, Rob Schroder, Rodeo, Special District, Victor Carniglia

Category: General News

About the Author (Author Profile)

Darya Esipova is a journalist currently living in Concord, Calif. She is a graduate of journalistic training with the British Institute for War and Peace Reporting. Esipova originates from the Post-Soviet country Uzbekistan, where she was persecuted for her work. She focuses on covering social, ecological and human rights issues.

New rules would restrict new salt-based water softeners in Discovery Bay

By Paul Burgarino Contra Costa Times Contra Costa Times
Posted:

Monday, January 13, 2014
ContraCostaTimes.com

DISCOVERY BAY -- This far east Contra Costa town has had some hard times dealing with its hard water.

But that soon may change.

Discovery Bay's Community Services District board approved new rules last week banning the installation of water softeners that use sodium, potassium, or chloride and discharge the salt solution into sewer lines.

The new ordinance, which will take effect in a month, says consumers can still use membrane-based or carbon-based water softeners. Also, those with existing salt-based units can keep them until it's time to install a new one.

Discovery Bay has faced fines from the state over the years for the high salinity levels its wastewater contains when it is discharged into Old River.

Board member Kevin Graves, who sits on the district's water and wastewater committee, says the town is just above the state levels and works closely with officials.

"They understand that it's a hard limit to reach, but with new homes and development, they won't be as flexible," Graves said.

In 2011, Discovery Bay accrued $3,000 in fines by the state's Regional Water Quality Control Board for having too much salinity in its discharged water, but no fines in 2012, general manager Rick Howard said. The district has not heard about fines for 2013, though it went over close to the same amount as 2011, Howard said.

The hope, officials say, is that getting rid of the softeners will improve the environment and save ratepayers money.

"This is going to help us protect the Delta ecology and be responsible for those waters in our own backyard," Graves said.

Unlike other Bay Area towns and agencies that draw water from aboveground sources such as the Delta or the Hetch Hetchy reservoir, Discovery Bay's water comes solely from ground wells.

Gregory Harris, an engineer with Herwit Engineers, who works for the district, explains that water isn't as pure and already starts with some minerals in it that make it feel hard. When combined with the salt from people and water softeners, the brine level in the collected wastewater exceeds state levels.

Last year, Discovery Bay engineers conducted a study to determine possible origins of the salty wastewater. After testing the softeners of 60 voluntary residents for a few weeks, both with and without water softeners in use, Harris said it was determined that the amount of wastewater brine lessened by about 28 percent without the softeners.

"The research showed there was a direct relationship with the softeners and the salinity," Graves said.

Though not an attention-grabbing topic in the Bay Area, the water softener issue has been examined for the past few years at the state level.

Santa Clarita County became the first state municipality to ban water softeners in 2008. In 2009, California authorized local agencies be allowed to impose bans on water softeners if it is found to protect water quality.

"It's been a contentious issue in the Central Valley for years," Harris said.

After Discovery Bay's ordinance is implemented, the district plans to launch an information campaign telling residents and future home contractors about the rules.

Contact Paul Burgarino at 925-779-7164. Follow him at Twitter.com/paulburgarino.

County fire study to be discussed at town hall meeting in Martinez

By Tom Lochner Contra Costa Times Contra Costa Times
Posted:

Thursday, January 16, 2014
ContraCostaTimes.com

MARTINEZ -- A draft operational study of the Contra Costa County Fire Protection District will be the subject of a town-hall meeting in Martinez next week.

Last year, the county board of supervisors, in its capacity as fire district board, contracted with Fitch and Associates LLC to study the district's operations and make recommendations for future service delivery.

The District has been hit by budget cuts that have forced the closure of five fire stations -- in Walnut Creek, Clayton, Martinez, Lafayette and Pittsburg -- since a November 2012 parcel tax measure went down to defeat. Measure Q, which would have assessed homeowners $75 a year, gathered 53 percent yes votes, far short of the required two-thirds.

In addition to the fire station closures, one of two companies were taken out of service at a Walnut Creek station and at a Concord station.

The county fire district currently staffs 23 stations with 23 three-person crews and 69 firefighters on duty each day, said Fire Marshal Lewis Broschard, who is the district's public information officer. A two-person squad operating a medical response vehicle is serving at the downtown Walnut Creek station as part of a pilot program that will be re-evaluated in March.

The town hall meeting will include a public education component regarding the draft study and a public forum.

A copy of the draft operational study is available for public review in the Office of the Clerk of the board of supervisors, 651 Pine St., 1st Floor, Martinez, CA 94553. The report also is available online at http://www.cccounty.us/ConFireStudy.

The public comment period closes at 5 p.m. Jan. 31. Comments can be submitted by email to timothy.ewell@cao.cccounty.us; or by regular mail to the County Administrator's Office, Attn: Fitch Study -- Public Comment, 651 Pine St., 10th Floor, Martinez CA 94553; or by phone at 925-335-1036.

The consultant is expected to present its findings to the board of supervisors Feb. 25.

Contact Tom Lochner at 510-262-2760 or tlochner@bayareanewsgroup.com. Follow him at twitter.com/tomlochner

if you go
What: Town-hall meeting
Where: Board of Supervisors chamber, 651 Pine Street, 1st Floor, Room 107, Martinez
When: 6 p.m., Jan. 22

Barnidge: No quick fixes for Confire's money problems in Fitch report

By Tom Barnidge Contra Costa Times Columnist Contra Costa Times
Posted:

Friday, January 17, 2014
ContraCostaTimes.com

It's been 13 months in the making, but a consultant's analysis of the Contra Costa Fire District finally was released this week and now awaits public feedback.

Here's mine: The 150-page "Evaluation and Options Appraisal" authored by Fitch & Associates is filled with enough figures, charts and graphs to obscure the fact that it offers no instant solutions for the district's financial problems.

When the county Board of Supervisors, acting as the fire district's governing board, commissioned a $460,000 study in December 2012, it clearly was seeking a more cost-efficient operating model. Strapped for funding by reduced property taxes and burdened by costly retirement benefits, the district has operated at a deficit since 2009.

The yearlong study, commissioned after voters rejected a $75-a-year parcel tax, dissects every aspect of the operation, from dispatch standards to response times to call volumes to time on tasks. But one thing is undeniably missing.

"I haven't seen how it's going to save us money," Supervisor Candace Andersen said.

She didn't say it dismissively. Andersen still finds value in the report as a "great starting point" for maximizing efficiencies in the district. Supervisor Karen Mitchoff, who never expected an instant fix, said "it shows us how to best use our dollars."

The report indicates that better protocol by dispatchers -- quicker identification of emergency needs -- will reduce the time between incoming calls and service assignments. Shorter "chute" time -- from when firefighters are alerted until the truck is out the door -- could further trim response time.

The report also breaks down demands on firefighters' time. ConFire, for instance, spends more hours providing mutual aid to neighboring agencies than it receives. And while 78 percent of all calls are for medical emergencies, firefighting accounts for 44 percent of time on task.

The only mention of staffing models comes in the "Options Going Forward:" 1) Stick with the status quo, which hardly seems likely; 2) Break up some of the 23 three-person engine teams into two-person medical units, adding response teams with no additional staffing; 3) Replace a percentage of retiring firefighters with lower-salaried EMTs. That would lower the payroll, but not for a long time.

Fire Captain Vince Wells, president of Local 1230, said there's useful information in the report, but that it oversimplifies things. The finding that response times barely suffered after four station closures measures only the first vehicle's time. Structure fires require five or more trucks -- how long till they arrive?

He's also troubled by breaking up engine teams, the option the supervisors seem to prefer, because it takes fire trucks off the street. "The other day," he said, "we had a fire in Antioch, a fire in Orinda and a fire in Walnut Creek. Emergencies don't always happen one at a time."

How much will operations change as a result of the report is anybody's guess, but it serves at least one important purpose.

"If we ever go back to the voters for another parcel tax," Andersen said, "I want to be able to tell them we've done everything we can to be more efficient."

The report is available at www.cccounty.us/ConFireStudy, and the public is invited to comment at a town-hall meeting 6 p.m. Wednesday in the Board of Supervisors chambers.

If you have an instant solution, speak up, because the consultants sure didn't find one.

Contact Tom Barnidge at tbarnidge@bayareanewsgroup.com.

Chico City Council to respond to annexation allegations from LAFCo

By ASHLEY GEBB-Staff Writer Chico Enterprise-Record
Posted:

Monday, January 20, 2014
Chicoer.com

CHICO — On Tuesday, the City Council will be asked to address allegations by the Local Area Formation Commission that the city has not done an acceptable job annexing county islands, and a related request to begin widespread immediate annexation of various county islands.

The matter results from a December letter from LAFCo that addresses a request by the city to waive usual processing fees for alleged illegal sewer connections and to grant special dispensation from a policy requiring annexation of parcels contiguous to the city.

While the agency appreciates the city's financial situation, Chair Carl Leverenz wrote it is prepared to work together to accommodate concerns but not compromise on its policies.

At the heart of the matter is 62 sewer connections done without LAFCo approval and $115,600 in rightfully owed connection fees. It also states the city will need to apply to annex 26 parcels that have been connected to the sewer and are contiguous to the city, and need to pay the application processing cost.

The letter offered two options, the first of which is for the city to enter a binding master annexation agreement that includes a comprehensive extension of services authorization. The agreement at minimum would require the City Council to initiate immediate annexation of the Chapman, Mulberry, Forest Avenue and East Lassen Avenue unincorporated areas.

The second option is for extension approval and annexation for the 62 illegal connections, along with an application processing fee of $37,200. It would also require initiation of annexation of the 26 parcels, with full cost recovery, and reimbursement to LAFCo of $17,606 for staff time spent working on the unauthorized sewer connection issue.

Both alternatives are "limited and financially untenable," the city staff report states. City Manager Brian Nakamura is recommending the City Council give direction to staff on the provided alternatives or direct staff to seek a different alternative, which could be provided to LAFCo.

City staff recommends the council consider the first alternative — with a seven-to-10-year annexation window, which would give the city adequate time to ensure fiscal recovery before realizing additional financial burden.

The staff report also responds to LAFCo's allegations that the city "cherry-picked" only the best and highest-valued areas for annexation, and that the city has denied "environmental justice" to lower-income families living in islands the city has yet to annex.

In the past 10 years, the city has annexed 35 county islands or portions thereof, which increased city limits by 2,300 acres and brought in 6,100 homes with 14,000 residents — an amount city staff equates to a city the size of Oroville.

"For LAFCo to infer and/or suggest that the city has been uncooperative with respect to island annexations discounts our efforts to date and significantly interferes with our efforts to improve relations with the panel," the staff report states.

LAFCo's allegation that the city has annexed only "the cream of the crop," deliberately passing over the Chapman-Mulberry and Stewart Avenue neighborhoods is not true, the staff report states. Also remaining to be annexed are larger islands including Chico Canyon Road and the El Monte neighborhood, which have expensive residences with considerable affluence.

The report states that the Chapman-Mulberry neighborhood for decades has desired to remain a "county-type" area with its own identity and culture, which the city respects and will honor.

Also Tuesday, the council is expected to consider a five-year development impact fee report and update to the sanitary sewer master plan.

The council will also consider adoption of memorandums of understanding and pay and benefits resolutions between the city and four of its bargaining groups. After months of negotiations, they have reached contractual agreements that will result in more than $2 million in savings to the city because of concessions by employees.

The International Association of Firefighters Local No. 2734 generated the most savings, nearly $1.8 million over three years.

Additional two-year savings are from the confidential employee group with $9,900, $92,000 from the Chico Employees Association, and $150,000 from the management employee group.

Reach Ashley Gebb at 896-7768, agebb@chicoer.com, or on Twitter @AshleyGebb.

Public meeting

Chico City Council

6:30 p.m. Tuesday

City Council Chambers,

421 Main St.

Pittsburg City Council OKs higher rates for water bills

By Eve Mitchell Contra Costa Times Contra Costa Times
Posted:

Thursday, January 23, 2014
ContraCostaTimes.com

PITTSBURG -- Residents and businesses will pay more for water starting in March under a proposal that was unanimously adopted by the City Council.

Council gave approval Tuesday to raising water rates 3.5 percent annually over four years. That is slightly less than the original proposal that called for rates to increase 4 percent annually over four years.

Starting in March, the average residential water bill will go from $63.45 to $66.01 a month based on usage of 350 gallons a day under the 3.5 percent hike. Sewer rates would stay the same, which means the monthly rate for combined water and sanitary service for the average residential customer will rise from $79.24 to $81.31. Qualified low-income seniors who are at least 62 years old, and all disabled residents, would also see a larger discounted rate to offset the increase. That means that the current $7.24 discount applied to the water portion of bills would be increased to $8.69 per month for those who qualify. The annual household income limit required to qualify for a discounted rate is $11,640, a cap that does not include Social Security payments. Currently, 726 residential customers received discounted rates.

The higher rates are needed to help pay for operations, ongoing maintenance and improvements to the city's water treatment and delivery system and to cover higher costs for buying water from the Contra Costa Water District, according to a staff report.

Comparable rates in the region for water service only are $63.88 for the Contra Costa Water District, which serves Concord, Pleasant Hill and Clayton, $75.04 in Martinez, $87.03 in Bay Point and $52.38 in Brentwood, which does not include costs for water softening. (Contra Costa Water District rates are expected to increase by 3.2 percent in April, while Brentwood's are expected to go up 3 percent in July)

Before the vote was taken, Councilwoman Nancy Parent made a motion to vote on the original 4 percent increase that was recommended in the staff report.

"We need to raise the rates. Our rate is reasonable with regard to other cities in the area," she said.

But Vice Mayor Pete Longmire and Councilman Ben Johnson said they would support rates going up 3 percent a year, along with a bigger discount for low-income seniors and disabled residents.

"We need to reduce the rate a little bit more than 4 percent," Johnson said.

"I also think the senior and disabled demographic in the city should be given a further deduction," Longmire said.

"Staff is comfortable if you want to lower rates down to 3.5 percent. We can work with that (along with the larger discounted rate)," City Manager Joe Sbranti said before the vote was taken.

The newly approved rate hike follows a 4 percent yearly increase for combined water and sewer rates that started in January 2010.

Contact Eve Mitchell at 925-779-7189. Follow her at Twitter.com/EastCounty_Girl.

Contra Costa Fire and EMS study seeks short-term fixes, with another tax measure looming

By Tom Lochner Contra Costa Times Contra Costa Times
Posted:

Friday, January 24, 2014
ContraCostaTimes.com

MARTINEZ -- A long-awaited consultant's report on the Contra Costa Fire District proposes ways to optimize emergency medical and fire response within current severe fiscal limitations, until voters face another tax initiative, likely in two or three years.

The report, by Fitch and Associates LLC, was the subject of a special town hall meeting Wednesday of the Board of Supervisors sitting as the fire board.

ConFire, which a few years ago operated 28 stations and 30 units spread over 304 square miles, is down to 23 stations, with 23 three-person crews, or 69 firefighters, on duty each day. A two-person medical response vehicle is currently deployed at the downtown Walnut Creek station as part of a pilot program that will be re-evaluated in March.

Voters rejected a November 2012 parcel tax measure that would have raised about $17 million a year for the district. The consultants noted that the fire district would have to prove that it is serious about taking measures to tighten its own belt before asking residents to pay more.

"The public, who will be asked to support another tax initiative in the near future, wants to see that ConFire is embracing change to become more efficient and effective," the report states.

The consultants propose three service options:

- Option 1: "Maintain Status Quo."

- Option 2: "Three/Two Staffing" would convert four existing three-person engine companies to six two-person quick-reponse vehicles, which would require no personnel reductions and could potentially lead to reopening two stations.

This option would not reduce the total number of personnel on duty at any one time, but would deploy them differently. There would be 19 engine companies, each with a staff of three, and six two-person quick-response vehicles, for a total of 69 firefighters.

- Option 3: A so-called "Single Patch" system under which the district would deploy some lower-salaried EMS (Emergency Medical Service) personnel in place of some dual-certified -- fire and EMS -- personnel, as firefighter attrition occurs. Currently, 78 percent of the district's calls are EMS-related, according to the report.

Wednesday's presentation highlighted mostly Option 2.

The fire district's 2014-15 fiscal year budget is projected at about $106 million, with a revenue deficit of about $10 million. Mandatory expenses related to pension bonds and current and unfunded retirement liabilities are slated to eat up about 40 percent of the budget in fiscal 2014-15, decreasing by about 1 percent each of the next two years.

The report laments the absence in the budget of provisions for vehicle and other capital replacements as equipment ages, leaving the district to scramble for occasional grants to meet minimal capital needs.

The report makes only brief mention of salaries, although several public comments point to high salaries and benefits as factors in the fire district's financial meltdown.

The consultant is expected to present its final report to the Board of Supervisors on Feb. 25.

Contact Tom Lochner at 510-262-2760. Follow him at Twitter.com/tomlochner.

Moraga-Orinda Fire District could soon run out of cash

By Jennifer Modenessi Contra Costa Times Contra Costa Times
Posted:

Sunday, January 26, 2014
ContraCostaTimes.com

In just a few years, the Moraga-Orinda Fire District could find itself without any operating cash because it won't have enough capital fund money to borrow to keep its general fund afloat, according to a midyear budget review up for discussion Jan. 27.

A board finance committee is scheduled to look at the midyear financials before the full board reviews them Feb. 5.

The revised budget includes projections the district will deplete its capital projects fund during the 2016-17 fiscal year, based on existing expenses and revenue projections.

If that happens, the district won't be able to draw cash from that fund to help replenish its general fund, its reserves having been exhausted last year. Administrators say the district will have to keep using capital funds to sustain operations through fiscal year 2018-19. They plan to borrow $700,000 from that fund this year to supplement the general fund; the capital fund balance was $3.4 million at the end of last year.

"We'll be out of cash, basically -- there won't be any money" said Administrative Services Director Gloriann Sasser, adding that the district was addressing the situation through labor negotiations now heading into their fourth year.

According to the budget, the district is expecting to pay $30,000 more than budgeted this fiscal year for a professional services labor negotiator. The expired union contracts currently eat up about 91 percent of the district's general fund revenue.

Other revisions detailed in the report include:

- A projected increase in property tax revenue of $153,000 more than originally expected. It is estimating total property tax revenue of $14.5 million, which does not include $2.8 million in property taxes to pay off pension debt.
- An increase in the cost of salaries and benefits despite reducing daily minimum staffing from 19 to 17 personnel. The costs will exceed budget by nearly $300,000. Fire Chief Stephen Healy attributed that to the timing of a staffing reduction plan; personnel on disability and increased staffing on red flag (high fire danger) days.
- Total general fund expenses are now expected to exceed revenue by $598,927, which is less than the $1.3 million deficit projected last year. The district originally projected total revenue of about $19.3 million and expenses of $20.5 million.

Directors will also revisit a long-range financial plan created by former administrators that projects about 15 years of district revenues and expenses.

Unlike previous versions of the financial plan that projected the district's expenses for retiree pension and health care payments, the current plan does not account for those amounts.

Sasser said she removed those figures -- which now total about $82 million of unfunded liability -- because some of the amounts can vary each year.

The district makes annual payments for the pension debt, but once again does not plan to make its yearly payment for retiree health care debt, which the budget report estimated at $24 million in 2009, the last year for which figures are available.

"We're drawing attention to the board that we're not saving for this like we should be saving," Sasser said. "We're not doing it because the money is not there. The district should be saving money."

The district is waiting to complete labor negotiations before updating the retiree health care debt figure, Sasser said.

IF you go
The Moraga-Orinda Fire District finance committee meeting begins at 4 p.m. Monday in the Sarge Littlehale Room, at 22 Orinda Way, Orinda.

San Pablo hospital's fight for survival grows more desperate

By Robert Rogers Contra Costa Times Contra Costa Times
Posted:

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ContraCostaTimes.com

SAN PABLO -- Suffering from a suspected case of Lyme disease, 75-year-old San Pablo cancer survivor Renate Wunderlich seemed as concerned about her hospital's health as her own during a recent visit to the Doctors Medical Center emergency room.

"The joint pain is pretty bad," Wunderlich said, her voice trailing off before moving on to the new topic.

"This hospital isn't really going to close, is it?" she asked Dr. Laurel Hodgson, the lone emergency medicine doctor on duty this night, and other hospital staff. "It can't close."

Like everyone else, Dr. Hodgson doesn't have a straight answer to that question.

Despite two voter-approved parcel taxes in the past decade to keep it afloat, Doctors Medical remains on life support, the victim of a radically changed health care system that has largely stripped public hospitals of their most profitable patients. Doctors Medical could close this year if new funding doesn't materialize soon, and officials warn that the results would be catastrophic for West County -- including predicted emergency wait times of as long as 10 hours if the 41,000-plus annual visits to Doctors' emergency room are diverted elsewhere.

"It's really a matter of life or death," said Eric Zell, chairman of the West Contra Costa Healthcare District, which runs the hospital. "Doctors here at DMC see patients every day who would not otherwise survive."

The hospital, which projects a $16 million deficit this year, serves as the largest emergency room in West County and a destination for residents of all backgrounds when they suffer heart attacks and strokes, and time is often the difference between life and death, or severe, permanent injury.

DMC leaders say a partnership with a healthier institution is the only viable long-term answer to keeping the facility open, but crafting a deal will take time and depend upon immediate funding to stabilize the hospital's finances.

Hospital leaders and health industry experts also say the Affordable Care Act has exacerbated the short-term funding problems -- by driving down reimbursement rates for Medicare -- but that it could also fast-track the search for a lifesaving partnership. DMC has acknowledged that it is in talks with UC San Francisco Medical Center.

"Across California, there are a number of hospitals that are looking at their future, and particularly at risk are those that are independent, without affiliations with larger systems," said Jan Emerson-Shea, vice president of external affairs for the California Hospital Association. "Hospitals are facing $23 billion in government payment cuts through 2020, so independent safety net hospitals that don't have the large number of private payers face a huge challenge."

A spokesman for Rep. George Miller, D-Martinez, a key architect of the Affordable Care Act, issued a statement Friday maintaining that the law will be a net benefit for the hospital.

"Congressman Miller is confident that the Affordable Care Act is benefiting San Pablo, North Richmond and the people that Doctors hospital serves, thanks to a number of provisions in the health law that increase low-income coverage and provide DMC and other provider networks with new partnership opportunities that were unattainable prior to the passage of the law," said Peter Whippy.

County Supervisor John Gioia, of Richmond, who also sits on the West Contra Costa Healthcare District's board, said the ACA's emphasis on integrating health care and increasing efficiency could help DMC land a partner.

In the short run, though, the major challenge that has long plagued the hospital won't change: Private hospitals have siphoned away patients with lucrative private insurance plans, leaving taxpayers to foot more of the bill for those who remain.

"It's a tough situation," said Dylan Roby of the UCLA Center for Health Policy Research. "In low-income districts, district hospitals play a dual role; they need to get private insurance patients and also need to provide for the indigent patients that get low reimbursement rates."

If DMC closes, the results would be "catastrophic" to the region, according to a 2011 report commissioned by Contra Costa Emergency Medical Services. The only other emergency room in West Contra Costa is Kaiser Richmond, which has only 15 emergency beds compared with 25 at DMC.

In a twist, the surrounding hospitals that drew away the best-paying customers would be inundated with the ones they left to DMC. Those same hospitals are key to whether DMC can survive in the short term.

"These other hospitals that would be inundated get a tax break for being nonprofit status," Gioia said. "They have stepped up with funds in the past, but the question is whether they will step up now."

Richmond leaders publicly implored Kaiser Permanente at a recent City Council meeting to provide additional funding to DMC; Kaiser said it would consider the request. DMC is also talking about putting another parcel tax measure on the November ballot to complement ones passed in 2004 and 2011 that pump $10.9 million annually into the hospital.

DMC handles 79 percent of the inpatient capacity, 62 percent of the ambulance traffic and 59 percent of the emergency room care in the region, according to the 2011 Contra Costa EMS report.

But just 12 percent of DMC's patients have private insurance, while about three-quarters are on Medicare or Medi-Cal. Eleven percent of patients are uninsured.

"We have a positive margin on those managed care patients; we just don't have many of them," said Dawn Gideon, DMC's interim CEO.

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California drought: Bay Area water districts start asking urban residents to conserve

By Paul Rogers progers@mercurynews.com Contra Costa Times
Posted:

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ContraCostaTimes.com

SAN JOSE -- Moving up a decision they planned to make later this spring, the leaders of Silicon Valley's largest water provider, in the face of the worsening drought, will vote Tuesday on a host of new water conservation policies, including a reduction in water use.

The board of the Santa Clara Valley Water District, a government agency based in San Jose that provides drinking water to 1.8 million people, is expected to approve a "preliminary water use reduction target" of 10 percent lower than the county used last year.

"People have been asking me 'When are you guys going to do something?'" said board member Brian Schmidt, who is also an environmental attorney. "I think the public will respond well. All they have to do is step outside and see nothing coming down day after day."

The district also will vote on Tuesday whether to spend $500,000 to expand a public outreach campaign to urge Santa Clara County residents to conserve water and to broaden programs that provide rebates to residents who install water-efficient appliances and replace lawns with drought tolerant plants. The district has $5.2 million budgeted this year for conservation programs and $220,000 for a water conservation campaign.

Schmidt and fellow board member Linda LeZotte have an additional proposal to double spending on rebates.

Technically, the pending vote is a voluntary request for water savings. The district is a wholesale provider that sells water to 13 retailers, including cities like Gilroy and Santa Clara, and private companies like the San Jose Water Company. It will be up to each retail provider to decide whether to go along with the 10 percent goal and how to enforce it, if at all.

Other districts

Santa Clara is the latest Bay Area water agency to call for conservation after 2013 ended as the driest year in California, dating back to 1850. Despite a chance of rain on Thursday, so far, virtually no rain has fallen in January.

The Alameda County Water District, which provides water to 366,000 people in Fremont, Newark and Union City, requested a 20 percent voluntary cutback on Jan. 17.

The Zone 7 Water Agency in Livermore, which provides water to residents of Livermore, Pleasanton and Dublin, also requested a 20 percent voluntary reduction.

And last Tuesday, the Marin Municipal Water District asked for a 25 percent voluntary reduction from its customers. Already, the Santa Cruz Water Department has banned landscape irrigation between 10 a.m and 5 p.m. It also has forbidden the filling of newly installed swimming pools and has ordered restaurants not to serve water unless customers request it. Initial violations get a warning, but after that, fines begin at $100.

Other large agencies, such as East Bay Municipal Utility District, the Contra Costa Water District and the San Francisco Public Utilities Commission, which operates the Hetch Hetchy system, have yet to set a water reduction target.

Abby Figueroa, a district spokeswoman for East Bay MUD, said the board will hear an update on the water supply from staff on Tuesday and may soon take action.

"In a typical dry year, the decision would have happened in May," Figueroa said. "But all indications are the board is going to make a decision before that."

Cost concerns

Water planners note that February, March and April could still bring large winter storms. Added to that, when they call for water conservation, their agencies sell less water and lose money.

If the Santa Clara Valley Water District's customers meet the 10 percent reduction goal, for example, that would save 36,200 acre feet of water -- roughly twice the capacity of Lexington Reservoir in Los Gatos -- and will cost the agency $15 million to $20 million in lost revenue.

Although farmers and ranchers are so far suffering the most, urban residents have largely escaped the drought's impacts. That's because after California's last big drought -- 1987 to 1992 -- most urban water agencies put major conservation programs in place.

Santa Clara County, for example, uses the same amount of water now, about 350,000 acre feet a year, as it did in 1980, even though the population has increased from 1.3 million people to 1.9 million people. Los Angeles and other urban areas have similarly limited water demand through low-flush toilets, lawn replacement programs and other conservation efforts.

Some residents are already off to the races.

Doug Tinney, a retired graphic designer, and his wife, Joyce, started putting a bucket in the shower last week. As they wait for the water to warm, they catch about three gallons each shower.

"I went out and got a 32-gallon plastic garbage can with a lid," Tinney said. "I put it in the side yard. I take the bucket out there and pour it in." That method provides far more water than he needs for his plants. "It's a great feeling to know that we are saving almost 50 gallons a week between the two of us. If you start multiplying that out, that could be millions of gallons of water across the Bay Area."

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at Twitter.com/PaulRogersSJMN.

After decades of payments, EBMUD may finally use its emergency water supply

By Denis Cuff Contra Costa Times Contra Costa Times
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ContraCostaTimes.com

After paying 43 years for a new water supply it has never used, the East Bay's largest water district might finally tap the keg.

Continued dry weather the rest of the rain season would cause shortages permitting the East Bay Municipal Utility District to take an emergency supply of Sacramento River water through a $900 million delivery project completed three years ago.

The supply from Freeport five miles south of Sacramento could be an ace in the hole to ease shortages and ward off mandatory rationing for 1.3 million EBMUD customers in Contra Costa and Alameda Counties.

The drought relief would come at a price, though. A temporary increase in water bills of $6 per month per average household would be needed to cover pumping and treatment costs, the water district estimates.

It's too early in the rain season to decide whether it must use the new supply, but EBMUD is preparing the delivery pipes and pumps.

"If we have four or five big storms, we won't need it, " said Eileen White, district manager of water supply and maintenance. "But we're priming the pumps in case we do."

The temporary new source would supplement the district's regular supply of high-quality Mokelumne River river piped from the Sierra foothills to Oakland, Berkeley, Walnut Creek, Richmond and other cities in the district.

"We don't want to put all our eggs in one basket," White said.

But it has been a long road to secure the new supply.

The district signed a federal contract in 1970 for the secondary supply from the federal Bureau of Reclamation, and it has paid the bureau $17 million, required whether or not the water was taken.

Plans for a water delivery pipeline plan were blocked for decades by resistance from Sacramento County and environmentalists.

A truce was reached in 2001 when the East Bay district and Sacramento County agreed on a $900 million joint project to deliver water to both Sacramento County and the East Bay. EBMUD put up $460 million as its share.

Under the contract, the East Bay temporarily can take up to 100 million gallons a day of Sacramento River water. The district typically uses about 170 million gallons per day of Mokelumne River water.

There's a catch in the contract, however. EBMUD is eligible to tap the Sacramento River water if in March it forecasts that its reservoirs will have less than 500,000 acre feet of water in the fall.

The seven-member elected water board will make the call whether to take the water.

"If we need the water, I think we should use it to avoid the economic impact that mandatory rationing would have on our customers, " said John Coleman, a water board member from Lafayette. "It gives us options. The areas facing the most severe shortages this year are ones that rely on a single source."

Rationing, he said, would hurt consumers and businesses, especially gardeners and landscapers whose jobs depend on irrigated lawns and plants.

EBMUD board President Andy Katz said deciding whether to take the Sacramento River supply depends on the severity of shortages.

"We're fortunate to have the option of using the Freeport water," Katz said "On the other hand, we have to consider the cost to our customers of perhaps $6 per month per household."

Katz and Coleman said they wish a series of storms would cover the Sierra in a thick blanket of snow.

So far, that hasn't happened. Snow levels measure just 1.6 inches, 9 percent of normal, in the Mokelumne River basin.

Water district staff will present a water supply update at the EBMUD board meeting 1:15 p.m. Tuesday at district headquarters, 375 11th St., Oakland.

Contact Denis Cuff at 925-943-8267. Follow him at Twitter.com/deniscuff.

water update
EBMUD staff will present a water supply update at the district board meeting 1:15 p.m. Tuesday at district headquarters, 375 11th St., Oakland.

Struggling fire district to spend $125K in hopes of generating much more

By Rowena Coetsee Contra Costa Times Contra Costa Times
Posted:

Tuesday, January 28, 2014
ContraCostaTimes.com

OAKLEY -- East Contra Costa Fire District is wagering $125,000 in an effort to keep its fire stations open.

The agency's board members agreed this week to spend that sum on a consulting firm that will help them decide the size of a proposed parcel tax as well as deliver the facts about the district's precarious financial health directly to residents' mailboxes.

Board President Joel Bryant voiced the only objections in the 6-1 vote. Another board member was absent and Director Cheryl Morgan abstained.

The San Francisco company, which specializes in crafting ballot measures for local governments, will consider alternate ways of structuring the tax. Instead of assessing a uniform fee on each of the 43,769 parcels in the district, for example, it might recommend a tax that varies depending on whether there's a single-family home, apartments or a business on the property, fire Chief Hugh Henderson said.

In response to those who question the need for consultants, he notes that the district's administration consists of just him and a secretary, who don't have the time to handle the design, wording, printing and mailing of multiple fliers.

Although the district is struggling to keep its five remaining stations open -- money troubles have forced the closure of three others since summer 2010 -- Henderson says $125,000 won't cover the salary and benefits for even one rank-and-file firefighter.

This push to get a parcel measure approved is the second go-round for the district, which spent $120,000 on consultant fees in an unsuccessful attempt two years ago.

The $197 annual tax was considerably higher than what the board is considering this time, however, because it was intended to reopen a station as well as add a paramedic to each engine, Henderson said.

By contrast, this proposed tax will be used only to preserve the status quo, he said.

"We're not asking to become bigger. We're trying to maintain the bare minimum amount of service," Henderson said.

Exactly how much the tax will be and how long it will remain in effect might not be decided until Feb. 24, when the board will vote whether to put the measure on the June ballot.

In nailing down the dollar amount, directors are taking into consideration the additional revenue that rising property values will generate as well as projected increases in the number of parcels in the district.

Although their focus now is on a parcel tax, district officials have explored other ways to alleviate, if not solve, the agency's woes.

One possibility is working with cities and the county to establish additional community facilities districts.

Although there's only one subdivision in East Contra Costa Fire's service area where homeowners are paying fees for fire protection in addition to property taxes, Henderson said the board might pursue similar arrangements as new developments are built.

Other approaches haven't panned out.

East Contra Costa Fire contacted half a dozen fire agencies last year to see if any of them would be willing to provide services on its behalf only to discover that such a contract actually would be more costly, Henderson said.

Some critics have argued that the district should bring back volunteer firefighters to supplement its manpower, but directors decided that the obstacles to laypersons responding quickly in emergencies coupled with the cost of insuring and training them made this idea impractical.

Meanwhile, East Contra Costa Fire is making ends meet using a two-year federal grant, which is filling a $3.2 million gap between revenue and expenses this fiscal year.

The district's 48 firefighters have both gained and lost ground since the money was awarded. Although they received a 2.5 percent pay hike in July -- their first in six years -- they now are paying more for smaller retirement benefits.

Before July 1, the district was paying 4.5 percent of employees' share in addition to its own contribution toward pension costs; now firefighters must pay their full share, which amounts to roughly $1,000 to $2,000 per month depending on how old they were when they were hired, Henderson said.

Monthly salaries range from $4,190 for an entry-level firefighter to $7,343 for a seasoned battalion chief.

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CONTRA COSTA TIMES

January 28, 2014

HEALTH CARE CHANGES

Hospitals face a challenging new landscape

Facilities pressured to reduce costs, improve quality of care they provide

By Tracy Seipel

tseipel@mercurynews.com

The new federal health care law is giving millions of uninsured Americans health coverage — and many of them are expected to get longdelayed surgeries and seek other crucial medical care.

So why are some hospitals up for sale or desperately seeking to align with others?

One reason is that the health law pressures hospitals to reduce costs and offer better value through new rules that reward them more for the quality of care they deliver than for the number of patients they treat.

“If hospitals cannot adapt and play under the new rules,” said Maribeth Shannon, a director at the California HealthCare Foundation, “it will be a challenge for them to survive.”

Just this month in the Bay Area, the financially strapped nonprofit Daughters of Charity Health System, based in Los Altos Hills, announced it will sell its six hospitals — four in the Bay Area and two in Los Angeles. And last week, UCSF Benioff Children’s Hospital and Children’s Hospital Oakland formally linked arms to help broaden their services and cut costs. In October, Sutter Health transferred ownership of the beleaguered San Leandro Hospital to the Alameda Health System. Perhaps most notably, the health care law signed by President Barack Obama in March 2010 imposes significant cuts in hospital reimbursements for Medicare — about $155 billion nationwide from 2010 to 2020. The approximately 400 general acute care hospitals in California stand to lose about $17 billion, according to the California Hospital Association.

The law also reduces Medicare payments to hospitals that report excessively high rates of avoidable readmissions within 30 days of discharge for patients who were treated for heart attacks, heart failure or pneumonia. Next year, Medicare reimbursements also will be reduced at hospitals where patients picked up an infection that lengthened their stay. The Affordable Care Act, also known as “Obamacare,” also encourages doctors and hospitals to form “accountable care organizations.” These networks of providers — including primary care doctors, specialists, hospitals and home health care services — work together to coordinate patients’ care.

It’s a different health care model than the “fee-for- service” system that exists in the U.S. today — in which economic incentives are built around providing more treatments, not fewer. The new system is similar to Kaiser Permanente's model, which coordinates the work of its primary care physicians, specialists, hospitals, pharmacies and laboratories. The end-to-end experience for patients enables Kaiser to improve the quality of care and find efficiencies that reduce costs. "When you move to those kinds of models — as Kaiser has done so successfully — where you handle many patients on an outpatient basis, you reduce the need for patient hospitalization," said Mark Laret, CEO of UCSF Medical Center and UCSF Benioff Children's Hospital. Jim Moloney, a managing director at Cain Brothers, a New York-based investment bank that focuses exclusively on the medical services industry, put it this way: "The benefit of the (Affordable Care Act) is that now those people, ideally, will get access to primary care and other lower-cost early services where they are treated early, before they have to go to an emergency room." The law also encourages states to expand their Medicaid programs for the poor — called Medi-Cal in California — to cover any uninsured U.S. resident who doesn't earn enough to buy a private plan on the new health insurance exchanges. Since Oct. 1, California has signed up at least 584,000 new Medi-Cal recipients. While the Medicaid expansion will increase the number of patients with health coverage, Medicaid payments are still much lower than reimbursement rates from private insurers.

So the decision by the Daughters of Charity to sell its six hospitals didn't surprise Laret. That's because "safety net" hospitals like these often treat a disproportionate number of low-income and Medi-Cal patients. With Medi-Cal payment rates so low, Laret said, "many hospitals have just not been able to make it." Last week's "affiliation" between the children's hospitals, in the works for two years, will help both UCSF Benioff and Children's Hospital Oakland, where Medi-Cal patients make up 50 percent and 70 percent of the business, respectively. The affiliation will enable them to coordinate their services for children among physicians in both systems and save money through buying supplies in bulk, while streamlining services such as accounting, billing and human resources.

Moloney, Shannon and others said the health care law will also accelerate the years-long trend of moving more medical care from hospitals to less-expensive satellite facilities, such as outpatient or surgical care centers, where new technologies reduce the need for inpatient hospital procedures.

Said Wanda Jones, a veteran Bay Area health care consultant: "We cannot look on the hospital anymore as the centerpiece of health care."

Staff researcher Leigh Poitinger contributed to this report.

California drought: 17 communities could run out of water within 60 to 120 days, state says

By Paul Rogers progers@mercurynews.com Contra Costa Times
Posted:

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ContraCostaTimes.com

As California's drought deepens, 17 communities across the state are in danger of running out of water within 60 to 120 days, state officials said Tuesday.

In some communities, wells are running dry. In others, reservoirs are nearly empty. Some have long-running problems that predate the drought.

The water systems, all in rural areas, serve from 39 to 11,000 residents. They range from the tiny Lompico County Water District in Santa Cruz County to districts that serve the cities of Healdsburg and Cloverdale in Sonoma County.

And it could get a lot worse.

"As the drought goes on, there will be more that probably show up on the list," said Dave Mazzera, acting drinking-water division chief for the state Department of Public Health.

Most of the affected water districts have so few customers that they can't charge enough money to pay for backup water supplies or repair failing equipment, leaving them more vulnerable to drought than large urban areas.

The state health department compiled the list after surveying the more than 3,000 water agencies in California last week. The list will be updated weekly, Mazzera said.

State health officials are in discussion with leaders of other agencies, including the state Office of Emergency Services and the Federal Emergency Management Agency, to work on immediate solutions, he added. Those could include everything from trucking in water to the health department providing emergency funds for drilling new wells or connecting faltering systems to other water systems.

A similar list of vulnerable communities was compiled during California's last drought, which lasted from 2007 to 2009. But the current drought is more severe. Less rain fell in 2013 than in any year since California became a state in 1850.

Even though some rain is forecast for Thursday, major storms are desperately needed this winter and spring to replenish depleted reservoirs, rivers and the Sierra Nevada snowpack -- which on Tuesday stood at 14 percent of normal.

"This is a statewide drought. This is a serious drought," Bill Croyle, director of the state Drought Task Force, said Thursday. "It's all hands on deck."

Croyle, an official with the state Department of Water Resources, made his remarks at a meeting of the Delta Stewardship Council, a state board of water experts.

Asked by board member Hank Nordhoff, a San Diego businessman, where the water will come from to bail out small systems, Croyle said he's working on it.

"You are going to get it wherever you can get it," he said.

Retorted Nordhoff: "That's a frightening reply."

Croyle cited the possibility of new pipe connections to other water systems and trucking in water.

"On the Central Coast, they have in the past looked at desalination," he added. "So if we lose our groundwater and surface water, we are going to go to the ocean. It is going to be expensive, but you bring in mobile plants and fire them up."

Since California's last major drought, which ran from 1987 to 1992, most major urban areas have spent millions of dollars to store water underground, fund conservation programs, build new reservoirs and construct wastewater recycling plants. As a result, their residents are feeling little effect so far.

On Tuesday, the San Francisco Public Utilities Commission announced a voluntary 10 percent cutback for its 2.6 million customers in San Francisco, San Mateo, Santa Clara and Alameda counties. Similarly, the Santa Clara Valley Water District has requested a 10 percent voluntary cutback. Others, like the Contra Costa Water District and the East Bay Municipal Utility District, have not yet asked customers to meet conservation targets.

The story is different in many rural areas.

Lompico County Water District, in the Santa Cruz Mountains near Felton, has long-standing water supply issues and is exploring a possible merger, but so far has been stymied by nearly $3 million in needed upgrades -- a hefty bill for the district's 500 customers.

"We have been unable to take water out of the creek since August and well production is down, and we didn't have that much water to begin with," said Lois Henry, a Lompico water board member.

Henry said she hopes the state comes with funding to help the agency find more reliable water. The district could soon have to begin trucking in water, she said.

"I'm frankly worried," Henry said. "I know people turn their faucet on and say, 'Oh, everything's fine.' And I know it's not."

In Cloverdale, where 9,000 Sonoma County residents draw their water from four wells, low flows in the Russian River prompted the City Council last week to put in place mandatory 25 percent rationing, which includes a ban on lawn watering. The city raised water rates 50 percent to put in two new wells, which should be completed by July, said City Manager Paul Caylor.

"Hopefully," he said, "we'll be able to get through the summer and the development of this project will pay off."

Santa Cruz Sentinel reporter Jason Hoppin contributed to this report. Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at Twitter.com/PaulRogersSJMN

San Pablo: Doctors Medical Center board approves tax measure, parking lot lease deal

By Robert Rogers Contra Costa Times San Jose Mercury News
Posted:

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ContraCostaTimes.com

SAN PABLO -- Doctors Medical Center's governing board on Wednesday authorized a parcel tax mail-in ballot election in May and agreed to lease a portion of its parking lot to a casino for $5 million, two moves that could avert closure this year and make the long-struggling hospital more attractive to potential partners.

The West Contra Costa Healthcare District board of directors, which owns and operates the hospital, voted unanimously to ask district voters to approve a parcel tax of 14 cents a square foot, which would raise about $20 million per year. The parcel tax, which would be the third approved by district voters since 2004, requires two-thirds voter approval.

The board also agreed to a 20-year lease of a portion of its parking lot outside the cancer center to the Lytton Casino, its neighbor to the south, for $5 million in cash. The funding allows the hospital to keep its doors open long enough to see whether the tax passes.

"$5 million gives us the liquidity necessary to get us to the parcel tax," interim CEO Dawn Gideon said.

The vote authorizes a special mail-in ballot election due May 6, DMC spokeswoman Remy Goldsmith said.

Reeling from yawning gaps between costs and revenues, in need of partnerships and unable to tap state or county funds, the board declared a fiscal emergency for the hospital in November.

Gideon has said the hospital has been hemorrhaging $1.5 million per month for the past two years and faces a $19 million deficit in the current year's budget, a crisis that requires deep cuts, new funding streams and partnerships with other hospitals to avert closure.

Even if voters approve a new parcel tax, the hospital also needed millions in bridge funding to survive into the summer. The lease deal with the casino staves off the possibility of immediate closure.

Hospital leaders are in talks with other area hospitals, including Kaiser Permanente, for additional funding.

DMC, which opened in 1954, serves mostly uninsured and underinsured patients, and has long been considered an important safety net for West County residents. It is the leading source of hospital care for the area's Medicare and Medi-Cal patients.

A recent county report said that if DMC closes, emergency room waiting times in the area would drastically increase.

The proposed parcel tax would expire and cease collection if DMC closes. The hospital employs nearly 1,000 workers.

Gideon said the parcel tax would make it more likely that the hospital could merge with a larger system. Talks with UC San Francisco Medical Center have been ongoing for months.

But this year, the parcel tax is a necessity, Gideon said, as the hospital continues to run huge deficits.

"The community that established this hospital is the community that has to save this hospital," Gideon said.

Only one member of the public spoke at Wednesday's meeting, and that person was opposes the tax.

"You can't continue to come back to try to raise money on the backs of business and homeowners," said Marilynne Mellander, a longtime El Sobrante resident.

The parcel tax would cost an owner of a 1,500-square-foot home about $210 annually, according to staff figures. Previous taxes passed in 2004 and 2011 pump $10.9 million annually into the hospital.

Leasing the parking lot to the casino would force workers and patients to park in other parts of the property, and off site. Gideon said free valet services would be available to patients.

DMC contains 25 of the 40 emergency room beds in West County, said County Supervisor John Gioia. A county report in 2011 said wait times and ambulance ride times would be drastically increased if the hospital closed.

"Even if you are a Kaiser patient, if you have a heart attack or a stroke, you come here," Gioia said.

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Moraga-Orinda firefighter contract talks at impasse

By Jennifer Modenessi Contra Costa Times San Jose Mercury News
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MORAGA -- After four years of contract negotiations, talks between the Moraga-Orinda Fire District and the union representing the district's 59 firefighters and firefighter-paramedics have reached an impasse.

Moraga-Orinda Fire District governing board President John Wyro confirmed Wednesday that the board and union are deadlocked, and said the impasse was "another step in the process."

District officials didn't elaborate, but union leaders expect to go through a legal fact-finding process in which a state panel will speak with both sides.

In a news release, district officials said they had hoped to reach an agreement and avoid impasse.

However, financial challenges -- specifically the district's general fund balance, said fire Chief Stephen Healy -- brought about the impasse.

MOFD is borrowing from its capital fund to keep its general fund solvent. District officials say those capital funds could dry up during fiscal year 2016-17. The expired union contracts, they add, consume 91 percent of the fire district's general fund revenue.

The union -- United Professional Firefighters of Contra Costa County Local 1230 -- received a letter Tuesday from the district declaring the impasse.

Contract talks with firefighters and firefighter-paramedics started in 2010; health care benefits and cost-of-living salary increases have since remained frozen.

Union President Vince Wells said Wednesday that the district had presented firefighters with two offers that include salary cuts.

According to the union, the first proposes a 7.5 percent across-the-board base salary cut effective July 1, and no salary range changes in fiscal year 2015-16. That contract would expire June 30, 2016.

A second "last, best and final proposal" suggests across-the-board pay cuts of 9.5 percent for a short-term contract lasting through June 30, 2015, if an agreement on the first proposal couldn't be reached.

The district also proposes health care changes the union argues would create a disparity between active employees' and retirees' benefits.

"We believe that before a decision was made to cut salaries and benefits of the firefighters, other options should have been pursued," said Wells, who asserts firefighters' compensation isn't the problem.

Under the expired existing contracts, the district continues to pick up 77 percent of employee medical benefits. Employees have continued to pick up the remaining 23 percent plus yearly contribution increases, Wells said.

The district also proposes a new job classification for single-role paramedics, who would replace 12 firefighter-paramedic positions vacated though retirements, attrition or other employment separations. The paramedics would receive less pay and a different retirement benefit formula through the county retirement system, according to the union.

Wells said the union proposed extending the expired contracts for another two years. It also proposed no raises, and said firefighters would continue to pick up their portion of the health care benefits, including the increases.

In the meantime, firefighters can't strike, but union leaders fear the district could choose to impose a contract. "We're at the mercy of the district," Wells said.

The district would prefer not to impose a contract, said Healy, adding that no service cuts are on the horizon, either.

Tough fight looms for new tax to support San Pablo hospital

By Robert Rogers Contra Costa Times Contra Costa Times
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SAN PABLO -- The only ones who can save Doctors Medical Center are the voters of the health care district that owns the hospital.

The question is whether they will be willing to tack another special tax onto their already lengthy list of property assessments, to the tune of about $20 million annually.

"There is clearly voter tax fatigue in West County," said Contra Costa County Supervisor John Gioia, of Richmond, who plans to campaign hard for a new tax to save the hospital. "We have our work cut out for us."

The West Contra Costa Healthcare District board of directors, which owns and operates the hospital, voted last week to ask district voters to approve a parcel tax of 14 cents a square foot. That works out to $168 annually for a 1,200-square-foot house and $280 for a 2,000-square-foot home, and it would come on top of the $99 per year that property owners already pay in parcel taxes to fund the hospital. The tax requires two-thirds voter approval.

The tax would expire only if the hospital and its emergency room are closed, according to the resolution the health care district passed authorizing the measure.

Without the tax, DMC officials say the hospital will close, depriving West County of its largest emergency room and drastically increasing wait times at other area hospitals.

"I believe that voters will support the tax measure if they understand that the option is (hospital) closure and the consequences that come with that," Gioia said.

While taxes vary across the roughly 250,000-resident West Contra Costa Healthcare District, years of voter-approved taxes have added up.

On a 1,200-square-foot house in Richmond assessed at $210,000, for example, a homeowner faces about $4,100 in various taxes annually.

On top of the 1 percent of assessed value countywide tax, or $2,100, the example homeowner pays nearly $2,000 in special taxes and other local assessments.

The biggest single source of taxes is the West Contra Costa Unified School District, which gets more than $700 annually from the owner of the $210,000 house thanks to a series of bonds and parcel taxes passed since 2000, mostly to fund new school construction.

Parcel taxes approved in 2004 and 2011 already generate nearly $11 million annually for the health care district. Including the district's share of the county's value-based property tax, district property owners provide about $13.8 million in total funding annually to DMC, according to figures provided by hospital spokeswoman Remy Goldsmith.

Goldsmith said the district had hoped the 2011 parcel tax would lead to a partnership that would close the remainder of its $20 million budget gap, but those talks led nowhere.

"... it was made clear to us that no other hospital or hospital system would affiliate with DMC if it meant assuming a large annual deficit," Goldsmith said in an email.

Contra Costa County is the fourth-highest property tax county by percentage in California, according to Propertytax101.org, a watchdog website, and West County might even be higher than the county average.

"Independent districts that tax are really numerous in Contra Costa County," said Alex Aliferis, executive director of the Contra Costa Taxpayers Association. "The average homeowner is feeling the pinch."

Aliferis said his group was still researching the proposed Doctors Medical Center tax and had not made a decision whether to endorse or oppose it.

But the latest proposal, whose fate will be decided in a mail-in ballot to be sent out 30 days before a May 6 election, dwarfs the previous taxes passed.

The tax, as written, would amount to 14 cents per square foot of all developed structures, excluding residential car ports, and would generate almost twice as much as the two previous hospital parcel taxes combined.

In previous campaigns for DMC parcel taxes, pro-tax forces have relied on Kaiser Permanente and John Muir Medical Center to fund political communication. Gioia said those groups will be appealed to again this time.

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East Contra Costa: Survey results might upend East Contra Costa Fire District's plan for parcel tax

By Rowena Coetsee, rcoetsee@bayareanewsgroup.com Contra Costa Times
Posted:

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OAKLEY -- The negative results of a recent survey might upend East Contra Costa Fire District's plans to place a parcel tax measure on the June ballot, which would all but ensure station closures and layoffs.

Board members were dismayed Monday to learn that of those constituents likely to vote in June, only 54 percent are willing to pay more for fire protection and medical aid -- significantly fewer than the number the cash-strapped agency needs to maintain its current level of service.

United Professional Firefighters of Contra Costa County's Local 1230 hired a polling firm to call 300 district residents last month to see whether the same level of anti-tax sentiment that sunk a previous attempt at a parcel tax still exists.

"We were hoping that the board would consider that and work on other options," Local 1230 President Vince Wells said. "If we put all this time into (the June parcel tax measure) and it fails, that's four more months wasted."

After reviewing the numbers, the consultant the district has hired to help inform the public about what's at stake agreed that the chances of a tax measure succeeding don't look good.

"It's risky to think we could get to two-thirds," said Charles Heath, district consultant, of the approval rating that a parcel tax must have to pass. "I do not think you can make up a 13 percent deficit between now and June."

Even after factoring in the margin of error, the most the district could hope for is 60 percent, he said.

Heath suggested that the board instead consider postponing the election until November when more people typically go to the polls or pursue another revenue-generating method that requires only a simple majority to pass.

But Fire Chief Hugh Henderson and some board directors acknowledged that to wait could create other problems.

Time is of the essence because the two-year federal grant that has kept the district afloat will expire in November. Unless the agency can come up with the money to offset that loss, officials say it probably will have to close two of its remaining five stations and lay off firefighters.

East Contra Costa Fire used to have eight stations but shuttered two in summer of 2010. The failure of a parcel tax in 2012 by a 56.2 percent margin forced the district to close three more before receiving a grant that enabled it to reopen two of them.

The district's precarious situation already is taking a toll, Henderson said.

"I'm concerned about the morale of staff," he said, noting that three of his 48 firefighters already have applied for jobs with other agencies.

Board President Joel Bryant noted that if the district held off an election until November, its proposal would be competing with other tax measures on the ballot. Multiple requests for money could prompt voters to reject all of them, he said.

But even if a parcel tax were to pass then, it wouldn't show up on people's property tax bills until August 2015 and it would be another four months before the district would start receiving any revenue, Henderson said.

Where the agency would find the approximately $4.4 million it needs during that intervening year is uncertain, he said.

"Any way you slice it, it's bad," Henderson said.

Board members voiced disappointment that the district's efforts to convey the urgency of its situation haven't garnered more support for the tax.

"I'm so frustrated I could spit!" said Bob Kenny, a board director.

The seven informational meetings that East Contra Costa Fire held last month to explain its position and the tax it was considering were sparsely attended.

Moreover, 40 percent of those polled in the union's survey indicated that they were opposed to any tax.

"For whatever reason, this community is not getting behind the district. It's beyond frustrating," said Director Greg Cooper.

Board Vice President Ronald Johansen was incredulous that people would shoot down a tax that would cost them around $98 a year -- or about 26 cents per day.

"Twenty-six pennies a day and we're fighting tooth and nail. I'm just shocked by this," he said.

Oakley Councilwoman Diane Burgis agreed.

"Twenty-six cents is nothing when you need that service," she said.

Some thought that voters' opposition might be because firefighters are doing such a good job despite the district's limited means.

"My guys are busting their asses, and that's why the public thinks they're getting an adequate level of service," Wells said.

Discovery Bay resident and retired firefighter David Piepho suggested that the board start closing stations right now and transfer those firefighters to the remaining ones, noting that the sight of empty firehouses might be what it takes for the district to get its point across to apathetic voters.

"Let the public feel what it's like," he said.

He didn't get any argument from Kevin Graves, a member of the town of Discovery Bay's board of directors.

"People aren't going to feel (the district's financial troubles) until it affects them personally," he said.

In the end, board members rallied around Director Greg Cooper's suggestion that the district conduct its own survey while continuing to prepare the paperwork required for a June election.

They unanimously agreed to have the consultant send a mailer with a response card attached to every one of the district's approximately 44,000 parcel owners asking how they'd vote on a tax.

Depending on the results, the board will decide at its March 3 meeting whether to put the matter on the ballot.

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Contra Costa Times editorial: Exorbitant West Contra Costa hospital tax won't solve the problem

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The issue is not whether West Contra Costa residents should try to keep the region's busiest emergency room open -- the question is, at what cost?

The West Contra Costa Healthcare District is asking voters to approve another property tax to rescue Doctors Medical Center in San Pablo. This one would more than triple the current charge for the typical homeowner, bringing the total to $309 a year.

This would be a permanent tax, with no sunset, even if the hospital merges with, or is acquired by, another health care system. Indeed, the tax is intended solely to bolster the hospital's cash flow to make it a more attractive takeover target.

This isn't the solution -- not at this price. It's throwing good money after bad.

This is the third time hospital officials have gone to the tax well. In 2004, voters approved a $52 parcel tax. In 2011, with our support, hospital officials convinced voters to add another $47, for a total of $99.

Now, in a mail-in ballot scheduled for May, comes a proposal for a 14-cent-per-square-foot tax. Fourteen cents doesn't sound like much until you do the math. For a 1,500-square-foot home, that's another $210 per year, more than twice the previous two taxes combined.

In 2011, we urged district officials to work quickly to find a permanent solution before this year, when projections showed the district would run out of money.

That day has come. There has been no progress in 21/2 years. District officials are still talking about the savior hospital with which it can merge. Meanwhile, it's hemorrhaging money and going deeper into debt.

The hospital now loses roughly $20 million a year, even with the two current tax measures. Worse, to keep the hospital afloat since 2011, the district borrowed $40 million. The money's gone, but the loan won't be paid off until 2042.

It's time for district residents to cut their losses. Even if the district finds a partner, it would have to go back to voters again for another tax to fund construction of a new hospital because the current one is not earthquake safe.

Most of the hospital's services can be provided elsewhere. The concern -- and it's a big one -- is the loss of the emergency room. Without it, residents will be forced to drive farther when they need lifesaving help.

They'll wind up at other facilities that, like Doctors Medical Center currently, must, and should, accept them, regardless of their ability to pay. Maybe then those hospitals will cooperate in finding a long-term, cost-effective solution rather than continuing to ignore the problem.