



NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, February 11, 2015, 1:30 PM

PLACE: Board of Supervisors Chambers
651 Pine Street, Martinez, CA 94553

NOTICE IS HEREBY GIVEN that the Commission will hear and consider oral or written testimony presented by any affected agency or any interested person who wishes to appear. Proponents and opponents, or their representatives, are expected to attend the hearings. From time to time, the Chair may announce time limits and direct the focus of public comment for any given proposal.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by LAFCO to a majority of the members of the Commission less than 72 hours prior to that meeting will be available for public inspection in the office at 651 Pine Street, Six Floor, Martinez, CA, during normal business hours as well as at the LAFCO meeting.

All matters listed under CONSENT ITEMS are considered by the Commission to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Commission or a member of the public prior to the time the Commission votes on the motion to adopt.

For agenda items not requiring a formal public hearing, the Chair will ask for public comments. For formal public hearings the Chair will announce the opening and closing of the public hearing.

If you wish to speak, please complete a speaker's card and approach the podium; speak clearly into the microphone, start by stating your name and address for the record.

Campaign Contribution Disclosure

If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

Notice of Intent to Waive Protest Proceedings

In the case of a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

American Disabilities Act Compliance

LAFCO will provide reasonable accommodations for persons with disabilities planning to attend meetings who contact the LAFCO office at least 24 hours before the meeting, at 925-335-1094. An assistive listening device is available upon advance request.

As a courtesy, please silence your cell phones during the meeting.

FEBRUARY 11, 2015 CONTRA COSTA LAFCO AGENDA

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. Adoption of Agenda
4. Public Comment Period (please observe a three-minute time limit):
Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
5. Approval of Minutes for the January 14, 2015 regular LAFCO meeting

SPHERE OF INFLUENCE/BOUNDARY CHANGES

6. ***LAFCO 14-05 –Reorganization 186 (Magee Ranch/Summerhill): Annexations to CCCSD and EBMUD*** - consider proposed reorganization submitted by CCCSD including annexations to CCCSD and EBMUD. The area comprises 410± acres (ten parcels) located just south side of Diablo and Blackhawk Roads in the Town of Danville. Consider related actions under CEQA.
Public Hearing – Continued from January 14, 2015 Meeting

BUSINESS ITEMS

7. ***Fiscal Year 2015-16 Budget Schedule/Work Plan Preview*** - Receive FY 2015-16 proposed budget schedule and work plan preview and provide input.
8. ***Notification of Nominations – 2015 Special Districts Risk Management Authority (SDRMA) Board of Directors*** – the Commission will receive information regarding a call for nominations for the SDRMA Board of Directors and be asked to consider submitting a nomination.
9. ***Executive Officer’s Performance Review and Compensation*** - Consider a salary increase for the Executive Officer in conjunction with her recent performance review.

CORRESPONDENCE

10. Correspondence from Contra Costa County Employees’ Retirement Association (CCCERA)

INFORMATIONAL ITEMS

11. Commissioner Comments and Announcements
12. Staff Announcements
 - CALAFCO Updates
 - Pending Projects
 - Newspaper Articles

ADJOURNMENT

Next regular LAFCO meeting – March 11, 2015 at 1:30 p.m.

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting_archive.htm

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

January 14, 2015

February 11, 2015
Agenda Item 5

Board of Supervisors Chambers
Martinez, CA

1. Interim Chair Rob Schroder called the meeting to order at 1:32 p.m.
2. The Pledge of Allegiance was recited.
3. Roll was called. A quorum was present of the following Commissioners:
City Members Rob Schroder and Don Tatzin.
County Members Mary Piepho and Alternate Candace Andersen.
Special District Members Michael McGill and Igor Skaredoff and Alternate George Schmidt.
Public Members Don Blubaugh and Alternate Sharon Burke.

Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, and Clerk Kate Sibley.
4. Approval of the Agenda
Upon motion of Andersen, second by Tatzin, Commissioners, by a vote of 7-0, adopted the agenda.

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Butt (A), Glover (M)
ABSTAIN: none
5. Selection of Chair and Vice Chair
Upon motion of Tatzin, second by McGill, Commissioners, by a unanimous vote of 7-0, appointed Commissioner Rob Schroder as Chair for 2015 and Commissioner Mary Piepho as Vice Chair for 2015.

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Butt (A), Glover (M)
ABSTAIN: none
6. Public Comments
Gil Guerrero, of Local 1230, spoke about the stress on East Contra Costa Fire Protection District as a result of the closure of four stations.
7. Approval of December 10, 2014 Meeting Minutes
Upon motion of Piepho, second by Tatzin, the minutes were approved by a vote of 7-0.

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Butt (A), Glover (M)
ABSTAIN: none

DRAFT

8. Information Presentation: Broadband Services in Contra Costa County

Linda Best with the East Bay Broadband Consortium (EBBC) provided a presentation highlighting statewide and regional efforts to provide universal broadband access to the Internet. The EBBC is a regional coalition of Alameda, Contra Costa, and Solano County leaders focused on improving broadband deployment, access and adoption in the East Bay.

Ms. Best then introduced Sunne Wright McPeak, former Contra Costa County Supervisor and now President and CEO of the California Emerging Technology Fund (CETF), a statewide nonprofit organization dedicated to closing the Digital Divide by accelerating the deployment and adoption of broadband and information technology. Ms. McPeak provided further information regarding the CETF and encouraged LAFCO to become more involved in promoting and furthering these efforts.

Materials and the PowerPoint presentation are available through the LAFCO office.

9. LAFCO 14-04 - Reorganization 185: Annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD)

The Executive Officer provided brief background on a proposal to annex to both CCCSD and EBMUD 172.3± acres encompassing 20 parcels, including one partial parcel in seven separate areas in Danville and unincorporated Lafayette. CCCSD submitted the application on behalf of both districts to facilitate water and sewer services to the various properties. The proposal includes two properties already served by CCCSD, and six properties already served by EBMUD; the remaining parcels are included to avoid creating islands or illogical boundaries.

There were no public comments.

Upon motion of Blubaugh, second by Piepho, the Commission unanimously found the project to be Categorically Exempt; approved the proposal to be known as Reorganization 185: Annexations to CCCSD and EBMUD, with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is uninhabited, has less than 100% consent of the affected landowners, is subject to a protest hearing; and authorized staff to conduct the protest proceedings.

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Butt (A), Glover (M)
ABSTAIN: none

10. LAFCO 14-05 - Reorganization 186 (Magee Ranch/SummerHill): Annexations to CCCSD and EBMUD

The Executive Officer provided brief background on a proposal to annex to both CCCSD and EBMUD a total of 410± acres, 40± acres (ten parcels) of which will become a 69-lot single family subdivision; the remaining 370± acres will be preserved as permanent open space; all of this area is located south of Diablo and Blackhawk roads in the Town of Danville.

Staff informed Commissioners that they had just received communications from SOS Danville Group and its attorney indicating the potential of legal action to be taken, as there is currently an injunction against the Town of Danville regarding this development. Staff is currently reviewing if this injunction has any impact on LAFCO's work, and added that the Commission has options for action, including approval with or without conditions, approval subject to the outcome of the project's appeal, denial with or without prejudice, or continuance to a future hearing.

Commissioner Piepho questioned what could change between this meeting and the February meeting that would be aided by a continuance of the public hearing. Staff responded that they would have more time to talk to affected parties and conduct further research on impact of this matter on CCCSD and LAFCO. Legal Counsel Anderson added that under general legal principals guiding CEQA, LAFCO as a responsible agency can continue to view the EIR, even if challenged legally, as an effective document for its purposes. In that case, the Commission could issue a conditional approval of the application subject to a favorable outcome of the EIR at the appellate level. But a continuance could ensure that all parties understand the role of LAFCO in approving the annexation, where nothing would change legally until a decision by the appellate court.

Commissioners discussed the legal and processing ramifications for delaying action until the appeal is decided, with the primary concern being the lengthy process for acquiring water rights for the property.

The public hearing was opened.

Wendi Baker, representing SummerHill Homes, stated that SummerHill is amenable to a continuance.

Maryann Cella, a director of Save Open Space Danville (SOS-Danville), reported that in July 2013 the group filed suit, and in August 2014 Judge Austin issued his final injunction judgment. Ms. Cella further stated that LAFCO should respect the judge's judgment and take no action pending the outcome of the appeal.

Suzanne Hill, also a member of SOS-Danville, agreed with Ms. Cella's comments.

Patricia Isom, member of SOS-Danville, gave three reasons for tabling this action; 1) the EIR is legally invalid; 2) there is an injunction against LAFCO; and 3) the development plan approval is legally invalid.

Russ Leavitt, representing CCCSD, stated that the District does not agree with SOS-Danville on the issues they raise, but it has no problem with a continuance.

Commissioners Tatzin and Blubaugh questioned the necessity, and the ramifications, of approving this action in February rather than waiting until the appeal is settled.

Upon motion of McGill, second by Piepho, Commissioners unanimously, by a 7-0 vote, kept the public hearing open and continued it to the February 11, 2014 meeting.

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin

NOES: none

ABSENT: Butt (A), Glover (M)

ABSTAIN: none

11. Second Quarter FY 2014-15 Budget Report

The Executive Officer reported that expenditures to date for the first half of this fiscal year are approximately 28% of total appropriations. Total revenues are 98% of those projected, with all local agency prorated contributions received. Application activity and fees are slightly lower than in FY 2013-14.

Upon motion of Tatzin, second by McGill, Commissioners unanimously, by a 7-0 vote, received the FY 2014-15 second quarter fiscal report.

AYES: Andersen, Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin

NOES: none

ABSENT: Butt (A), Glover (M)
ABSTAIN: none

12. Correspondence from CCCERA

There were no comments on this item.

13. Commissioner Comments and Announcements

Commissioner McGill announced that he attended the CALAFCO Legislative Committee meeting on December 12, and that he will attend the CALAFCO Legislative Committee meeting on January 23, the CALAFCO Board retreat on January 29, and the Board meeting on January 30. Commissioner Skaredoff reported that the County Special Districts Association meeting will be held on Monday, January 26.

14. Staff Announcements and Pending Projects

The Executive Officer reported that she and Alameda LAFCo EO Mona Palacios will meet on January 16 with CALAFCO Executive Director Pamela Miller and new Assemblymember Catharine Baker to discuss LAFCO issues. Staff will also be attending the CALAFCO Legislative Committee meeting on January 23.

At 2:45 p.m., Commissioners adjourned to Closed Session to discuss employee performance evaluation.

At 2:52 p.m., Commissioners reconvened and the Chair reported that the Commissioners had discussed the performance evaluation and will discuss with the Executive Officer.

The meeting was adjourned at 2:53 p.m.

Final Minutes Approved by the Commission February 11, 2015.

AYES:
NOES:
ABSTAIN:
ABSENT:

By _____
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

February 11, 2015
Agenda Item 6

February 11, 2015 (Agenda)

LAFCO 14-05 Reorganization 186 (Magee Ranch) – Annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD)

PROPONENT CCCSD by Resolution No. 2014-018 adopted June 19, 2014

SYNOPSIS The project site consists of 410± acres, 40± acres of which will become a 69-lot single family subdivision; the remaining 370± acres will be preserved as permanent open space.

The applicant proposes to annex 400.4± acres (eight parcels) to CCCSD and 367± acres (seven parcels) to EBMUD. The property is located on the south side of Diablo and Blackhawk Roads in the Town of Danville as shown on the attached map (Attachment 1).

DISCUSSION

CCCSD filed an application with LAFCO to annex the properties to both CCCSD and EBMUD. The annexation area will contain 69 single family lots and 370± acres to be preserved as permanent open space. The property owner has petitioned CCCSD for annexation. In their ongoing efforts to clean up service area boundaries, the Districts are proposing to annex all of the project area, including the open space portion, which will avoid leaving large holes or islands within their service boundaries.

Government Code §56668 sets forth factors that the Commission must consider in evaluating a proposed boundary change as discussed below. In the Commission's review, no single factor is determinative. In reaching a decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence (SOI) of Any Local Agency:

The area proposed for annexation is within the SOIs of both CCCSD and EBMUD, and within the County Urban Limit Line.

2. Land Use, Planning and Zoning - Present and Future:

Existing land uses for the 410± acre site consist primarily of open range land and hillsides used for cattle operations. Existing structures on the site include water storage facilities, cell tower sites, storage buildings, horse corrals, a parking area, and access roads associated with the existing ranch use.

In 2013, the Town of Danville approved rezoning changes consistent with the preliminary development plan for the project, which consists of a single family residential subdivision and 370± acres of open space.

The single family homes will be located in two separate clusters; three homes are proposed on McCauley Road, south of the Diablo Road/McCauley Road/Green Valley Road intersection, and the remaining 66 homes will be located on the eastern portion of the property, accessed by a new driveway just east of Jillian Way. The 370-acre open space area will be privately owned by either a Geologic Hazard Abatement District or the project's Homeowners Association.

The Town's General Plan designations for the annexation area include General Open Space, Agricultural, Rural Residential and Single family – Low Density (with clustering allowed). The

Town's zoning designation is Planned Unit Development (P-1). A minimum of 10% of the homes will include second dwelling units in accordance with the Town's affordable housing requirements.

The approved P-1 (Planned Unit Development District) zoning allows clustering of residential units on the flatter portions of the site while maintaining the same overall density allowed under the current General Plan Land Use designation. This allows portions of the site that contain steeper slopes and visible ridgelines to be retained as open space.

The 401± acre site is bounded by single family residences and the Sycamore Valley Open Space Preserve to the north, south and east. To the west are single family homes, along with the San Ramon Valley Fire Protection District Station 33, the Sunrise Assisted Living facility, and the Green Valley Elementary School.

3. Environmental Impact of the Proposal:

On June 18, 2013, the Town of Danville, as Lead Agency, certified an Environmental Impact Report (EIR), adopted Findings of Fact, and a Statement of Overriding Considerations, and adopted Mitigation Measures and a Mitigation Monitoring and Reporting Program in conjunction with the development project. Copies of these documents were previously provided to the Commissioners and are available for review in the LAFCO office.

In July 2013, Save Open Space (SOS) Danville, a local citizen group, filed a lawsuit challenging the Town of Danville's approval of the SummerHill development project. The suit challenged the Town's position that the development did not require an amendment to the Town's General Plan, and therefore, did not invoke Measure S - a 2000 measure that requires voter approval by ballot for General Plan amendments or zoning changes involving agricultural or open space lands. The suit also challenged various aspects of the Town's EIR.

In July 2014, Contra Costa County Superior Court Judge Steven K. Austin ruled that the Danville Town Council violated part of the Town's General Plan when it rezoned the property and failed to conform to the requirements of Measure S which requires a vote of the people. The Court also found that the EIR was deficient in that it failed to adequately analyze the impact of the added homes on bicyclists' safety along Diablo Road. The court ruling was issued after the CCCSD Board took action to apply to LAFCO.

The judgment set aside the EIR and the Town's approval of the development project, pending the resolution of the appeal filed by the Town. The Court Order included an injunction that enjoined the Town, the developer, "and those acting in concert with them... from issuing any construction or development permits or undertaking any construction activities related to the Town's approval of the project." The Town has appealed the judgment of the Superior Court and that appeal is currently pending before the Appellate Court; a decision is expected within the next six to nine months.

4. The Effect on Maintaining the Physical and Economic Integrity of Agricultural Lands:

As described in the project EIR, the 410± acre project site has historically been used and continues to be used for cattle grazing and related operations; however, the Town's EIR found that no Prime Farmland, Unique Farmland, or Farmland of Statewide Importance are located on

the project site and on this basis, it found that the project would not result in a loss of Farmland of Statewide Importance to non-agricultural use. While the project site consists of grazing land, it does not meet the criteria for prime or important agricultural land as defined by CEQA, nor does it qualify as prime land for livestock production per the USDA Handbook criteria (one animal unit per acre), since the average stocking rate for grazing operations on the project site is one cow per 10 acres. Thus the subject property is not Prime Agricultural Land as defined in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH).

No portion of the proposal area is currently under a Williamson Act Land Conservation Act agreement. Four of the 10 parcels on the project site were formerly subject to a Williamson Act contract. A notice of non-renewal was filed in 2000, and the properties came out of the Williamson Act contract in 2010.

5. Topography, Natural Features and Drainage Basins:

The site consists primarily of undeveloped land and hillsides used for cattle operations. Oak woodland is scattered throughout the property. The site varies in elevation from approximately 430 feet in the northwestern corner to approximately 955 feet in the southern portion of the site. The East Branch Green Valley Creek extends in a northwesterly direction along portions of the north boundary of the project site.

To the south and east of the project site are rolling hills. To the west and north are residential uses in generally flat areas. Mt. Diablo State Park is located approximately one mile northeast of the site.

6. Population:

Development of 69 single family homes is planned for the annexation area. Of the 69 units, 10% (seven units) within the project will be required to incorporate second dwelling units. The estimated population increase for the annexation area is approximately 211, based on 2014 California Department of Finance estimates for households in the Town of Danville. The estimate includes both the 69 single family homes and the second units.

7. Fair Share of Regional Housing:

In its review of a proposal, LAFCO must consider the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments.

Of the 69 units, 10% (seven units) within the project site will be required to incorporate second dwelling units, which are to be rented at rental rates set by the California Department of Housing and Community Development as being affordable to "low income" households.

8. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

Whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall also submit a plan for providing services within the affected territory (Gov. Code §56653). The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.

- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The District's Plan for Providing Services is on file in the LAFCO office. The annexation area is served by various local agencies including, but not limited to, the Town of Danville and the San Ramon Valley Fire Protection District.

The proposal before the Commission is to annex the property to CCCSD and EBMUD for the provision of sanitary sewer and water services, respectively.

CCCSD currently serves an estimated population of 471,000 residents in a 144-square-mile service area. CCCSD's wastewater collection system consists of 1,500 miles of sewer mains with 19 pump stations. The majority of CCCSD's system operates with gravity flow with some pumping stations and force mains. All sewer connections to the subject property will be either gravity flow or individual residential pump systems. CCCSD's wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 33.8 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a permitted discharge limit of 53.8 mgd.

Based on the maximum number of dwelling units planned for the annexation area, the maximum demand for service is approximately 15,405 gallons of wastewater per day. CCCSD has the capacity to serve the project.

CCCSD has infrastructure in the area and serves a significant number of surrounding properties.

All gravity mains required to serve the affected parcels will be 8-inch diameter or up to 2-inch diameter for pressure mains (CCCSD's minimum size). All laterals will be 4-inch diameter (CCCSD's minimum size for gravity laterals), or 1¼ to 2-inch diameter pump laterals (CCCSD's minimum size for pump laterals, depending on the specific pump type installed).

All capital costs including any required sewer main extensions, along with connections fees, will be borne by the property owner/developer. CCCSD funds the maintenance of all sewers through its annual sewer service charge.

9. Timely Availability of Water and Related Issues:

The proposal also includes annexation to EBMUD. EBMUD provides potable water services and limited wastewater collection and treatment services in portions of the District's service area. The EBMUD service area is approximately 331 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.3 million people within the two-county service area. Within Contra Costa County, EBMUD provides water service to a 146± square mile service area, serving an estimated 477,212 residents.

EBMUD's water supply is distributed through a collection system consisting of aqueducts, reservoirs, and other components. The primary source of water supply for EBMUD is the Mokelumne River; this watershed accounts for 90 percent of EBMUD's water supply.

EBMUD's existing water rights allow the delivery of up to 325 mgd or approximately 364,046 acre-feet per year of water from the Mokelumne River.

EBMUD's water rights are subject to variability, particularly during dry and multiple dry years. The availability of the Mokelumne River runoff is subject to senior water rights of other users, downstream fishery flow requirements, and other Mokelumne River water uses. Given the variability, EBMUD indicates that supplemental water supply sources are needed to meet future water demand during extended periods of drought.

The Freeport Regional Water Facility is a regional water supply project that provides supplemental water supply to EBMUD during dry years, as part of the Central Valley Project (CVP), a federal water management program. During periods of drought, EBMUD receives CVP water from its Freeport Regional Water Facility to augment its water supply. The U.S. Bureau of Reclamation (USBR) provides supplemental water supply during dry and multiple dry years to ensure the reliability of EBMUD's water supply. In conjunction with the request to annex the property, EBMUD is also seeking approval from the USBR.

Following the January 2015 LAFCO meeting, LAFCO staff consulted with EBMUD staff regarding the details and timing of obtaining USBR approval. EBMUD staff reports that in 2006, EBMUD and the USBR entered into a long-term renewal contract under which EBMUD can receive supplemental water from the CVP during dry years. The contract defines EBMUD's CVP Contractor's Service Area (CSA), and USBR must approve the addition of any new areas requesting water service that are outside of the CSA. To support its review of a request for such additions, USBR must comply with the National Environmental Policy Act (NEPA), the Endangered Species Act, and Section 106 of the National Historic Preservation Act.

Applying to USBR for inclusion of new areas into EBMUD's CVP CSA can be a lengthy process. A formal application for inclusion cannot be submitted to USBR until EBMUD's Board of Directors adopts a resolution for such application, which is dependent on receiving a LAFCO Certificate of Completion approving the annexation. After a formal application for inclusion is submitted, USBR can take several months to review, approve the inclusion, and issue a revised EBMUD CVP CSA map. As part of the inclusion application, EBMUD works with the developer and forwards applicable CEQA documents, U.S. Army Corps of Engineers permits, and NEPA documents to USBR for review. In the meanwhile, no water service can be provided to the annexed area until USBR approval is obtained.

According to EBMUD staff, USBR indicates that it will not accept an application for inclusion with any uncertainties, such as an annexation conditioned on the outcome of pending litigation. The USBR action would amend the EBMUD CVP CSA to include the annexed area; thus, if the LAFCO action is conditioned on the outcome of the court appeal, the USBR will not accept the application.

EBMUD has adequate capacity to serve the project from the District's Scenic Pressure Zone, with a service elevation between 650 and 850 feet. Main extensions will be required to serve the proposed development.

Additionally, the proposed project is required to comply with the California Model Water Efficient Landscape Ordinance (Division 2, Title 23, California Code of Regulations, Chapter 2.7, Sections 490 through 495). The project sponsor should be aware that Section 31 of EBMUD's Water Service Regulations requires that water service shall not be furnished for new or expanded service unless all applicable water-efficiency measures described in the regulations are installed.

The costs associated with water supply system as described, as well as development system capacity and service connection fees, will be borne by the project sponsor. Ongoing maintenance of the system will be funded through usage fees collected by EBMUD. The project EIR estimates the water demand will be 46,530 gallons per day. EBMUD has the capacity to serve the project.

10. Assessed Value, Tax Rates and Indebtedness:

The annexation area is within tax rate areas 16001, 16002 and 16003. The assessed value for the annexation area is \$3,447,117 (2014-15 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are fewer than 12 registered voters in the area proposed for annexation; thus, the area proposed for annexation is considered uninhabited.

CCCSO indicates that 100% of the affected landowners have provided written consent to the annexation. Thus, if the Commission approves the annexation, the Commission may waive the protest hearing (Gov. Code §56662). All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundaries of the area(s) have received notice of the January 14, 2015 hearing.

12. Boundaries and Lines of Assessment:

The annexation area is within the SOIs of both CCCSO and EBMUD and is contiguous to the districts' service boundaries. A map and legal description to implement the proposed boundary changes have been received and are being reviewed by the County Surveyor.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals for a change of organization or reorganization will promote environmental justice. As defined by statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

14. Disadvantaged Communities:

In accordance with recent legislation (SB 244), local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/amendments, and annexations must take into consideration DUCs, and specifically the adequacy

of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County Planning Department, the annexation area does not meet the criteria of a DUC.

15. Comments from Affected Agencies/Other Interested Parties

On January 7, 2015, LAFCO received communication from Maryann Cella with SOS Danville Group (Attachment 3) informing LAFCO of the status of the lawsuit and the injunction issued by the Court. Ms. Cella requested that LAFCO table its consideration of the Magee Ranch annexations until there is a legally valid EIR and a legally valid development plan approval for the SummerHill/Magee project.

On January 9, 2015, LAFCO was copied on a letter from Stuart M. Flashman, attorney for SOS Danville Group, claiming that CCCSD, EBMUD and LAFCO are subject to the injunction issued by the Superior Court, and that moving forward with approving the reorganization while the injunction remains in effect would be a violation of that injunction and could subject the parties to a claim of being in contempt of court (Attachment 4).

Since the January LAFCO meeting, LAFCO staff communicated with the Town of Danville, CCCSD and EBMUD staff, and with representatives of SOS Danville Group and SummerHill Homes.

Based on the information obtained from the parties, it is recommended that LAFCO continue the matter in anticipation of the final court decision.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following actions:

Option 1 CONTINUE this matter to a future meeting. Based on the information obtained from the parties, and in anticipation of an Appellate Court decision, it is recommended that LAFCO continue the matter to May 13, 2015.

Option 2 APPROVE the reorganization.

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the Magee Ranches EIR and related environmental documents as certified by the Town of Danville on June 18, 2013; and that the Commission adopts the Town of Danville's Findings of Fact and Statement of Overriding Considerations.
- B. Adopt this report, approve LAFCO Resolution No. 14-05 (Attachment 2), and approve the proposal, to be known as Reorganization 186 (Magee Ranch/SummerHill): Annexations to CCCSD and EBMUD subject to the following terms and conditions:

1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
2. That CCCSD has delivered an executed indemnification agreement providing for CCCSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
3. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
4. LAFCO's approval is conditioned on a) receipt from the Town of Danville of a valid EIR (either through acceptance of the EIR by the Court of Appeal, or through the revision/recirculation process); and b) validation from the Court of Appeal that the Town of Danville's approval of the SummerHill Homes development plan and related actions are legally valid.

As noted above, the USBR will not accept an application for inclusion of an area in the EBMUD CVP service area if there are uncertainties, such as a conditional approval by LAFCO.

C. Find that the subject territory is uninhabited, the proposal has 100% landowner consent, and the conducting authority (protest) proceedings are hereby waived.

Option 3 Adopt this report and DENY the proposal.

RECOMMENDED ACTION:

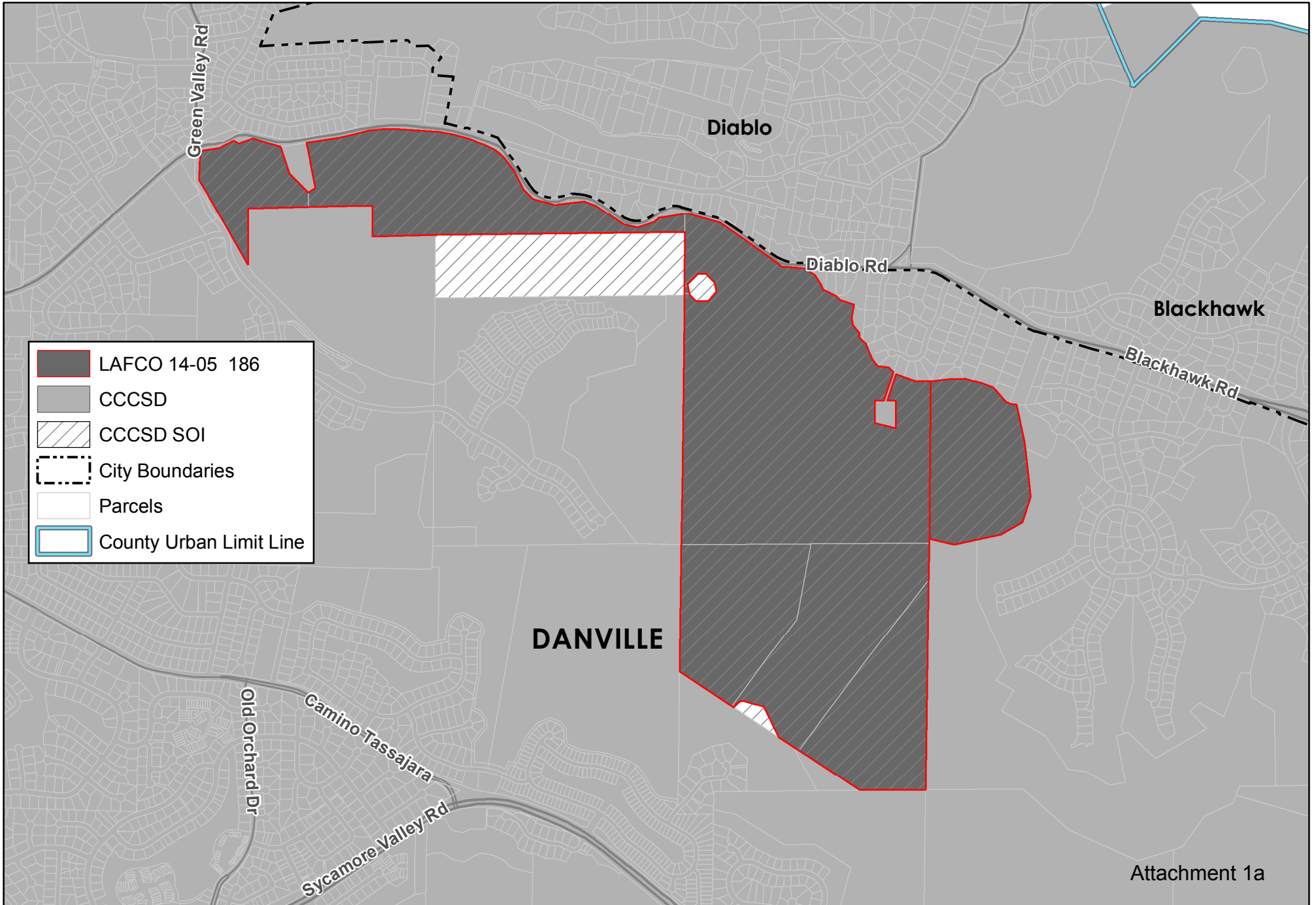
Approve Option 1 and continue the matter to May 13, 2015.

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

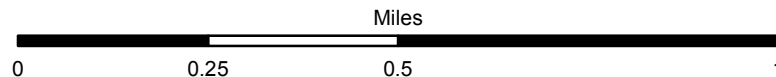
Attachments

- 1a & 1b – CCCSD/EBMUD Annexation Maps
- 2 – Draft LAFCO Resolution 14-05
- 3 – E-mail communication dated January 7, 2015 from Maryann Cella with SOS Danville Group
- 4 – Letter dated January 9, 2015 from Stuart M. Flashman, Attorney for SOS Danville Group

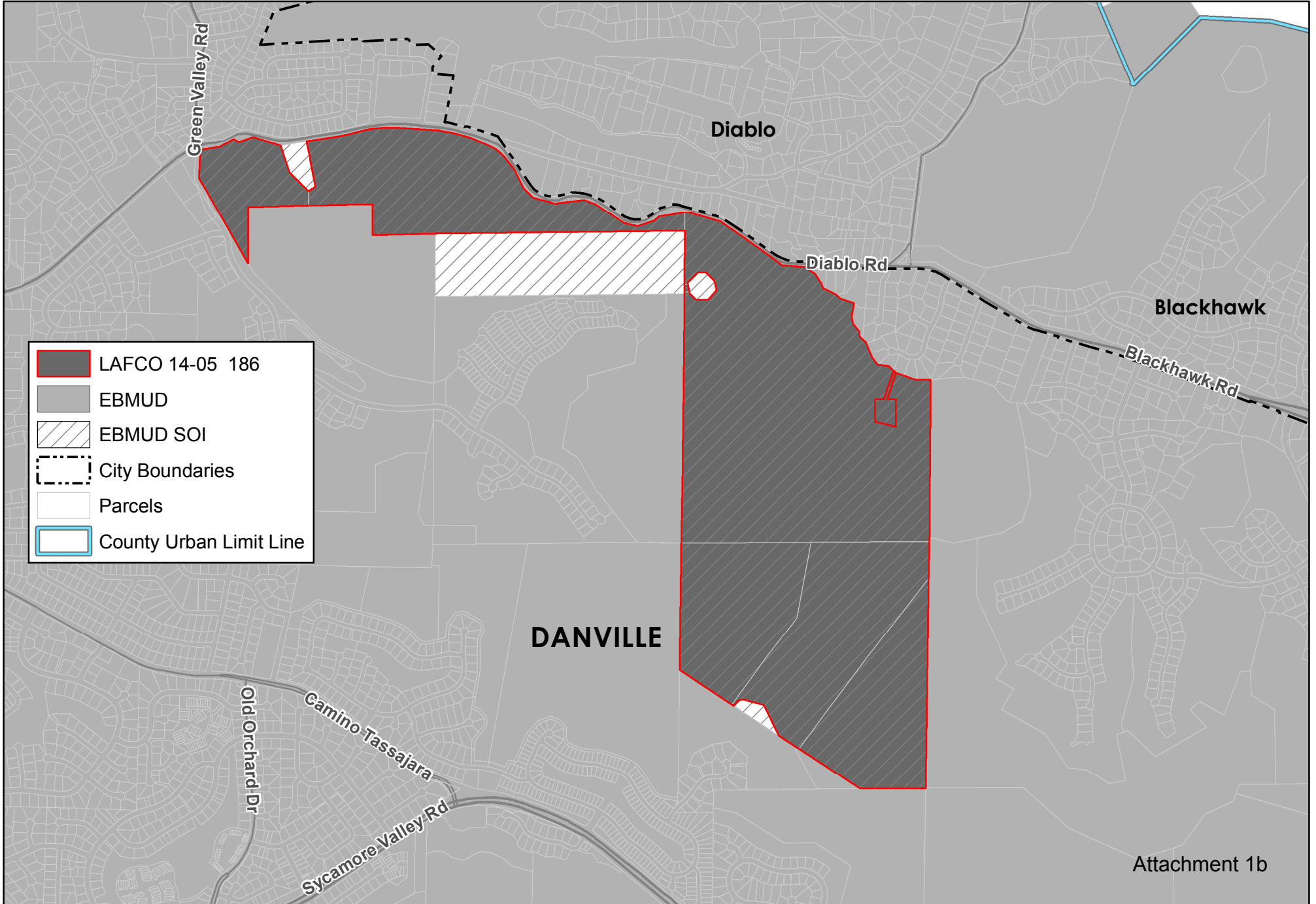
LAFCO No. 14-05: Annexation 186 Magee Ranch/Summerhill to Central Contra Costa Sanitary District









Attachment 1a

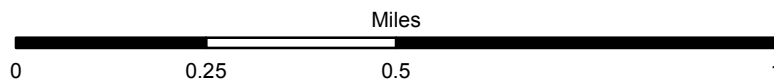


LAFCO No. 14-05: Annexation 186 Magee Ranch/Summerhill to East Bay Municipal Utilities District



-  LAFCO 14-05 186
-  EBMUD
-  EBMUD SOI
-  City Boundaries
-  Parcels
-  County Urban Limit Line

Attachment 1b



RESOLUTION NO. 14-05

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING REORGANIZATION 186 (MAGEE
RANCH/SUMMERHILL): ANNEXATIONS TO CENTRAL CONTRA COSTA SANITARY
DISTRICT AND EAST BAY MUNICIPAL UTILITY DISTRICT**

WHEREAS, a proposal to annex territory to both the Central Contra Costa Sanitary District (CCCSD) and the East Bay Municipal Utility District (EBMUD) was filed with Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code section 56000 et seq.); and

WHEREAS, the Executive Officer has examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of the Commission's consideration of the proposal; and

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations therein, and the report and related information have been presented to and considered by the Commission; and

WHEREAS, at public hearings held on January 14 and February 11, 2015, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, consistency with the sphere of influence, contiguity with the districts' boundaries, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission has been presented that all the owners of land within the affected territory have given their written consent to the proposal; and

WHEREAS, the Local Agency Formation Commission finds the proposal to be in the best interest of the affected area and the total organization of local governmental agencies within Contra Costa County.

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

1. The Commission certifies it reviewed and considered the information contained in the Environmental Impact Report and related environmental documentation as certified by the Town of Danville (Lead Agency) as identified in the LAFCO staff report, and adopts the Town's Findings of Fact and Statement of Overriding Considerations.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:
**REORGANIZATION 186 (MAGEE RANCH/SUMMERHILL): ANNEXATIONS TO
CENTRAL CONTRA COSTA SANITARY DISTRICT AND EAST BAY MUNICIPAL
UTILITY DISTRICT**
4. Said territory is found to be uninhabited.
5. The proposal has 100% landowner consent; the annexing agencies consent to the waiver of conducting authority proceedings; said conducting authority proceedings are hereby waived.
6. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Attachments 1a and 1b, attached hereto and made a part hereof.

Contra Costa LAFCO
Resolution No. 14-05

7. The subject territory shall be liable for any existing bonded indebtedness of the annexing agencies, if applicable.
8. The subject territory shall be liable for any authorized or existing taxes, charges, and assessments comparable to properties within the annexing agencies.
9. CCCSD delivered an executed indemnification agreement providing for the District to indemnify LAFCO against any expenses arising from any legal actions challenging the reorganization.
10. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
11. LAFCO's approval is conditioned on a) receipt from the Town of Danville of a valid EIR (either through acceptance of the EIR by the Court of Appeal, or through the revision/recirculation process); and b) validation from the Court of Appeal that the Town of Danville's approval of the SummerHill Homes development plan and related actions are legally valid.
12. All subsequent proceedings in connection with this reorganization shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 11TH day of February, 2015, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

ROB SCHRODER, CHAIR, CONTRA COSTA LAFCO

ATTEST: *I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.*

Dated: February 11, 2015

Lou Ann Texeira, Executive Officer

Kate Sibley

From: Lou Ann Texeira
Sent: Wednesday, January 21, 2015 2:58 PM
To: Kate Sibley
Subject: FW: OPPOSITION TO LAFCO 14-05. Reorganization 186. SummerHill/Magee Ranch annexations to CCCSD and EBMUD.
Attachments: Order on Petition for Writ of Mandate.pdf

From: Maryann Cella [<mailto:maryann.cella@gmail.com>]
Sent: Wednesday, January 07, 2015 12:03 PM
To: Lou Ann Texeira
Cc: Todd B. Gary; jonpat@sbcglobal.net; CHARLES S WAITMAN; Clelen Tanner; stu@stufdash.com
Subject: RE: OPPOSITION TO LAFCO 14-05. Reorganization 186. SummerHill/Magee Ranch annexations to CCCSD and EBMUD.

Hi, Ms. Texeira. Thank you for speaking with me this morning regarding the above-captioned matter. As discussed, SOS-Danville requests that **LAFCO table its consideration of the Magee Ranch annexations until there is a LEGALLY VALID EIR and a LEGALLY VALID DEVELOPMENT PLAN APPROVAL for the SummerHill Homes Magee Ranches project.**

Pursuant to our discussion, I attach Judge Austin's rulings in SOS-Danville v. Town of Danville, et al. The rulings give rise to three reasons why LAFCO should table the SummerHill Homes Magee Ranch annexation.

1. THE SUMMERHILL HOMES MAGEE RANCHES EIR IS LEGALLY INVALID. As you will see from the rulings, Judge Austin determined that **the Town of Danville's EIR for the SummerHill Homes Magee Ranches development is LEGALLY INVALID.** For the specifics, please see the section of the rulings entitled as follows:

"Impacts on traffic---bicycle safety: petition granted."

Because the Magee Ranches EIR is legally invalid, **it would be legally wrong for LAFCO to base a decision on that EIR.** Accordingly, SOS-Danville respectfully requests that **LAFCO table its consideration of the Magee Ranch annexations until there is a LEGALLY VALID EIR.**

2. THERE IS AN INJUNCTION AGAINST LAFCO AS AN ENTITY "ACTING IN CONCERT" WITH DEFENDANTS. I will send you shortly Judge Austin's FINAL JUDGEMENT containing the **injunction.** As we discussed, the injunction is against the Town of Danville, SummerHill Homes, the Magee Ranch investors, their agents, and THOSE ACTING IN CONCERT WITH THEM. We believe that the injunction applies to LAFCO as an entity ACTING IN CONCERT with SummerHill Homes and the Magee Ranch investors. **Therefore LAFCO is enjoined from acting on the annexations application as long as the injunction is in place and LAFCO must table the annexations unless and until the injunction is no longer in effect.**

3. THE DEVELOPMENT PLAN APPROVAL FOR THE SUMMERHILL MAGEE RANCHES PROJECT IS LEGALLY INVALID. Please review the section of the rulings entitled "Rezoning of

Agricultural land to P-1". Judge Austin determined that the Danville Town Council's approval of the SummerHill Homes development plan application was legally invalid because the plan required a rezoning to P-1, Planned Unit Development, which is not allowed on Agricultural-designated land. Because the development plan approval was illegal, it is not appropriate for LAFCO to consider annexations based upon that approval.

The rezoning to P-1 was the CENTRAL ISSUE of the case, and because SOS-Danville won that issue, Judge Austin determined in his final judgment that **SOS-Danville is the PREVAILING PARTY in the suit.** Commonly, plaintiffs in these sorts of cases raise many issues and don't expect to win all of them. Winning the key issue or issues, makes a party the "prevailing party".

The Town of Danville is now appealing both of the issues they lost. If the appellate court affirms Judge Austin's decision, SummerHill Homes will have to go back to the drawing board and RESUBMIT a **new development application** including a "GENERAL PLAN AMENDMENT" TO CHANGE THE LAND USE DESIGNATION of the Ag. parcel to a residential one. Then there will have to be the study prepared that is referenced in the General Plan's Ag. section regarding the possibilities for continued Ag. use of the Ag. parcel. **There will also have to be another EIR section prepared on the bike safety issue** (the rest of the EIR will still be good only if the resubmitted plan is still the same or fewer number of and same location for the units). If the Council approves the new EIR and the new development plan application, Danville's Open Space Protection law, Measure S, will be triggered. Measure S will require a public vote of approval on the application before the development can go forward.

Please let me know if you have any questions. My cell # is 980-6170. I look forward to hearing from you regarding this matter.

Thank you so much for your consideration. You may wish to contact our SOS-Danville attorney, Stuart Flashman, at [510-652-5373](tel:510-652-5373).

Maryann Cella
SOS-Danville Group
www.SOS-Danville.com

Law Offices of
Stuart M. Flashman
5626 Ocean View Drive
Oakland, CA 94618-1533
(510) 652-5373 (voice & FAX)
e-mail: stu@stuflash.com

DELIVERY VIA E-MAIL AND U.S. MAIL

January 9, 2015

Mr. Andrew Faber, Esq.
Berliner Cohen
10 Almaden Boulevard, Suite 1100
San Jose, CA 95113-2233

Re: Final Judgment in *SOS-Danville Group v. Town of Danville et al.*, Contra
Costa County Superior Court Case No. MSN13-1151

Dear Mr. Faber:

I am writing to you on behalf of my client, SOS-Danville Group in your role as legal counsel for the real parties in interest in the above-entitled case, and specifically as counsel for Summerhill Homes, LLC. As you know, final judgment was entered against your clients on August 18, 2014. As you also know, that judgment included a permanent injunction against real parties in interest, their agents, employees, servants, officers, assigns, and those acting in concert with them against issuing any construction or development permits that are dependent on Respondents' approvals of the Magee Ranch Residential Project that were challenged in the case. A copy of that judgment (without attachments) is attached hereto.

It has come to my attention that Summerhill has applied to the Contra Costa County LAFCO for annexation of the Magee Ranch Project property to the service areas for East Bay MUD and Central Contra Costa County Sanitary Districts. Both these annexations, which SOS-Danville Group considers to be a form of development permit as they are necessary adjuncts to moving forward with the development of the Project, rely upon the Final EIR for the Project, the approval of which was one of the approvals that was successfully challenged in the litigation.

As a consequence, Contra Costa County LAFCO and the two annexing agencies are acting in concert with Summerhill in approving the annexations, and are therefore subject to the injunction in that judgment.

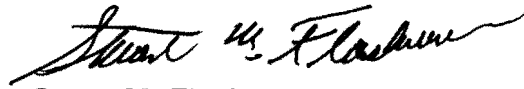
In addition, unless the Court of Appeal reverses the trial court's judgment, the approvals for the Project must be rescinded and the property will revert to its former Agricultural land use and zoning, under which the proposed annexations would be improper under the Cortese-Knox act.

By this letter, you, Summerhill, and the three agencies involved are placed on notice that moving forward with approving the annexations while the injunction and the final judgment remain in effect would be a violation of that injunction and could subject you, and them, to a claim of being in contempt of court.

As you know, while the writ of mandate for rescission of the Towns approvals has been stayed by the appeal your clients have filed, the final judgment and the prohibitory injunction included in the judgment (and properly served on you) were not. If you and your clients believe the circumstances justify allowing these annexations to move forward while the appeal of the judgment is pending, my client believe the proper course

would have been to apply to the Court of Appeal for a stay of that injunction. In the absence of such a stay, the terms of the injunction remain in effect. We expect you and your client to respect the trial court's judgment and to not move forward with the pending annexation proceedings until and unless you receive a valid stay of the injunction.

Sincerely,

A handwritten signature in black ink that reads "Stuart M. Flashman". The signature is written in a cursive, flowing style.

Stuart M. Flashman
Attorney for SOS-Danville Group

Attachment: Final Judgment

cc: Contra Costa County LAFCO
East Bay MUD
Central Contra Costa Sanitary District

COPY

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Stuart M. Flashman (SBN 148396)
5626 Ocean View Dr.
Oakland, CA 94618-1533
Telephone/Fax: (510) 652-5373
e-mail: stu@stufash.com

Attorney for Petitioner and Plaintiff SOS-DANVILLE GROUP

7/28/2014 10:09 AM
COURT OF SUPERIOR COURT
COUNTY OF CONTRA COSTA, CA
BY: _____
D. WEBER

**IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF CONTRA COSTA**

SOS – DANVILLE GROUP,
Petitioner and Plaintiff

vs.

TOWN OF DANVILLE, *et al.*,
Respondents and Defendants
SUMMERHILL HOMES, LLC, *et al.*,
Real Parties In Interest

No. MSN13-1151 Filed July 25, 2013
Assigned for all purposes to Hon. Steven K.
Austin, Dept. 33

[proposed] FINAL JUDGMENT

BY FAX

This action came on regularly for hearing on June 25, 2014 in Department 33 of the Contra Costa County Superior Court, the Honorable Steven K. Austin presiding. Petitioner and Plaintiff SOS – Danville Group (“Petitioner”) appeared by Stuart M. Flashman. Respondents and Defendants Town of Danville (“Town”) and Danville Town Council (the foregoing, collectively, “Respondents”) appeared by Robert S. Perlmutter, Esq. of Shute, Mihaly & Weinberger LLP and Andrew L. Faber, Esq. of Berliner Cohen LLP. Real Parties in Interest Summerhill Homes LLC, Magee Investment Company, and Teardrop Partners LP (the foregoing, collectively, “Real Parties”) appeared by Andrew L. Faber, Esq. of Berliner Cohen LLP.

The Court, having considered the papers and evidence submitted by the parties and the arguments of counsel at hearing, issued its Order re: Petition for Writ of Mandate (CEQA) and Order re: Demurrer to First Amended Civil Petition, copies of which are attached hereto as Exhibits A and B respectively and are incorporated herein by this reference, on July 28, 2014.

Pursuant to the Court’s orders, and based upon the pleadings, evidence and argument submitted in this case, **IT IS ORDERED, ADJUDGED AND DECREED** as follows:

1 1. Rulings on Preliminary Matters: The Court grants all the parties’ requests for
2 judicial notice as requested. The objections to the Declaration of David Crompton are overruled.

3 2. Petitioner’s First Cause of Action for mandamus under the California
4 Environmental Quality Act (“CEQA”) is **GRANTED** in part and **DENIED** in part as set forth in
5 greater detail in the attached order.

6 3. Petitioner’s Second Cause of Action for mandamus under California Planning and
7 Zoning Law for approval of a project inconsistent with the Town’s General Plan is **GRANTED**
8 in part and **DENIED** in part as set forth in greater detail in the attached order.

9 4. Petitioner’s Third Cause of Action, for Declaratory Relief, is **DISMISSED**
10 **WITH PREJUDICE** as set forth in greater detail in the attached order on the demurrer thereto.

11 5. This Final Judgment fully disposes of all of the matters related to this action.

12 6. A Peremptory Writ of Mandate shall issue, under seal of the Court, ordering
13 Respondents to rescind their actions in approving the Magee Ranch Residential Project and
14 certifying the Final Environmental Impact Report for said project. Respondents shall file a
15 written return to said writ within sixty days of its service.

16 7. Respondents, Real Parties in Interest, their agents, employees, servants, officers,
17 assigns, and those acting in concert with them are hereby **PERMANENTLY ENJOINED** from
18 issuing any construction or development permits or undertaking any construction activities
19 which permits or construction activities are dependent on Respondents’ approvals of the Magee
20 Ranch Residential Project that were challenged herein.

21 8. Petitioner, as the prevailing party, shall recover its costs of suit as provided by
22 law. Such costs shall be appended to this judgment.

23 9. The right of Petitioner to seek attorneys’ fees in this matter under Code of Civil
24 1021.5 is hereby reserved for later determination in accordance with California Rule of Court
25 3.1702.

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IT IS SO ORDERED.

Date: 8-11-14

STEVEN K. AUSTIN

Steven K. Austin
Judge of the Superior Court

Approved as to form:

Date: 8/6/14

Robert B. Ewing, City Attorney

Shute, Mihaly & Weinberger LLP
Robert S. Perlmutter

Attorneys for Respondents and Defendants
Town of Danville and Danville Town
Council

By: Robert B. Ewing
Robert B. Ewing

Date: 8/5/14

Andrew L. Faber
Andrew L. Faber
Attorney for Real Parties in Interest
Summerhill Homes, LLC, Magee
Investment Company, and Teardrop
Partners, LP



Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>
Don Tatzin <i>City Member</i>	

ALTERNATE MEMBERS

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

February 11, 2015 (Agenda)

February 11, 2015
 Agenda Item 7

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

Fiscal Year 2015-16 Budget Schedule and Work Plan Preview

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 generally adopts a proposed budget in March and a final budget in May each year.

WORK PLAN PREVIEW

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 2013, the Commission conducted a strategic planning session. As part of the session, the Commission identified several priorities, including conducting 2nd round MSRs, enhancing LAFCO terms and conditions, being an active participant in the County’s fire and EMS studies, updating the Commissioner Handbook, and facilitating island annexations. Here is a brief update on these activities:

MSRs/SOI Updates - In 2013, the Commission completed its inaugural round of MSRs/SOI updates, and initiated 2nd round MSRs. In 2014, the Commission completed the 2nd round water/wastewater MSR and SOI updates covering eight cities, 19 special districts, and private water companies. The Commission also initiated a 2nd round MSR covering reclamation services. The project team is currently compiling and summarizing information. It is anticipated that the Public Review Draft Reclamation Services MSR report will be released in June/July 2015.

In 2014, the Commission delayed 2nd round MSRs covering fire/EMS and healthcare services. The fire/EMS MSR was delayed due to a lack of proposals in response to the LAFCO Request for

Proposals (RPF), and to allow time for the County to complete its own RFP process relating to ambulance services. The County is expected to approve a contract for ambulance services in September 2015, with a contract start date of January 1, 2016.

The healthcare services MSR was delayed due to the tenuous and unknown situation with West County Healthcare District/Doctor's Hospital.

Other services that are potential candidates for a 2nd round MSR include "city" services including community services districts (2009), park & recreation (2010), cemetery districts (2010), mosquito & vector control (2010) and resource conservation (2010).

Enhancing LAFCO Terms and Conditions - In recent proposals, including the Northeast Antioch reorganizations and CCCSD/EBMUD 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 Emergency Medical Services (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 comments in response to the draft reports. Both the fire and EMS County reports are now complete. LAFCO also participated in the Contra Costa (EMS) Ambulance Request for Proposals Development Workshop in September 2014.

Policy and Procedure Updates - In the past two years, 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. Most recently, the Commission adopted *policies* relating to out of agency service. The Policies & Procedures Committee is developing a work plan relating to policies & procedures on agricultural and open space preservation.

Island Annexations - LAFCO continues to work with local agencies to facilitate island annexations. In January 2014, the Commission approved an island annexation (i.e., Northeast Antioch Area 2B Reorganization), and continues to work with CCCSD on its boundary issues.

Potential New Projects – During the course of the year, some potential new projects surfaced as summarized below.

1. Preservation of Agricultural and Open Space Lands

LAFCO's mission is to encourage orderly growth and development, discourage urban sprawl, preserve open space and prime agricultural lands, promote the efficient provision of public service, and encourage the orderly formation of local agencies.

The CKH Act is replete with provisions that grant LAFCO the authority to consider and provide for the preservation of agricultural and open space lands. Contra Costa LAFCO currently relies on the statute, and does not have specific policies and procedures relating to these issues.

On January 27, the LAFCO Policies & Procedures Committee met to discuss developing LAFCO policies and procedures pertaining to agricultural and open space preservation. The Committee is currently reviewing LAFCO policies of 18 LAFCOs from around the State. Some of these policies reiterate the statute, while others include specific mitigation measures (e.g., buffer zones, preservation/agricultural easements, etc.). The Committee is preparing a summary and recommendations for the Commission's future consideration.

In conjunction with developing a local policy/procedure, the Committee also discussed holding a workshop on the topic to engage other interested parties. Other LAFCOs, including Alameda, Santa Clara and Sacramento, have conducted similar workshops.

Possible workshop participants include the following:

- ❖ American Farmland Trust
- ❖ Brentwood Agriculture Land Trust
- ❖ Contra Costa County (CCC) Ag Commissioner
- ❖ CCC Dept. of Conservation & Development
- ❖ Environmental Community
- ❖ Farm Bureau
- ❖ Ranchers
- ❖ Reclamation Districts
- ❖ Urban Farmers

The Committee discussed hosting a possible workshop in June or July 2015, and perhaps to be held in East Contra Costa County. The Committee seeks Commission input.

2. *Broadband Services*

In January, the Commission received a presentation on broadband services. Presenters included Sunne Wright McPeak and Linda Best. Sunne Wright McPeak is President and CEO of the California Emerging Technology Fund (CETF), a statewide nonprofit organization dedicated to closing the Digital Divide by accelerating the deployment and adoption of broadband and information technology. Linda Best is with the East Bay Broadband Consortium (EBBC), a regional coalition of Alameda, Contra Costa, and Solano County leaders, with a mission to address critical broadband infrastructure, access and adoption gaps that are contributing to the persistent "Digital Divide" across the region.

The presenters provided a summary of issues and challenges, including the need for public-private partnerships, public agency involvement and leadership, and a vision and performance goals for broadband deployment and adoption. The presenters encouraged LAFCO, given its position as a regional forum, to participate in the broadband efforts.

Since 2010, the EBBC has been involved in a region-wide outreach and engagement process to develop the East Bay Broadband Strategic Framework and Action Plan. The Action Plan seeks to identify and leverage opportunities aimed at increasing: 1) the region's broadband infrastructure investments, both public and privately financed; 2) affordable access to infrastructure and communication technologies; and 3) ability to access the benefits of using these technologies.

Since its inception, the EBBC has made significant progress. In addition to implementing a strategic plan and a detailed work program, EBBC has conducted extensive outreach, education and collaboration on broadband issues; hosted various regional summits; and developed a library of resources including maps of East Bay broadband capacity and grades of the East Bay's broadband

infrastructure, sample policies and strategies, and information on other successful broadband campaigns, models and resources. For more information visit www.ebbroadband.org.

There are various regional forums that could be engaged in countywide broadband activities, including the public managers group (County Administrator, city managers); the city/county planning directors group; the Contra Costa Special Districts Association; and the Contra Costa Transportation Authority. These groups could be instrumental in promoting broadband services in a number of ways, such as encouraging local agency to develop policies/standards that incorporate broadband as a public utility and create a framework to promote its deployment in public and private projects; fostering collaboration among local agencies to facilitate long-term planning of broadband infrastructure; and identifying opportunities for joint construction, use and broadband infrastructure sharing to realize cost efficiencies and maximum public benefit.

LAFCO is also a regional entity that could participate in the broadband efforts. LAFCO staff polled the other LAFCOs regarding their involvement in broadband services. We found one example where a LAFCO is involved in broadband. Yolo County is part of the Connected Capitol Broadband Consortium (similar to EBBC), which is a four-county consortium (Sacramento, Sutter, Yolo, Yuba) led by a non-profit called Valley Vision. Yolo LAFCO staff serves as the liaison for Yolo County, and is coordinating a working group comprised of city and county representatives. On behalf of the group, Yolo LAFCO coordinated a Request for Proposal and hired a consultant to prepare a broadband strategic plan. The group is now working to implement the recommendations presented in the strategic plan.

Should the Commission wish to engage in broadband efforts, here are a few ideas:

- Adopt a resolution and/or policies supporting the efforts of the EBBC and CETF
- Adopt a resolution and/or policies encouraging the County and cities to adopt General Plan policies and standards that encourage broadband services
- Include broadband services among those services to be reviewed in LAFCO MSRs – the primary focus would be in services provided by cities and community service districts
- Participate in a countywide staff level broadband working group that collaborates on these issues

RECOMMENDATIONS

1. Provide input as desired;
2. Direct staff to present a Proposed Budget for review and approval at the March 11, 2015 LAFCO meeting; and
3. Direct staff to present a Final Budget for review and approval at the May 13, 2015 LAFCO meeting.

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



Lou Ann Teixeira
 Executive Officer

MEMBERS		ALTERNATE MEMBERS
Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>	Candace Andersen <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>	Sharon Burke <i>Public Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>	Tom Butt <i>City Member</i>
	Don Tatzin <i>City Member</i>	George H. Schmidt <i>Special District Member</i>

February 11, 2015 (Agenda)

February 11, 2015
 Agenda Item 8

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

Special District Risk Management Authority (SDRMA) Board Election

Dear Commissioners:

Contra Costa LAFCO purchases its workers’ compensation and property/liability insurance through the SDRMA. The SDRMA is a joint powers public agency formed under California Government Code and provides a full-service risk management program for California’s local governments. The SDRMA provides risk financing and risk management services to over 760 member agencies, including numerous special districts, municipalities, joint powers authorities and approximately 20 LAFCOs. In conjunction with participation in the SDRMA, LAFCO is also a member of the California Special Districts Association (CSDA).

On January 26, 2015, LAFCO received correspondence from the SDRMA calling for nominations for the SDRMA Board of Directors (attached).

According to the announcement, there are three (3) director seats up for election. Directors are elected to 4-year terms. The term of office for the newly elected directors will be January 1, 2016 through December 31, 2019.

Nominees must be a board member or full-time management employee, and must be an active member of both SDRMA’s property/liability and workers’ compensation programs. Candidates must be nominated by resolution of their member agency (i.e., LAFCO) and must submit a Statement of Qualifications. The deadline for nominations is May 1, 2015. Ballots will be mailed out in mid-May and will be due by August 25, 2015.

The attached material provides information regarding the nomination and election process, and role and responsibilities of the Board members. Briefly, the SDRMA Board of Directors meets approximately 9-12 times each year. Meetings average 6-8 hours each, and are held in Sacramento. The commitment is approximately 15-20 hours per month.

Recommendation: Advise as to any nomination(s).

Sincerely,

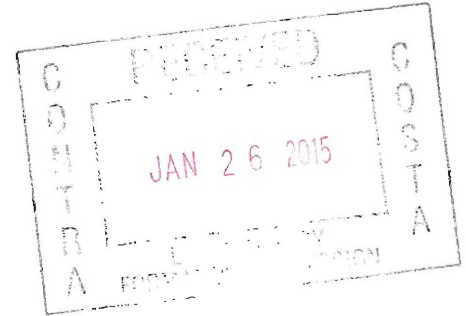
Lou Ann Teixeira
 Executive Officer

Notification of Nominations – 2015 Election SDRMA Board of Directors

January 23, 2015

Mr. Rob Schroder
Chair
Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, California 94553-1229

Dear Mr. Schroder:

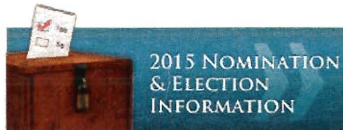


Notice of Nominations for the Special District Risk Management Authority (SDRMA) Board of Directors 2015 Election is being provided in accordance with the SDRMA Sixth Amended and Restated Joint Powers Agreement. The following nomination information is enclosed: Nomination Packet Checklist, Board of Director Fact Sheet, Nomination/Election Schedule, SDRMA Election Policy No. 2015-01, Sample Resolution for Candidate Nomination and Candidate Statement of Qualifications.

General Election Information - Three (3) Directors seats are up for election. The nomination filing deadline is Friday, May 1, 2015. Ballots will be mailed to all SDRMA member agencies in mid-May. Mail-in ballots will be due Tuesday, August 25, 2015.

Nominee Qualifications - Nominees must be a member or the agency's governing body or full-time management employee (see SDRMA Election Policy 2015-01, Section 4.1) and be an active member agency of **both** SDRMA's property/liability and workers' compensation programs. Candidates must be nominated by resolution of their member agency's governing body and complete and submit a "Statement of Qualifications".

Nomination Documents and Information - Nomination documents (Nominating Resolution and Candidates Statement of Qualifications) and nomination guideline information may also be obtained on SDRMA's website at www.sdrma.org. To obtain documents electronically:



From the SDRMA homepage, click on the "2015 Nomination & Election Information" button. All necessary nomination documents and election information may be downloaded and printed.

Term of Office – Directors are elected to 4-year terms. The term of office for the newly elected Directors will begin January 1, 2016 and expire December 31, 2019.

Nomination Filing Deadline – Nomination documents **must be received in SDRMA's office no later than 5:00 P.M. on Friday, May 1, 2015.**

Please do not hesitate to contact SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790, if you have any questions regarding the 2015 SDRMA Board of Director Nominations or the election process.

Sincerely,
Special District Risk Management Authority


Gregory S. Hall, ARM
Chief Executive Officer

2015 Nomination Packet Checklist



SDRMA BOARD OF DIRECTORS NOMINATION AND ELECTION GUIDELINES

January 8, 2015, marked the official commencement of nominations for the SDRMA Board of Directors. Three seats on the Board of Directors are up for election in August 2015.

For your convenience we have enclosed the necessary nomination documents and election process schedule. Please note that some items have important deadlines. All document contained in this packet, as well as additional information regarding SDRMA Board elections are available on our website www.sdrma.org and/or by calling SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790.

____ **Attachment One:** **SDRMA Board of Directors Fact Sheet:** SDRMA Board of Directors has established a policy that requires candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or full-time management employee (per SDRMA Election Policy 2015-01, Section 4.1) of their respective member agency that is currently participating in **both** SDRMA's Property/Liability and Workers' Compensation Programs, and 2) nominated by resolution of the Board of Directors of their respective member agency. This document also reviews the Board of Directors' Role and Responsibilities along with additional information.

____ **Attachment Two:** **SDRMA Board of Directors 2015 Nomination/Election Schedule:** Please review this document for important deadlines.

____ **Attachment Three:** **SDRMA Election Policy No. 2015-01:** A Policy of the Board of Directors of the Special District Risk Management Authority establishing guidelines for Director elections.

____ **Attachment Four:** **Sample Resolution for Candidate Nomination:** A resolution of the Governing Body of the Agency nominating a candidate for the Special District Risk Management Authority Board of Directors.

____ **Attachment Five:** **Candidate Statement of Qualifications:** Please be advised that no statements are endorsed by SDRMA. Candidate statements of qualification will be distributed to the membership with the SDRMA election ballot, "exactly as submitted" by the candidate.

Please complete and return all required nomination and election documents to:

SDRMA Election Committee
C/O Paul Frydendal, COO
Special District Risk Management Authority
1112 "I" Street, Suite 300
Sacramento, California 95814

SDRMA BOARD OF DIRECTORS FACT SHEET

SDRMA BOARD OF DIRECTORS ROLE AND RESPONSIBILITIES

Special District Risk Management Authority (SDRMA) is a public entity Joint Powers Authority established to provide cost-effective property/liability, worker's compensation, health benefit coverages and comprehensive risk management programs for special districts and other public agencies and providers of municipal services throughout California. SDRMA is governed by a Board of Directors elected from the membership by the programs' members.

Number of Board Members	7-Board Members: SDRMA Board of Directors consists of seven Board Members, who are elected at-large from members participating in either program.
Board of Directors' Role	SDRMA Board of Directors provide effective governance by supporting a unified vision, and ensuring accountability, <i>setting direction based on SDRMA's mission and purpose, as well as establishing and approving policy to ensure SDRMA meets its obligations and commitment to its members.</i>
Board of Directors' Responsibilities	<i>Board Member responsibilities include a commitment to: serve as a part of a unified governance body; govern within Board of Directors' policies, standards and ethics; commit the time and energy to be effective; represent and make policy decisions for the benefit, and in the best interest, of all SDRMA members; support collective decisions; communicate as a cohesive Board of Directors with a common vision and voice; and operate with the highest standards of integrity and trust.</i>
Three (3) Seats For this Election	3-Seats: Elections for Directors are staggered and held every two years, four seats during one election and three seats in the following election. Three seats are up for election this year.
Term of Directors	4-Year Terms: Directors are elected for 4-year terms. Terms for directors elected this election begin January 1, 2016 and end on December 31, 2019.
Board Member Travel Reimbursement	Board Members are reimbursed for reasonable travel and lodging in accordance with SDRMA Board Policy Manual 2014-06 and applicable laws and are allowed to claim a stipend of \$100 per meeting day.
Number of Meetings per Year	8-Board Meetings Annually: Generally not more than one meeting per month, with an average of eight board meetings per year.
Meeting Location	SDRMA office in Sacramento, California.
Meeting Dates	Typically the first Wednesday afternoon and Thursday morning of the month.
Meeting Starting Times	4:00 p.m. and 8:00 a.m.: Meetings are from 4:00 p.m. on Wednesday afternoon until 5:30 p.m. and Thursday from 8:00 a.m. to noon.
Meeting Length	6 - 8 hours: Length of meetings on average.
Average Time Commitment	15 - 20 hours: Commitment per month.

"The mission of Special District Risk Management Authority is to provide renewable, efficiently priced risk financing and risk management services through a financially sound pool to CSDA member districts, delivered in a timely, cost efficient manner, responsive to the needs of the districts."
Special District Risk Management Authority | A Property/Liability, Workers' Compensation and Health Benefits Program

SDRMA BOARD OF DIRECTORS
2015 NOMINATION/ELECTION SCHEDULE

2015 Nomination/Election Schedule

JANUARY						
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JUNE						
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NOVEMBER						
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DECEMBER						
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27	28	29	30	31		

TASK TIMELINE

- 1/8 Board approved Election Schedule

- 1/22-23 Mail Notification of Election and Nomination Procedure to Members in January
90 days prior to mailing Ballots (97 actual days)

- 5/1 Deadline to return Nominations
- 5/7 Tentative Election Comm. Reviews Nominations
- 5/13-14 Mail Ballots 60 days prior to ballot receipt deadline (104 actual days)

- 8/25 Deadline to Receive Ballots
- 8/27 Tentative Election Committee Counts Ballots
- 8/28 Election Committee Notifies Successful Candidates and Provides Them With Upcoming Board Meeting Schedule
- 9/23 Directors' Elect Invited to CSDA Annual Conf/SDRMA Breakfast/Super Session

- 10/28-29 Directors' Elect Invited to SDRMA Board Meeting

- 1/2016 Newly Elected Directors Seated and Election of Officers

SDRMA BOARD OF DIRECTORS
ELECTION POLICY NO. 2015-01

A POLICY OF THE BOARD OF DIRECTORS OF SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY ESTABLISHING GUIDELINES FOR DIRECTOR ELECTIONS, DIRECTOR APPOINTMENTS, AND CREATION OF A SUPERVISING ELECTION COMMITTEE

- WHEREAS, SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) is a joint powers authority, created pursuant to Section 6500, et. seq. of the California Government Code; and
- WHEREAS, the Board of Directors recognizes that it is in the best interest of the Authority and its members to adopt a written policy for conducting the business of the Board; and
- WHEREAS, establishing guidelines for Director elections and appointments will help ensure a process that is consistent for all nominees and candidates, will promote active participation by SDRMA members in the election/appointment process, and will help ensure election/appointment of the most qualified candidate(s); and
- WHEREAS, the Bylaws provide the Board with the option of conducting the election using a mail-in ballot process; and
- WHEREAS, the Board of Directors of SDRMA has an overriding and compelling interest in insuring the accuracy of the election/appointment process of its Board members through the creation of an election committee;

NOW, THEREFORE, it is the policy of the Board of Directors of SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY, until such policy shall have been amended or rescinded, that the following procedures shall be followed when conducting Director elections or filling a Director vacancy by appointment:

1.0. Election Schedule

- 1.1. Not later than the first Board meeting of each election year, the Board of Directors shall approve an election schedule based on the following criteria and time frames.

2.0. Election Committee

- 2.1. The Board of Directors herein establishes an election committee with the following composition, duties and responsibilities; The five (5) members of the Election Committee shall include two presently sitting members of the Board of Directors of SDRMA whose seats are not up for election, the Chief Operating Officer of SDRMA, and the CPA/auditor regularly used and retained by SDRMA at the time of counting ballots of and for an election to the Board of Directors. For good reason found and stated, the Board of Directors of SDRMA may appoint any CPA/auditor who, in the discretion of the Board of Directors, would appropriately serve the Election Committee. The General Counsel for SDRMA shall also sit as a member of the Election Committee with the additional obligation of providing legal advice to the balance of the Committee as legal questions may arise.

3.0. Member Notification of Election

- 3.1. Authority staff shall provide written notification, of an election for the Board of Directors, to all member agencies during January of each election year. Such written notification shall be provided a minimum of ninety (90) days prior to the distribution of ballots and shall include; (1) the number of Director seats to be filled by election; (2) a copy of this nomination and election procedure; and (3) an outline of nomination/election deadline dates.

4.0. Qualifications

- 4.1. A candidate seeking election, re-election or appointment to SDRMA's Board of Directors must be a member of the Governing Body or a full-time management employee of an SDRMA member participating in both the Property/Liability and Workers' Compensation Programs. To qualify as a "full-time management employee,"

the candidate must be a full-time, management-level (as determined by the Governing Body) employee whose wages are reported to the IRS on a "W-2" form. Only one (1) representative from any Member may serve on the Board of Directors at the same time. [Per Bylaws, Article II, (2) (b)]

- 4.2. Each nominated candidate must submit a properly completed "Statement of Qualifications" (required form attached) with an original signature (electronic signatures are not acceptable) on or before the filing deadline in May in order for the candidate's name to be placed on the official ballot. A candidate shall provide responses to all questions on the candidate's "Statement of Qualifications". Each nominated candidate's "Statement of Qualifications" must be filed in SDRMA's office on or before the aforementioned deadline by: (1) personal delivery; (2) U.S. mail; or (3) courier. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed to the membership exactly as submitted by the candidate to SDRMA. However, any attachments submitted by the candidate(s) with the Statement of Qualifications will not be sent by SDRMA with the ballots to any members.
- 4.3. If a nominated candidate elects not to use the provided form "Statement of Qualifications," and prepares instead the candidate's own completed form, the candidate's form must include the title "Statement of Qualifications" and contain exactly all information required and requested by the provided form.

NOTE: The candidate's "Statement of Qualifications" form must be submitted as a part of the nominating process. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed "exactly as submitted" to SDRMA, except that any attachments submitted by the candidate will not be sent to any SDRMA members.

- 4.4. A candidate who does not submit a Candidate's Statement of Qualifications that complies with Section 4.2 or 4.3 will be disqualified by the SDRMA Election Committee.

5.0. Nominating Procedure

- 5.1. Candidates seeking election or reelection must be nominated by action of their respective Governing Body. Only one (1) candidate may be nominated per member agency and one (1) candidate shall not represent more than one (1) member agency. A resolution from the candidate's district/agency Governing Body nominating the candidate must be received by the Authority on or before the scheduled date in May. (A sample of the resolution is enclosed). Actual receipt by the Authority on or before the scheduled deadline date in May is required. The resolution nominating the candidate may be hand-delivered to the Authority or sent by U.S. mail. In the event a candidate is nominated by two (2) or more member agencies, he or she shall represent the member agency whose nominating resolution is first received by the Authority. The other member agency or agencies that nominated the candidate shall be entitled to select a replacement nominee as long as a resolution nominating the replacement is received by the Authority prior to the scheduled deadline date.
- 5.2. A member may not nominate a candidate unless that member is participating in both the Property/Liability and Workers' Compensation Programs and is in "good standing" on the date the nominations are due. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.
- 5.3. No earlier than the day after the deadline for receipt of nominations, the Election Committee, as hereinabove defined and comprised, shall review all nominations received from members, and will reject any nominations that do not meet all of the qualifications specified and set forth in this policy. The Election Committee's decisions regarding the qualification of nominees are final. Following the Election Committee's review of all nominations, the Election Committee shall direct that a ballot be prepared stating and listing all of the qualified nominees. The ballot of qualified nominees shall be distributed to the membership for election by mail as described below.
- 5.4. Upon verification or rejection of each nominee by the Election Committee, staff will mail acknowledgment to both the nominee and the district/agency of its acceptance or rejection as a qualified nominee for election.

Policy No. 2015-01

- 5.5. A nominee requesting that his/her nomination be withdrawn prior to the election, shall submit such requests in writing to SDRMA's office a minimum of three (3) days prior to the scheduled date for mailing the ballots. After that date, all qualified nominees names shall appear on the ballot mailed to the membership.

6.0. Terms of Directors

- 6.1. The election of directors shall be held in each odd-numbered year. The terms of the directors elected by the Members will be staggered. Four directors will serve four-year terms, to end on December 31 of one odd-numbered year. Three directors will serve four-year terms, to end on December 31 of the alternate off-numbered year. [Per Bylaws, Article II, (3), paragraph 1].

7.0. Campaigning

- 7.1. SDRMA staff will mail each qualified candidate's "Statement of Qualifications", "exactly as submitted" by the candidate with the ballots to the membership.
- 7.2. Candidates, at their own expense, may distribute additional information to member agency(s) after the ballots have been mailed and prior to the election.
- 7.3. SDRMA staff is prohibited from actively promoting a candidate or participating in the election process while on Authority premises.
- 7.4. SDRMA staff may provide member information, mailing lists, financial reports or operational data and information, that is normally available through the Public Records Act, to candidates to assist them in their research and campaigning. In addition to obtaining such information under the Public Records Act, candidates may request SDRMA staff prepare mailing labels for the distribution of campaign materials to member agencies. Under existing policy, charges will apply for this service. The SDRMA logo is trademarked for use by SDRMA only. Neither the logo, nor any other Trademark of SDRMA may be used in any campaign literature. No campaign literature is to imply support of any candidate by SDRMA.
- 7.5. SDRMA election mailings to the membership, including ballots and candidates' "Statement of Qualifications", shall be sent via first class mail.

8.0. Limitations on Campaigning

- 8.1. As used in this section the following terms have the following meanings:

"Campaign Activity" means any activity that expressly advocates the election or defeat of a candidate or provides direct support to a candidate for his or her candidacy. "Campaign activity" does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes or the use of public resources to nominate a candidate or vote in any Board of Directors election.

"Candidate" means an individual who has been nominated by the Member Agency to have his or her name listed on the ballot for election to the Board of Directors.

"Expenditure" means a payment of Member Agency funds that is used for communications that expressly advocate the election or defeat of a clearly identified candidate. "Expenditure" does not include the use of public funds to nominate a candidate or vote in any Board of Directors election.

"Public resources" means any property or asset owned by the Member Agency, including, but not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and Member Agency-compensated time.

- 8.2. An officer, official, employee, or consultant of a Member Agency may not expend or authorize the expenditure of any of the funds of the Member Agency to support or oppose the election or defeat of a candidate for the Board of Directors.
- 8.3. No officer, official, employee, or consultant of a Member Agency shall use or permit others to use public resources for campaign activity.
- 8.4. At any time during an election campaign, if a Member Agency or its officers, officials, employees or consultants violate this section, that Member Agency shall be ineligible to nominate a candidate for the Board of Directors election in which the violation occurred. Any candidate of an offending Member Agency shall be deemed to have withdrawn his or her candidacy. Prior to declaring a Member Agency ineligible to nominate a candidate or a specific candidate's candidacy withdrawn, the Elections Committee shall hold a hearing to determine whether or not a violation of this section occurred. The hearing shall be conducted pursuant to reasonable procedures that the Elections Committee shall prescribe, provided that the affected Member Agency or candidate shall have an opportunity to dispute the violation. At the conclusion of the hearing, the Elections Committee shall determine by a majority vote whether the violation occurred.

9.0. Balloting

- 9.1. A ballot containing nominees for the Board of Directors, accepted and approved by the Election Committee, shall be mailed by first class mail, to each SDRMA member agency, except as provided in Section 9.2 below, no less than sixty (60) days prior to the deadline for receiving ballots and the closing date for voting. Ballots shall show the date and time the ballots must be received in SDRMA's office. A self-addressed, stamped, return envelope shall be mailed with each ballot.
- 9.2. In the event that the number of qualified/approved nominees is equal to or less than the number of director seats up for election, the mailing of the ballots as outlined in Section 9.1 shall be waived.
- 9.3. Only those qualified nominees approved by the Election Committee will be eligible candidates on the ballot. Write-in candidates shall not be accepted.
- 9.4. It is required that the Governing Body of each member vote on behalf of their agency (sample Resolution enclosed) and the ballot MUST be signed by the agency's Presiding Officer.
- 9.5. A member may not vote unless the member was a member of the Authority in "good standing" on or before the nomination due date for the pending election. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.
- 9.6. A member may cast only one (1) vote for the same candidate. By way of example, if there are four (4) candidates on the ballot, a member may not cast two (2) to four (4) votes for any single candidate. Any ballot casting more than one (1) vote for the same candidate will be considered void.
- 9.7. A member may vote by using the official ballot provided by SDRMA, or a copy of SDRMA's original ballot, or a reasonable duplicate prepared by the member agency. Whichever of the three foregoing formats is used, the ballot must contain an original signature and confirmation that the ballot was approved at a public meeting of the agency's Governing Body. Ballots submitted without an original signature and/or without confirmation that the form of the ballot was approved at a public meeting of the agency's Governing Body will be considered void.
- 9.8. Ballots may be returned using either hand-delivered or mailed in ballots - faxed or e-mailed ballots will not be accepted. Mailed in ballots must be addressed to, and hand-delivered ballots must be delivered to, the Special District Risk Management Authority office presently located at 1112 I Street, Suite 300, Sacramento, California 95814-2865.
- 9.9. Any ballot received after the specified deadline will not be counted and will be considered void.

10.0. Election Results

- 10.1. All ballots will be opened and counted at SDRMA's office only after the deadline for receiving ballots. Ballots will be opened by SDRMA's Election Committee, no more than five (5) days after the closing deadline. Candidates receiving the highest number of votes shall be declared the elected director(s).
- 10.2. In the event of a tie, a coin toss shall be used to determine the elected director. The coin toss shall be conducted by the Election Committee at the time and place of the conclusion of counting ballots.

PROCEDURE: In the event more than two (2) candidates tie, the coin toss shall be between two (2) candidates at a time based on the order in which their name appeared on the ballot. This process shall be repeated, as needed, in cases where there are more than two (2) candidates.
- 10.3. Excluding tie votes, within five (5) days after the ballots are opened and tabulated Authority staff shall advise the candidates and their respective agency in writing of the final election results. Copies of the results shall also be mailed/distributed to SDRMA's Board of Directors, staff and consultants and published in the first available CSDA newsletter.
- 10.4. If a director-elect withdraws after the election or fails to accept the Director seat prior to December 31, the Board shall name a new director-elect by going back to the ballots and awarding the seat to the candidate receiving the next highest number of votes during the election.
- 10.5. Staff shall invite newly elected director(s) to attend the Annual Membership meeting and all scheduled Board meeting(s) after confirmation of election results until the director(s) elect assume office. Director(s) elect will be reimbursed for expenses, except for director stipends, in accordance with approved director reimbursement policy (copy of policy shall be provided to newly elected directors).
- 10.6. A member or candidate dissatisfied with the election result may, within ten (10) days after the ballots are opened and tabulated, file with the Authority a written challenge and appeal. The challenge and appeal must clearly set forth the complaint and any and all facts in support of the challenge and appeal. Within ten (10) days after the ballots are opened and tabulated, the challenge and appeal shall be delivered and received by the Authority. Within five (5) days of receipt of the challenge and appeal, the Authority shall deliver the same to the Election Committee for decision. The Election Committee shall have absolute authority for deciding the challenge and appeal. Notice of the decision of the Election Committee shall be provided to the party filing the challenge and appeal within ten (10) days.

11.0. Director Vacancy

- 11.1. If a director vacancy(s) occurs (Note 1), appointment of a replacement director for the balance of the unexpired term will be made by the remaining members of the SDRMA Board. In order to accomplish this in an orderly and consistent manner, when a vacancy(s) of an elected Director(s) occurs, the SDRMA Board of Directors, after discussion and consideration, shall, when deemed appropriate, instruct staff to:
 - a) notify all then member entities that a vacancy has occurred; and
 - b) said notice shall refer to the applicable Article in the By-laws in advising member entities and their eligible candidates of the steps to take to apply for appointment; and
 - c) the SDRMA Board shall establish the closing date for the receipt of applications; and
 - d) candidates shall submit the following, by the date specified in the notice:
 - i) a letter of interest; and
 - ii) a resume, with particular emphasis on the candidate's knowledge of special districts and risk management; and
 - iii) a resolution from, or a letter approved by, the candidate's Governing Body nominating the candidate; and
 - e) the Election Committee shall review all applications received, and shall reject any that do not meet all of the qualifications specified and set forth in this policy; and
 - f) upon verification or rejection of each application by the Election Committee, staff will mail

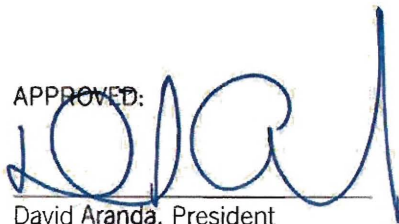
- acknowledgement to both the applicant and the district/agency of its acceptance or rejection of the applicant as a qualified candidate for appointment; and
- g) candidates shall be interviewed at the next regularly scheduled meeting of the SDRMA Board of Directors following the date of closure for the applications. Interviews shall be in person, or if an unforeseen emergency arises, the interview may be by telephone at the same scheduled time; and
- h) the SDRMA Board shall make the appointment without undue delay, but need not act at the same meeting.

Note 1: If the Director vacancy occurs within nine (9) months after the date the ballots were counted and certified by the Election Committee or within nine (9) months after a candidate was appointed to fill a vacancy, then the Board shall have the option to interview and appoint the candidate(s) who did not receive sufficient votes to be elected OR to interview and appoint from the pool of candidates from 11.1.g) above. If the Director vacancy occurs in an election year after the Notification of Election is sent to the members, the Board may determine to fill the vacancy by appointing the candidate who receives the next highest number of votes in the election. If the Board determines in its sole discretion that none of these options is appropriate, then staff shall be instructed to proceed with the process described above in steps 11.1 a) to h).

Revised and adopted this 7th day of January 2015, by the Board of Directors of Special District Risk Management Authority, at a regular meeting thereof.

This Policy No. 2015-01 supercedes Policy No. 2013-05 and all other policies inconsistent herewith.

APPROVED:

A handwritten signature in blue ink, appearing to read "David Aranda", written over a horizontal line.

David Aranda, President
Board of Directors

ATTEST:

A handwritten signature in blue ink, appearing to read "Gregory S. Hall", written over a horizontal line.

Gregory S. Hall, ARM
Chief Executive Officer

**SAMPLE
RESOLUTION FOR
CANDIDATE NOMINATION**

Available for download in Microsoft Word file format
visit our website at www.sdrma.org

[AGENCY NAME]
RESOLUTION NO.

**A RESOLUTION OF THE GOVERNING BODY OF THE [AGENCY NAME] NOMINATING
[CANDIDATE'S NAME] AS A
CANDIDATE FOR ELECTION TO THE SPECIAL DISTRICT RISK MANAGEMENT
AUTHORITY BOARD OF DIRECTORS**

WHEREAS, the Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code, Section 6500 et.seq., for the purpose of providing risk management and risk financing for California Special Districts and other local government agencies; and

WHEREAS, the Joint Powers Agreement (JPA) and Bylaws of SDRMA set forth director qualifications, terms of office and election requirements; and

WHEREAS, the Board of Directors of SDRMA established procedures and guidelines for the Director Election process; and

WHEREAS, the Board of Directors of SDRMA established a policy requiring candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or full-time management employee per SDRMA Election Policy 2015-01, Section 4.1 and be an active member agency of **both** SDRMA's property/liability and workers' compensation programs, and 2) be nominated by resolution of their member agency's governing body, and 3) each nominated candidate must submit a completed and signed "Statement of Qualifications" on or before the May 1 filing deadline in order for the candidate's name to be placed on the official ballot.

NOW, THEREFORE, BE IT RESOLVED:

1. The governing body of **[AGENCY NAME]** nominates **[CANDIDATE'S NAME]**, its **[POSITION TITLE]**, as a candidate for the Board of Directors of the Special District Risk Management Authority.

2. **[ONLY IF CANDIDATE IS NOT A MEMBER OF THE AGENCY'S GOVERNING BODY:** The governing body of **[AGENCY NAME]** has determined that **[CANDIDATE'S NAME]** is a full-time management employee for purposes of SDRMA Election Policy 2015-01, Section 4.1].

3. The governing body of **[AGENCY NAME]** further directs that a copy of this resolution be delivered to SDRMA on or before the May 1, 2015 filing deadline.

ADOPTED this **[DATE]** of **[MONTH/YEAR]** by the Governing Body of **[AGENCY NAME]** by the following roll call votes:

AYES:	[LIST NAMES of GOVERNING BOARD VOTES]
NAYES:	"
ABSTAIN:	"
ABSENT:	"

APPROVED

ATTEST

President – Governing Body

Secretary

CANDIDATE'S STATEMENT
OF
QUALIFICATIONS

Available for download in Microsoft Word file format
visit our website at www.sdrma.org

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

What is your overall vision for SDRMA? (Response Required)

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____ Date _____



Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>
	Don Tatzin <i>City Member</i>

ALTERNATE MEMBERS

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

February 11, 2015 (Agenda)

February 11, 2015
Agenda Item 9

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

Executive Officer's Performance Review and Compensation

Dear Members of the Commission:

RECOMMENDATION

Consider the recommendation per the attached memo.

DISCUSSION

The Commission met on December 10, 2014 and on January 14, 2015 in Closed Session to discuss staff performance.

Thereafter, Commissioner Schroder met with the Executive Officer to discuss the performance review and recommendation as summarized in the attached memo.

Thank you for your consideration of the recommendation.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment

MEMORANDUM

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
651 Pine Street, Sixth Floor ♦ Martinez CA 94553 ♦ (925) 335-1094 ♦ Fax (925) 646-1228

February 11, 2015

TO: Members of the Commission
FROM: Chair Schroder
SUBJECT: Executive Officer's Compensation

The Commission met in Closed Session on December 10, 2014 and on January 14, 2015, to discuss the Executive Officer Lou Ann Texeira's performance evaluation.

I subsequently met with the Executive Officer to provide input regarding the performance review. During that meeting we expressed to the Executive Officer the very positive comments from the Commission as to the excellent work being performed by the Executive Officer.

It is recommended that the Commission approve a 4% increase to the Executive Officer's base salary effective 1/1/15.

February 11, 2015
Agenda Item 10

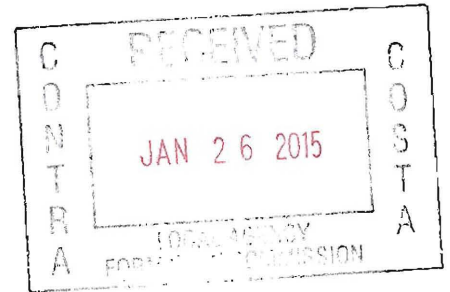
MEMORANDUM

Date: January 22, 2015

To: Employers,
Employee Representatives,
Other Interested Parties

From: Gail Strohl, Retirement Chief Executive Officer

Subject: January 28, 2015 CCCERA Retirement Board Meeting



The agenda for the January 28, 2015 CCCERA Retirement Board Meeting includes items of interest to all employers as follows:

- Staff presentation on survey of 1937 Act systems regarding pay items included in "Pensionable Compensation."
- Consider and take possible action regarding employer/member cost sharing of leave cashout assumption.

You are invited to attend this meeting and learn more about these topics.



AGENDA

RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING
January 28, 2015
9:00 a.m.

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Accept comments from the public.
3. Staff presentation on survey of 1937 Act systems regarding pay items included in "Pensionable Compensation."
4. Consider and take possible action on leave cashout assumption for Tier Safety C.
5. Consider and take possible action regarding employer/member cost sharing of leave cashout assumption.
6. Consider and take possible action on employer contribution rates effective July 1, 2015 for Central Contra Costa Sanitary District.
7. Consider and take possible action on contribution rates effective January 1, 2015 and July 1, 2015 for Contra Costa County Fire Protection District.
8. Consider and take possible action on renewal of contract with Segal Consulting for actuarial services.
9. Consider and take possible action to adopt Resolution 2015-1 providing for salary and benefits for unrepresented employees of CCCERA effective January 1, 2015.
10. Consider and take possible action to adopt the pay schedules for all CCCERA classifications effective January 1, 2015.
11. Consider and take possible action to approve the proposed CCCERA CEO employment agreement and authorize Board Chairperson to execute on behalf of the Board.
12. Consider and take possible action to revise investment guidelines for Adelante Capital Management.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

13. Consider and take possible action regarding recommendation from Investment Consultant Search Committee regarding finalist candidates.
14. Consider authorizing the attendance of Board and/or staff:
 - a. RFK Compass Conference – West Coast, Sausalito, CA, March 4-5, 2015.
 - b. PIMCO Client Conference: INSIGHT 2015, Newport Beach, CA, March 15-18, 2015 (Note: Staff only).
15. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

**CALAFCO Daily Legislative Report
as of Wednesday, February 04, 2015**

**February 11, 2015
Agenda Item 12a**

1

[AB 453](#) ([Mullin D](#)) Sustainable communities.

Current Text: Amended: 7/3/2013 [pdf](#) [html](#)

Introduced: 2/19/2013

Last Amended: 7/3/2013

Status: 8/15/2014-Failed Deadline pursuant to Rule 61(b)(14). (Last location was APPR. SUSPENSE FILE on 8/12/2013)

Desk	Policy	Fiscal	Floor	Desk	Policy	Dead	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Strategic Growth Council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Attachments:

[CALAFCO Support Letter_03_12_13](#)

Position: Watch

Subject: Sustainable Community Plans

CALAFCO Comments: This would allow LAFCos to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts. CALAFCO has removed its support of the bill given the nature of the amendment and the potential impact to LAFCos.

[AB 678](#) ([Gordon D](#)) Health care districts: community health needs assessment.

Current Text: Amended: 4/15/2013 [pdf](#) [html](#)

Introduced: 2/21/2013

Last Amended: 4/15/2013

Status: 8/15/2014-Failed Deadline pursuant to Rule 61(b)(14) . (Last location was APPR. SUSPENSE FILE on 8/13/2013).

Desk	Policy	Fiscal	Floor	Desk	Policy	Dead	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require that the health care district conduct an assessment, every 5 years, of the community's health needs and provide opportunities for public input. Commencing January 1, 2019, the bill would require the annual reports to address the progress made in meeting the community's health needs in the context of the assessment. This bill contains other related provisions and other existing laws.

Attachments:

[CALAFCO Letter of support April 17, 2014](#)

Position: Support

Subject: LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: This bill requires Health Care Districts that do not operate their own hospital facilities to create every 5 years, an assessment of the community health needs with public input. The bill requires LAFCos to include in a Municipal Service Review (MSR) the Health Care District's 5-year assessment.

[AB 1521](#) ([Fox D](#)) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Vetoed: 9/29/2014 [pdf](#) [html](#)

Introduced: 1/16/2014

Last Amended: 8/4/2014

Status: 9/28/2014-Vetoed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Beginning with the 2004-05 fiscal year, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a vehicle license fee property tax compensation fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise

required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Letter of Support \(Feb 2014\)](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates the VLF payment (through ERAF) and changes the way that the growth in the VLF adjustment amount (property tax in lieu of VLF) is calculated starting in FY 2014-15 to include the growth of assessed valuation, including in an annexed area, from FY 2004-05 to FY 2014-15. Beginning in FY 2015-16, the VLF adjustment amount would be the jurisdiction's annual change in the assessed valuation.

[AB 1527](#) (Perea D) Public water systems: Safe Drinking Water State Revolving Fund.

Current Text: Vetoed: 9/29/2014 [pdf](#) [html](#)

Introduced: 1/17/2014

Last Amended: 8/20/2014

Status: 9/28/2014-Vetoed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the State Water Resources Control Board to provide incentives for the consolidation of public water systems based upon a service review developed by a local agency formation commission. This bill would repeal these provisions as of January 1 of the next calendar year occurring after the board provides notice to the Legislature and the Secretary of State and posts notice on its Internet Web site that the board has adopted a policy handbook.

Attachments:

[CALAFCO Support Letter](#)

[CALAFCO Support if Amended Letter](#)

Position: Support

Subject: Disadvantaged Communities, Municipal Services, Service Reviews/Spheres

CALAFCO Comments: As amended, this bill requires the State Water Resources Control Board to provide incentives for the consolidation of public water systems based on LAFCo studies. It further requires the Board to adopt a policy handbook. Once done, this newly added provision will be repealed.

The bill has undergone a number of substantial amendments, consequently eliminating the provision that LAFCos be added to the list of eligible entities for receiving grant funding from the Strategic Growth Council. However it still acknowledges the importance and usefulness of Municipal Service Reviews at the state level by requiring the Board to use that data in their processes of consolidation incentives.

[AB 1729](#) (Logue R) Local government: agricultural land: subvention payments.

Current Text: Amended: 3/20/2014 [pdf](#) [html](#)

Introduced: 2/14/2014

Last Amended: 3/20/2014

Status: 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was A. APPR. on 3/24/2014)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would appropriate \$40,000,000 to the Controller from the General Fund for the 2014-15 fiscal year to make subvention payments to counties to reimburse counties for property tax revenues not received as a result of these contracts. The bill would make legislative findings and declarations related to the preservation of agricultural land.

Attachments:

[CALAFCO Letter of Support, March 2014](#)

Position: Support

Subject: Ag Preservation - Williamson

CALAFCO Comments: As amended, the bill will appropriate \$40 million from the General Fund in fiscal year 2014/2015 for subvention payments to counties for Williamson Act contracts.

[AB 1739](#) (Dickinson D) Groundwater management.

Current Text: Chaptered: 9/16/2014 [pdf](#) [html](#)

Introduced: 2/14/2014

Last Amended: 8/22/2014

Status: 9/16/2014-Chaptered by Secretary of State - Chapter 347, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would provide specific authority to a groundwater sustainability agency, as defined in SB 1168 of the 2013-14 Regular Session, to impose certain fees. The bill would authorize the Department of Water Resources or a groundwater sustainability agency to provide technical assistance to entities that extract or use groundwater to promote water conservation and protect groundwater resources. This bill would require the department, by January 1, 2017, to publish on its Internet Web site best management practices for the sustainable management of groundwater.

Attachments:

[CALAFCO Letter of Concern \(June 2014\)](#)

Position: Watch

Subject: LAFCo Administration, Water

CALAFCO Comments: As amended, all references to LAFCo being involved in the formation and governance processes for groundwater management agencies have been removed. Agencies will be formed by public agencies as dependent special districts or through JPA, MOU or some other legal agreement. Coordination for overlapping basins and subbasins will be done at the local level.

[AB 1961](#) ([Eggman D](#)) Land use: planning: sustainable farmland strategy.

Current Text: Amended: 4/22/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Last Amended: 4/22/2014

Status: 5/23/2014-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/23/2014)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require each county to develop, on or before January 2, 2018, a sustainable farmland strategy. The bill would require the sustainable farmland strategy to include, among other things, a map and inventory of all agriculturally zoned land within the county, a description of the goals, strategies, and related policies and ordinances, to retain agriculturally zoned land where practical and mitigate the loss of agriculturally zoned land to nonagricultural uses or zones, and a page on the county's Internet Web site with the relevant documentation for the goals, strategies, and related policies and ordinances, as specified.

Position: Watch

Subject: Ag/Open Space Protection, CKH General Procedures, LAFCo Administration

CALAFCO Comments: As amended, the bill requires counties with 4% or more of its land zoned as agricultural to create a sustainable farmland strategy (sfs) effective January 1, 2018, in consultation with cities and LAFCo, and to update the sfs as necessary. The bill also requires OPR to create best practices that support ag land retention and mitigation. The bill creates an unfunded mandate for counties.

[AB 2156](#) ([Achadjian R](#)) Local agency formation commissions: studies.

Current Text: Chaptered: 6/4/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Last Amended: 3/24/2014

Status: 6/4/2014-Chaptered by Secretary of State - Chapter 21, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would include joint powers agencies and joint powers authorities among the entities from which the local agency formation commission is authorized to request land use information, studies, and plans, for purposes of conducting specified studies, and also would include joint powers agreements in the list of items the commission may request in conducting those studies. The bill would specifically define "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Attachments:

[CALAFCO Letter of Support_March 2014](#)

Position: Support

Subject: CKH General Procedures, LAFCo Administration, Municipal Services, Service Reviews/Spheres

CALAFCO Comments: As amended, the bill specifically defines "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (C-K-H), and includes joint powers agencies and joint powers authorities (JPAs) among the entities from which a local agency formation commission (LAFCo) is authorized to request information in order to conduct required studies.

AB 2762 (Committee on Local Government) Local government.

Current Text: Chaptered: 7/9/2014 [pdf](#) [html](#)

Introduced: 3/24/2014

Last Amended: 5/6/2014

Status: 7/9/2014-Chaptered by Secretary of State. Chapter 112, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 does not apply to pending proceedings for a change or organization or reorganization for which the application was accepted for filing prior to January 1, 2001, as specified. The act authorizes these pending proceedings to be continued and completed under, and in accordance with, the law under which the proceedings were commenced. This bill would repeal those provisions relating to pending proceedings for a change or organization or reorganization for which an application was accepted for filing prior to January 1, 2001, and make other conforming changes.

Attachments:

- [CALAFCO Request Governor Signature](#)
- [CALAFCO Letter of Support_March 2014](#)

Position: Sponsor

Subject: CKH General Procedures

SB 56 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Amended: 6/11/2013 [pdf](#) [html](#)

Introduced: 1/7/2013

Last Amended: 6/11/2013

Status: 2/3/2014-Returned to Secretary of Senate pursuant to Joint Rule 56.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

Attachments:

- [CALAFCO Letter of support April 10, 2013](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

SB 69 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Vetoed: 9/29/2014 [pdf](#) [html](#)

Introduced: 1/10/2013

Last Amended: 8/18/2014

Status: 9/28/2014-Vetoed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

Attachments:

- [CALAFCO Letter Requesting Governor Signature SB 69 \(Aug 2014\)](#)
- [CALAFCO Support_SB 69_Feb 2014](#)

Position: Support

Subject: Tax Allocation

CALAFCO Comments: The bill calls for reinstatement of the VLF through ERAF for cities that incorporated

between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2014/15 year for cities that incorporated between 1-1-2004 and 1-1-2012.

SB 614 (Wolk D) Local government: jurisdictional changes: infrastructure financing.

Current Text: Chaptered: 9/29/2014 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amended: 8/18/2014

Status: 9/29/2014-Chaptered by Secretary of State - Chapter 784, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency or school district that initiates proceedings for a change of local government organization or reorganization by submitting a resolution of application to a local agency formation commission to also submit a plan for providing services within the affected territory, as specified. This bill would instead require, if a proposal for a change of organization or reorganization is submitted to a local commission, that the applicant submit a plan for providing services within the affected territory.

Attachments:

[CALAFCO Letter Requesting Governor Signature](#)

[CALAFCO Letter of Concern \(June 2014\)](#)

Position: Support

Subject: Annexation Proceedings, CKH General Procedures, Disadvantaged Communities

CALAFCO Comments: As amended, the bill is intended to provide an incentive to cities to annex disadvantaged unincorporated communities by creating an option for a funding mechanism using a property tax sharing agreement by affected entities (to share the 1% tax dollars) and ensuing tax increment. A special district would be created to act as the vehicle for that funding. The bill allows LAFCo to consider, as part of the application, the formation of a new district or the reorganization of an existing district, but only if all of the affected agencies are in agreement.

CALAFCO had a number of concerns with the bill which were addressed by the author in the August 18th amendments.

SB 757 (Berryhill R) Groundwater management.

Current Text: Amended: 8/22/2014 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amended: 8/22/2014

Status: 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was A. RLS. on 8/25/2014)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would state the policy of the state that groundwater resources be managed responsibly for long-term water supply reliability and multiple economic, social, or environmental benefits for current and future beneficial uses. The bill would state that responsible groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science and in consideration of local needs and circumstances.

Position: Watch

Subject: LAFCo Administration, Water

SB 1168 (Pavley D) Groundwater management.

Current Text: Chaptered: 9/16/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Last Amended: 8/29/2014

Status: 9/16/2014-Chaptered by Secretary of State - Chapter 346, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would state the policy of the state that groundwater resources be managed sustainably for long-term reliability and multiple economic, social, and environmental benefits for current and future beneficial uses. This bill would state that sustainable groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science. This bill contains other related provisions and other existing laws.

Attachments:

[CALAFCO Letter of Concern](#)

Position: Watch
Subject: Water

SB 1319 (Pavley D) Groundwater.

Current Text: Chaptered: 9/16/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Last Amended: 8/29/2014

Status: 9/16/2014-Chaptered by Secretary of State - Chapter 348, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize the state board to designate certain high- and medium-priority basins as a probationary basin if, after January 31, 2025, prescribed criteria are met, including that the state board determines that the basin is in a condition where groundwater extractions result in significant depletions of interconnected surface waters. This bill would add to the prescribed determinations that would prevent the state board from designating the basin as a probationary basin for a specified time period.

Subject: Water

AB 543 (Campos D) California Environmental Quality Act: translation.

Current Text: Vetoed: 9/25/2014 [pdf](#) [html](#)

Introduced: 2/20/2013

Last Amended: 6/24/2014

Status: 9/25/2014-Vetoed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

CEQA requires the Office of Planning and Research to prepare and develop guidelines for the implementation of CEQA and the Secretary of the Natural Resources Agency to certify and adopt those guidelines. This bill would require the office, on or before July 1, 2016, to prepare and develop recommended amendments to the guidelines and the secretary, on or before January 1, 2017, to certify and adopt those amendments to the guidelines to establish criteria for a lead agency to assess the need for translating those notices into non-English languages, as specified.

Position: Watch

Subject: CEQA

CALAFCO Comments: As amended, requires OPR to establish criteria for a lead agency to assess the need for translating those notices into non-English languages, as specified by July 1, 2016.

AB 642 (Rendon D) Publication: newspaper of general circulation: Internet Web site.

Current Text: Introduced: 2/20/2013 [pdf](#) [html](#)

Introduced: 2/20/2013

Status: 1/24/2014-Failed Deadline pursuant to Rule 61(b)(2). (Last location was JUD. on 3/11/2013)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires that various types of notices are provided in a newspaper of general circulation. Current law requires a newspaper of general circulation to meet certain criteria, including, among others, that it be published and have a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication. This bill would provide that a newspaper that is available on an Internet Web site may also qualify as a newspaper of general circulation, provided that newspaper meets certain criteria.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Allows for posting of agendas and meeting material on newspaper websites.

AB 677 (Fox D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Amended: 1/6/2014 [pdf](#) [html](#)

Introduced: 2/21/2013

Last Amended: 1/6/2014

Status: 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. GOV. on 1/7/2014)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would modify specified reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill would also modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Financial Viability of Agencies, Tax Allocation

AB 1593 (Dahle R) Public cemetery districts: Auburn Public Cemetery District.

Current Text: Introduced: 2/3/2014 [pdf](#) [html](#)

Introduced: 2/3/2014

Status: 5/9/2014-Failed Deadline pursuant to Rule 61(b)(6). (Last location was L. GOV. on 2/14/2014)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize the Auburn Public Cemetery District in Placer County to use their cemeteries for up to a total of 400 interments each, not to exceed 40 interments each per calendar year, to inter nonresidents and nonproperty taxpayers, if specified conditions are met. This bill contains other related provisions.

Position: Watch

Subject: Other

AB 1897 (Hernández, Roger D) Labor contracting: client liability.

Current Text: Chaptered: 9/29/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Last Amended: 8/22/2014

Status: 9/28/2014-Chaptered by Secretary of State - Chapter 728, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require a client employer to share with a labor contractor all civil legal responsibility and civil liability for all workers supplied by that labor contractor for the payment of wages and the failure to obtain valid workers' compensation coverage. The bill would prohibit a client employer from shifting to the labor contractor legal duties or liabilities under workplace safety provisions with respect to workers provided by the labor contractor. The bill would define a client employer as a business entity that obtains or is provided workers to perform labor within the usual course of business from a labor contractor, except as specified.

Position: Watch

Subject: LAFCo Administration

AB 1995 (Levine D) Community service districts: covenants, conditions, and restrictions: enforcement.

Current Text: Chaptered: 8/25/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Last Amended: 6/30/2014

Status: 8/25/2014-Chaptered by Secretary of State - Chapter 289, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize the Bel Marin Keys Community Services District to enforce all or part of the covenants, conditions, and restrictions for a tract within that district, and to assume the duties of an architectural control committee for that tract, as provided. This bill contains other related provisions.

Position: Watch

Subject: LAFCo Administration, Special District Powers

AB 2443 (Rendon D) Water Recycling Act of 1991: mutual water companies: duplication of service.

Current Text: Chaptered: 9/29/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Last Amended: 8/22/2014

Status: 9/29/2014-Chaptered by Secretary of State - Chapter 817, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize a recycled water producer or wholesaler that has identified a potential use or customer within the service area or jurisdiction of the retail water supplier, to request, in writing, a retail water supplier to enter into an agreement to provide recycled water to the potential customer consistent with specified requirements of the Water Recycling Act of 1991. This bill contains other related provisions and other existing laws.

Position: Watch
Subject: Water

AB 2453 (Achadjian R) Paso Robles Basin Water District.

Current Text: Chaptered: 9/16/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Last Amended: 8/4/2014

Status: 9/16/2014-Chaptered by Secretary of State - Chapter 350, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, until January 1, 2019, provide for the formation of the Paso Robles Basin Water District, and would set forth the composition of, and method of election by landowners and registered voters for, the board of directors for the Paso Robles Basin Water District, the boundaries of which would be established and may be modified by the San Luis Obispo County Local Agency Formation Commission.

Position: Watch
Subject: Water

AB 2455 (Williams D) The Santa Rita Hills Community Services District.

Current Text: Chaptered: 9/20/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Last Amended: 6/17/2014

Status: 9/20/2014-Chaptered by Secretary of State - Chapter 505, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize, until January 1, 2035, the board of directors of the Santa Rita Hills Community Services District to consist of 3 members, if the board of directors receives a petition signed by a majority of voters requesting a reduction in the number of board members and thereafter adopts a resolution that orders the reduction, as specified. The bill would also, until January 1, 2025, authorize the board, if the number of members is reduced to 3, to adopt a resolution to increase the number of members from 3 to 5, as specified. This bill contains other related provisions.

Position: Watch
Subject: Special District Principle Acts

CALAFCO Comments: This bill as amended allows for the reduction of the size of the governing Board of this district from five to three members until January 1, 2025.

AB 2480 (Yamada D) Local government finance: cities: annexations.

Current Text: Amended: 3/28/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Last Amended: 3/28/2014

Status: 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was A. L. GOV. on 4/1/2014)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, beginning on January 10, 2015, and on the 10th of each month thereafter, require the Controller to pay to each city that incorporated before August 5, 2004, an amount equal to an amount determined by a specified formula. This bill would continuously appropriate to the Controller an amount sufficient to make those payments from the General Fund.

Position: Watch
Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: The intent of this bill is the same as AB 1521, which is moving forward, so the author has let this bill die.

SB 731 (Steinberg D) Environment: California Environmental Quality Act.

Current Text: Amended: 9/9/2013 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amended: 9/9/2013

Status: 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was L. GOV. on 9/11/2013)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would provide that aesthetic and parking impacts of a residential, mixed-use residential, or employment center project, as defined, on an infill site, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and submit to the Secretary of the Natural Resources Agency, and the secretary to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise and transportation impacts of projects within transit priority areas. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

SB 1122 (Pavley D) Sustainable communities: Strategic Growth Council.

Current Text: Amended: 5/5/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Last Amended: 5/5/2014

Status: 5/23/2014-Failed Deadline pursuant to Rule 61(b)(8). (Last location was S. APPR. SUSPENSE FILE on 5/23/2014)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law authorizes moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state through specified investments, including funding to reduce greenhouse gas emissions through strategic planning and development of sustainable infrastructure projects. This bill would additionally authorize the council to manage and award financial assistance for the purpose of supporting the implementation of sustainable communities strategies or alternative planning strategies, to be funded from moneys from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature. The bill would require the council to adopt guidelines for the use of the funds by recipients.

Position: Watch

Subject: Sustainable Community Plans

SB 1230 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 5/29/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 5/29/2014-Chaptered by Secretary of State - Chapter 19, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the First Validating Act of 2014, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Support Letter](#)

Position: Support

Subject: Other

Total Measures: 28

Total Tracking Forms: 28

2/4/2015 8:25:51 AM

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
PENDING PROPOSALS – FEBRUARY 11, 2015**

February 11, 2015
Agenda Item 12b

LAFCO APPLICATION	RECEIVED	STATUS
West County Wastewater District Annexation Nos. 310 and 312: proposed annexation of 3.33+ acres located at 39 Kirkpatrick Drive and 5527 Sobrante Avenue in El Sobrante	11/7/08	Incomplete; awaiting info from District
UCB Russell Research Station (RRS): proposed SOI amendment to East Bay Municipal Utility District (EBMUD) of 313+ acres located on Happy Valley Road, southeast of Bear Creek Rd, and north of the Lafayette city limits (with concurrent annexation application)	11/25/08	Incomplete; awaiting info from applicant
UCB RRS: proposed annexation of 313+ acres to EBMUD	11/25/08	Incomplete
Laurel Place/Pleasant View Annexation to City of Concord: proposed annexation of 5.86+ acres located on Laurel Dr and Pleasant View Ln	5/8/09	Pending property tax exchange agreement
Highlands Ranch Phase II SOI Amendment: proposed SOI amendments to the cities of Antioch (reduction) and Pittsburg (expansion) of 194+ acres located east of Pittsburg city limits, within Antioch Somersville Road Corridor Planning Area	10/23/09	Incomplete; awaiting info from applicant
Discovery Bay Community Services District (DBCSD) SOI Amendment (Newport Pointe): proposed SOI expansion of 20+ acres bounded by Bixler Road, Newport Drive and Newport Cove (with corresponding annexation application)	7/28/10	Incomplete; awaiting info from applicant
DBCSD Annexation (Newport Pointe): proposed annexation of 20+ acres to supply water/sewer services to a 67-unit single family residential development	7/28/10	Incomplete; awaiting info from applicant
Bayo Vista Housing Authority Annexation to RSD – proposed annexation of 33+ acres located south of San Pablo Avenue at the northeastern edge of the District's boundary	2/20/13	Continued from 11/12/14 meeting to 1/14/15
Northeast Antioch Reorganization Area 2A: Annexations to City of Antioch and DDS; detachments from CSAs L-100 and P-6	7/30/13	Continued from 6/11/14 meeting to 6/10/15
Reorganization 186 - Annexations to CCCSD and EBMUD: proposed annexation of Magee Ranch/SummerHill (402+ acres; 9 parcels total;) to CCCSD (8 parcels) and EBMUD (7 parcels)	6/20/14	Continued from 1/14/15 meeting to 2/11/15

Improving Bay Area Water Supply Reliability – A Regional Approach

PURPOSE

The Bay Area's largest water agencies are working together to develop a regional solution to improve the water supply reliability for over 6 million area residents and the thousands of businesses and industries located therein. The Contra Costa Water District, the East Bay Municipal Utility District, Marin Municipal Water District, the San Francisco Public Utilities Commission (with the Bay Area Water Supply and Conservation Agency), the Santa Clara Valley Water District, Zone 7 Water Agency, and the Alameda County Water District have joined forces to leverage existing facilities and, if needed, build new ones to bolster regional water supply reliability.

REGIONAL BENEFITS

The benefits of a regional approach include:

- Enhancing water supply reliability
- Bolstering emergency preparedness
- Addressing climate resiliency needs
- Leveraging existing infrastructure investments
- Facilitating the transfer of water supplies during critical periods of drought or following natural disasters

DESCRIPTION

Each of the Bay Area water agencies have recently completed several multi-million infrastructure projects that, when pooled together as shared resources in times of need, may significantly enhance the regional water supply reliability. These projects include, but are not limited to:

- \$920M 185 MGD Freeport Intake by EBMUD to deliver water from the Sacramento River to the Bay Area
- \$110M Los Vaqueros expansion project by CCWD providing local storage of 160 TAF
- \$100M Middle River Intake project by CCWD to deliver water from the Victoria Canal in the Central Delta
- \$20M 30 MGD Hayward Intertie that connects the service area of EBMUD and SFPUC
- \$120M investment in Semitropic Groundwater Bank in Kern County providing 565 TAF of storage for SCVWD, Zone 7 and ACWD
- \$3M Intertie in Brentwood that connects CCWD to EBMUD
- \$11M investment in Cawelo Groundwater Bank in Kern County providing 120 TAF of additional storage for Zone 7
- \$23M in Chain of Lakes area to enhance recharge and use of local groundwater storage for Zone 7
- \$35M investment in groundwater demineralization to help manage salt in the Livermore Valley Groundwater Basin and facilitate use of recycled water in the Zone 7 service area
- \$70M Silicon Valley Advanced Water Purification Center to provide 8 MGD of SCVWD drought-proof supply
- \$11M 35 MGD intertie that connects SFPUC to SCVWD

Potential New Investments:

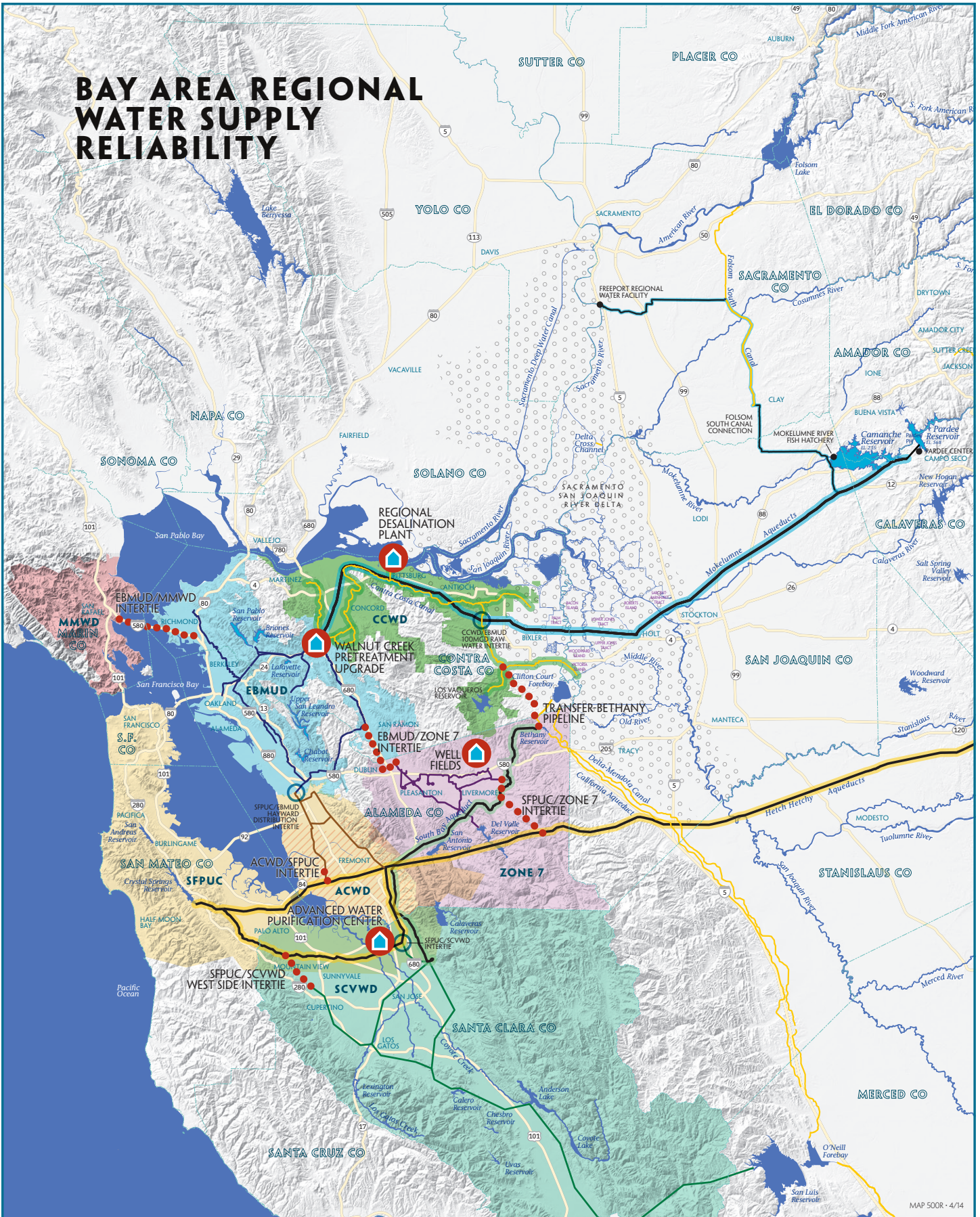
- ACWD-SFPUC Intertie connecting ACWD's Newark Desalination Facility with SFPUC's Bay Division Pipeline to provide emergency supplies and water transfer opportunities
- EBMUD-Zone 7 intertie (\$25M, EBMUD & Zone 7) that would connect EBMUD's water delivery system to Zone 7's, providing potential water sharing and transfer opportunities
- Pre-treatment facility at the Walnut Creek Water Treatment Plant (\$100M, EBMUD) that would allow EBMUD to treat water from the Sacramento River, Los Vaqueros Reservoir, and other sources, enabling EBMUD to deliver supplies to neighboring water agencies
- West Side SFPUC/SCVWD Intertie that would provide a second connection between SFPUC and SCVWD water delivery systems and enable use of additional local/imported sources for water exchanges and transfers
- SFPUC-Zone 7 Intertie enabling the exchange of surface water, groundwater, or recycled water supplies
- Transfer-Bethany pipeline (\$200M, CCWD and regional partners) that would connect the Los Vaqueros Reservoir and CCWD's and EBMUD's intakes to the Bethany Reservoir enabling the conveyance of water to the southbay aqueduct
- Regional Desalination Plant (\$175M) to supply water to CCWD, EBMUD, SCVWD, SFPUC and Zone 7
- Expansion of the Silicon Valley Advanced Water Purification Center and additional development of SCVWD potable reuse system for regional drought-proof supply
- Construction of several new well fields in the Livermore Valley Groundwater Basin to increase total production capacity to 34 TAF in one year or 108 TAF over a six year period for Zone 7, while also increase exchange opportunities with other agencies
- EBMUD-MMWD intertie (\$45M, EBMUD & MMWD) that would connect EBMUD's water delivery system to MMWD's providing potential water sharing and transfer opportunities

COSTS

A Feasibility Study could be performed using a portion of the \$4M authorized for regional desalination.



BAY AREA REGIONAL WATER SUPPLY RELIABILITY



EXISTING MAJOR INTERTIES



POTENTIAL NEW CONNECTIONS



SAN BENITO CO

POTENTIAL FACILITIES



MAP 500R · 4/14

Districts In The News

[Home](#) » [Recycled Water Fill Station Keeps Bay Area Residential Landscapes Green](#)

Recycled Water Fill Station Keeps Bay Area Residential Landscapes Green

January 14th, 2015



On June 12, 2014, [Dublin San Ramon Services District \(DSRSD\)](#) opened the Residential Recycled Water Fill Station for Bay Area residents to come and get recycled water to irrigate their yards. “We wanted to help our customers and neighboring communities survive the 2014 drought,” says Operations Manager Dan Gallagher. “And to be honest, I thought only a handful of folks would take us up on our offer. Hauling water is hard work.”

Much to staff’s surprise, demand was so great, averaging 100 to 150 visitors a day during the hot summer months, they expanded the three hose bibs initially installed to five “back-in” hose bibs and three “drive-through” hose bibs. They also had to expand hours of operation to seven days a week.



By October 31, more than 2.25 million gallons of recycled water had been hauled away in everything from one-gallon jugs to 300-gallon carboys

anchored on flatbed trailers. Five-gallon pails and fifty-five gallon drums secured in pick-up trucks seem to be very popular means of transporting the recycled water.

DSRSD's program is free to any Californian, not just DSRSD customers, and close to 500 individuals have been permitted and trained to use recycled water on their home landscapes. Only 26 percent (125 people) of these residential recycled water users are actually district customers; 67 percent are from the City of Pleasanton, and the remaining seven percent come from as far north as El Sobrante (32 miles), as far south as Santa Clara (30 miles), as far west as San Leandro (15 miles), and as far east as Sunol (13 miles).

It took two months for DSRSD staff to receive regulatory approval, first from the Department of Public Health and then from the Regional Water Quality Control Board. Within eight days of receiving final approval, DSRSD opened the Residential Recycled Water Fill Station for business.

About three weeks later, the [City of Livermore](#) opened their recycled water fill station and four months later, [Central Contra Costa Sanitation District \(CCCSD\)](#) opened their recycled water fill station. "I can't tell you how helpful your staff has been in getting our program approved," said Assistant Engineer Melody LaBella at CCCSD, "DSRSD's leadership in recycled water is sure appreciated."

"The recycled water we make via sand filtration is ideal for irrigation," says Clean Waters Program Specialist Stefanie Olson, "because it contains nitrogen which is found in fertilizer." Olson is responsible for managing the program and gladly shares the regulatory approved [documentation](#) with agencies interested in opening their own recycled water fill station.

An unexpected benefit of the Fill Station has been the sense of community it has created. Frequent users are getting to know one another and advise one another on containers, pumps and level indicators. "I've lived in Dublin for 17 years and I haven't experienced 'community' until I joined the recycled water program," says Mary Bertelson.

Early on, a few users requested a Facebook page, so [DSRSD staff created one](#) for them and they use it to share ideas about where to get containers, how to measure the water level as they're filling a container they can't see through, and how to get the water out of the 55-gallon drum in the back of a pick-up and onto the landscape.



How It Works

Before coming to the fill station the first time, folks are encouraged to [download the Use Agreement](#) from DSRSD's website, read it and sign it. The three-page agreement explains suitable uses for recycled water: to irrigate trees, gardens, vegetables, and lawns; and, wash outdoor furniture, pathways, walls, and windows. The agreement explains that recycled water is not suitable for drinking, cooking, bathing, filling swimming pools or spas, children's water toys, and it cannot be connected to the household domestic plumbing system.

When first-time users arrive at the fill station, they are trained in the proper procedures for handling recycled water. They sign the Use Agreement, and receive a wallet card that shows they've been trained. Fill station users are given purple stickers for their containers, making it obvious the water in the container is not drinkable, but is intended for irrigation or cleaning purposes. Then the users can fill up their containers and haul the water home. On subsequent visits, fill station customers simply show their wallet card, sign in, note the amount of water they are taking, and fill up. Fill station customers are welcome to come as often as they want on any given day, taking up to 300 gallons per load.

History of Recycled Water at DSRSD

The district has been making recycled water, via microfiltration and ultraviolet disinfection, for irrigation and construction since 1999. In 2006, DSRSD partnered with East Bay Municipal Utility District (EBMUD), to expand treatment facilities and began producing recycled water via sand filtration and ultraviolet disinfection. DSRSD uses more than 61 miles of purple pipe to deliver the recycled water to 347 locations and 10 purple hydrants. Since 2006, the partnership has produced more than seven billion gallons of recycled water.

In 2007, the district began permitting commercial truckers to fill their tanks with recycled water at our commercial fill station. This year alone, 32 commercial haulers have already delivered 15.5 million gallons of recycled water for irrigation, construction grading and dust control.

In 2014, 23 percent of DSRSD's total water sales were recycled water. During the hot, dry summer months, the district was recycling about half of the wastewater coming into the plant. Recycling 100 percent of the wastewater year-round is a long-term goal for DSRSD.

- See more at: <http://www.csda.net/districts-in-the-news/recycled-water-fill-station-keeps-bay-area-residential-landscapes-green/#sthash.4XL82e22.dpuf>

Doctors Medical Center closure to ambulance traffic packs other East Bay hospitals

By Robert Rogers rrogers@bayareanewsgroup.com

Posted: 01/15/2015 05:00:00 PM PST Updated: about 5 hours ago



Ambulances are photographed in the holding bay of the emergency department of Kaiser Permanente Richmond Medical Center in Richmond, Calif., on Tuesday, Jan. 13, 2015. Data released by Contra Costa County Emergency Medical Services showed that ambulance traffic diversion from Doctors Medical Center has increased wait times at facilities like Kaiser Richmond. (Dan Honda/Bay Area News Group) (Dan Honda)

SAN PABLO -- Diversion of ambulances from cash-strapped Doctors Medical Center has packed other local hospitals with new patient traffic and lengthened wait times for those who need emergency medical care, according to data released by Contra Costa County Emergency Medical Services.

The data, which compare August to December 2013 with the same period a year earlier, bears out county projections about how diversion of ambulance traffic from DMC would affect patients. DMC's administration and governing board decided to stop accepting ambulance traffic in early August when the hospital's finances worsened and dozens of employees quit.



Ambulances are photographed in the holding bay of the emergency department of Kaiser Permanente Richmond Medical Center in Richmond, Calif., on Tuesday, Jan. 13, 2015. Data released by Contra Costa County Emergency Medical Services showed that ambulance traffic diversion from Doctors Medical Center has increased wait times at facilities like Kaiser Richmond. (Dan Honda/Bay Area News Group) (Dan Honda)

The result is dramatic increases in the number of patients going to Kaiser Richmond, which has a 15-bed emergency department and is the closest to Doctors, as well as Contra Costa Regional Medical Center in Martinez and Alta Bates in Oakland, along with a few patients going to other area hospitals. No one has died as a result of the change, said Pat Frost, Contra Costa County's emergency medical services director. Transport times from pickup of emergency patients to their arrival at the hospitals have also increased substantially. San Pablo residents endure the biggest increase in ride time -- an average of 18 minutes, 39 seconds to reach a medical facility, up from 11 minutes, 24 seconds before Doctors suspended ambulance traffic. Residents in Richmond and Pinole also have longer transport times than they did last year.

"The increases were predictable," Frost said. "You have taken a facility away, and Kaiser has such a small emergency department. But even though transport times have extended, what we have put in place is more ambulance hours in West County."

Kaiser Richmond has taken the brunt of the new traffic, with 1,622 ambulance visits from Richmond 911 callers from August to December, about 50 percent higher than the same period in 2013. Kaiser Richmond also took 454 patients from San Pablo, more than double what it took a year earlier.

The new reality was clear at Kaiser Richmond's emergency room Tuesday evening, as the waiting room overflowed with dozens of walk-in patients and ambulances dropped off others. "The wait is worse now, for sure," said Richmond resident Antwon Cloird, who was there to support a friend whose mother was in the ER. "I know a lot of people who didn't know they could still go to DMC."

At Doctors that same day, the emergency room waiting area was sparse, with only five people seated in a room that holds more than 50. Patients there said they walked in to get care and didn't know that ambulances no longer take patients to the hospital.

Kaiser Permanente spokesman Jessie Mangaliman declined to comment on the surge of traffic to Kaiser Richmond but reiterated earlier statements that Kaiser "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.

Frost said county officials stay in constant contact with Kaiser Richmond to triage patients to other hospitals when the facility gets overwhelmed, using color codes that indicate the level of inundation.

About half of the time, Kaiser is able to accept ambulances without difficulty, Frost said. About 20 percent of the time, called red status, Kaiser is "severely impacted" and ambulance staff advises patients they can go to another hospital to be more quickly treated. About 1.5 percent of the time, ambulance personnel do not give patients a choice and instead take them to other hospitals because Kaiser cannot accept them, Frost said. Since August, 115 patients have had no choice but to go elsewhere.

Frost said longer transport times have not cost any lives, although relatives of a man who died in August after being taken by ambulance from Hercules to Alta Bates Summit Medical Center in Berkeley claimed he may have survived had DMC, which is much closer, been open. Frost could not say whether any patients' health had worsened because of longer transports.

"We are unable to determine that information with any accuracy right now," Frost said.

Frost said the situation will grow more dire if DMC, which still accepts emergency patients who self-transport or are brought by others, closes its 25-bed emergency room completely. Hospital officials are trying to piece together a multifaceted plan to keep DMC open as a full-service facility before it runs out of money in coming weeks.

The beleaguered hospital runs deficits because it serves mostly patients of MediCal and Medicare, which provide low reimbursement rates.

Contra Costa County supervisors last month forgave \$12 million in debt owed by DMC on previous cash advances. The Richmond City Council also voted to earmark \$15 million for DMC from a Chevron community benefits package tied to a refinery modernization, but that money won't become available until the refinery receives final permission to begin the project.

American Medical Response, which has a contract through the end of this year to transport emergency patients in the county, has borne much of the cost for the longer travel times, said spokesman Jason Sorrick.

"If this situation remains in 2016, it's unclear who will pay more (for transports)," Sorrick said. "We are hopeful that DMC will be reopened to ambulance traffic."

Contact Robert Rogers at 510-262-2726. Follow him at [Twitter.com/sfbaynewsrogers](https://twitter.com/sfbaynewsrogers).

Contra Costa Times

Interim CEO of Doctors Medical Center San Pablo to step down due to health problems

By Robert Rogers

rrogers@bayareanewsgroup.com

Posted: 01/16/2015 01:05:59 PM PST Updated: a day ago

SAN PABLO -- The interim CEO who has led Doctors Medical Center since 2011 and fought to stave off closure due to mounting deficits, will step down Feb. 1 due to "personal health issues," the hospital's governing board announced Friday.

Dawn Gideon, managing director at Huron Consulting Group, which was contracted to oversee the hospital, has been at the forefront of the beleaguered hospital's efforts to secure new funding to close an \$18 million annual deficit, caused in part by serving a low-income community with a high ratio of Medicare, Medi-Cal and uninsured patients.

Gideon's second in command, Chief Operating Officer Kathy White, will assume CEO duties Feb. 1, the same day that Gideon's \$40,000 per month salary ends. Hospital Governing Board Chair Eric Zell said Friday that if the hospital can secure additional funding in the next few months, a nationwide search for a permanent CEO would commence.

Without new funding, the hospital may be insolvent by March, Zell said.

Gideon had planned to announce that she was stepping down in the next month, but her health has worsened, Zell said. He declined to describe the nature of her illness. Gideon is at her home on the East Coast and will assist in the transition from there.

"She is unable to fly at this point," Zell said. "She was so committed and so engaged and did a great job in keeping the hospital open during these challenging times. She's a national expert on turnarounds and bankruptcies, so this is a really a sad loss for me and the hospital and community."

Gideon has not been seen at DMC for weeks. Zell said that Gideon did not attend the last governing board meeting on Dec. 1; instead, she listened and offered feedback by phone. The recent absence is a stark contrast to Gideon's approach over the past few years, when she routinely attended public meetings and delivered remarks and appeared to be in good health.

Zell said that next week's board meeting will feature fresh proposals for "public and private bridge funding through 2015."

The hospital has experienced new hope recently, as the Contra Costa County supervisors last month forgave \$12 million in debt owed by DMC on previous cash advances. The Richmond City Council also voted to earmark \$15 million for DMC from a Chevron community benefits package tied to a refinery modernization, but that money won't become available until the refinery receives final permission to begin the project.

Meanwhile, the hospital, which has West Contra Costa County's only public emergency room, was forced to stop accepting ambulance traffic in August due to staffing shortfalls.

Contact Robert Rogers at 510-262-2726. Follow him at [Twitter.com/sfbaynewsrogers](https://twitter.com/sfbaynewsrogers).

San Pablo among investors bidding to save Doctors Medical Center

By Robert Rogers rrogers@bayareanewsgroup.com

Posted: 01/21/2015 07:41:17 PM PST Updated: about 3 hours ago



Doctors Medical Center pharmacy technician DeeAnn Barnes, right, and National Union of Healthcare Workers representative Jan Gilbrecht walk toward the hospital after discussing the recently rejected tax to save the hospital in San Pablo, Calif., on Wednesday, May 7, 2014. (Kristopher Skinner/Bay Area News Group Archives) (Kristopher Skinner)

SAN PABLO -- Four proposals have emerged to buy Doctors Medical Center and keep it running -- three from private hospital groups and one from the city of San Pablo -- fueling hopes that services can be maintained at West Contra Costa's only public hospital.

Set to run out of money by the end of February and hit with the resignation last week of its interim CEO due to health troubles, the governing board of Doctors Medical Center San Pablo heard the series of proposals at its meeting Wednesday.

West Contra Costa Healthcare District Board Chairman Eric Zell said the most serious proposal came from San Pablo, which offered the board \$11 million within the next 30 days to buy the

hospital, and a nearby plot of land worth more than \$7 million on which a smaller hospital may be built.

"We know the city's proposal is real, and they have the resources to be serious," Zell said.

San Pablo City Manager Matt Rodriguez said the city would lease the current hospital site to the district for \$1 per year for the next five years while helping find additional capital to build a smaller facility nearby.

Other proposals that emerged late Wednesday included one from Venturata Economic Development Corp. President John Templeton said he and his partners could buy the hospital with \$18 million up front, restore full services and expand research at the hospital to draw federal and state funding. Templeton said he and his partners can avert closure and ultimately make money running a full service hospital.

"We have to keep the doors open in the near term to draw more private insurance patients and build the research component," Templeton said. "We have to get this car through this intersection before the light turns red."

Another proposed investor said she would work to partner with UC Berkeley and the city of Richmond to move the hospital to Richmond's southern shoreline area, which is the site of a proposed UC Berkeley campus project. A fourth proposal was not revealed by press time.

Zell said the board will have to decide in mid-February whether to accept a proposal or commence closing the hospital.

Rumors surfaced last year that the adjacent San Pablo Casino, which is run by the Lytton Tribe, was in preliminary talks with DMC CEO Dawn Gideon about potentially buying the property. But those talks did not materialize into a proposal Wednesday. The casino paid \$4.6 million in June for a 20-year lease on parking spaces in the back of the hospital.

The hospital has experienced new hope recently, as Contra Costa County supervisors last month forgave \$12 million in debt owed by DMC on previous cash advances. The Richmond City Council also voted to earmark \$15 million for DMC from a Chevron community benefits package tied to a refinery modernization, but that money won't become available until the refinery receives final permission to begin the project.

Meanwhile, the hospital, which has West Contra Costa County's only public emergency room, was forced to stop accepting ambulance traffic in August due to staffing shortfalls. The ambulance diversion has inundated private hospitals in the vicinity with patients and dramatically lengthened emergency transport times.

The downsizing has helped reduce the hospital's deficit from \$1.5 million to \$1.1 million monthly, officials said, but the hospital is still projected to run out of money and be unable to meet payroll for its 600-person workforce by March.

County health officials have said the situation will grow more dire if DMC, which still accepts emergency patients who self-transport or are brought by others, closes its 25-bed emergency room completely.

The beleaguered hospital runs deficits because it serves mostly patients on MediCal and Medicare, which provide low reimbursement rates, and uninsured patients.

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Doctors Medical Center board to sift through takeover bids

By Robert Rogers rrogers@bayareanewsgroup.com

Posted: 01/24/2015 07:52:24 AM PST Updated: 2 days ago

SAN PABLO -- While West Contra Costa's only public hospital has languished for years in a sea of red ink, advocates and members of the hospital's governing board sought a partnership with other health care providers to save it, to no avail.

But as Doctors Medical Center's crisis reaches its most critical stage -- leaders say it will be unable to make its vastly diminished payroll by March -- eleventh hour bids have poured in.

"We're at the end of our rope, and these entities see an opportunity to get valuable assets at the lowest price they can negotiate," West Contra Costa Healthcare District Board Chairman Eric Zell said Thursday, one day after four new proposals to buy or take over the hospital were revealed at a public meeting. "You want to buy when the seller is at its most desperate point, and they are seeing opportunities to buy low and sell high."

With proposals on the table -- one from a for-profit group, one from a nonprofit, one from the city of San Pablo and one that combines public and private resources -- the challenge for board members is to pick the right one, and do so quickly. Zell said the decision must be made by next month.

"The key is if there are any options on the table to save the hospital and open another facility at another site in the future; that's where we need to go," said board member Deborah Campbell.

While board members are careful to note that the next several weeks will be critical to determine the viability of the plans, the surge of interest is a welcome development for community members and county health officials who have worried about the loss or drastic downsizing of the hospital, which has 25 of the 40 emergency room beds in West County. By last August, more than 80 employees had resigned, and the facility closed its emergency room to ambulance traffic. Over the past year, the number of full-time employees has dropped from 699 to 343, according to hospital statistics.

"If that emergency room is closed, or the hospital isn't there, the consequences for that community would be devastating," said Pat Frost, Contra Costa County's emergency medical services director.

Fissures among the governing board over which plan looks best have already emerged. Zell said San Pablo's proposal, which would give the board \$11 million within the next 30 days to buy the hospital and a nearby plot of land worth more than \$7 million on which a smaller hospital may be built, is the most promising because there is no doubt the city has the money.

But Campbell disagreed, saying the city wants the valuable land to develop as commercial and retail property to complement an adjacent casino but doesn't do enough to ensure the district can build a new hospital.

Campbell said a plan proposed by Angels Care Inc., a nonprofit foundation that says it will take over management of the hospital in the short term and finance construction of a new hospital in Richmond, is better for residents.

"The San Pablo offer is a lowball offer, and it doesn't finance a new hospital," she said. "If we go with Angel Care, they will just lease the property, so we aren't selling our asset under market value."

The hospital, which serves mostly Medicare and MediCal patients, has lost money for years. Area private hospitals draw most patients with private insurance, which pays higher reimbursement rates for care, casting doubt on how new investment groups could turn a profit.

Board member Dr. Richard Stern and others note that part of the district's ongoing financial troubles stem from its lack of funding from county government, a situation caused by the hospital's designation as a district hospital, which Stern calls "outmoded."

A proposal from Venturata Economic Development Corp., a for-profit company, offers to buy the hospital for \$18 million up front and ultimately pay the district more than \$30 million with leasing credits and other deals.

President John Templeton said he and his partners would restore full services and expand research at the hospital to draw federal and state funding. Templeton said economic growth in the region, some of which is linked to a proposed UC Berkeley Global Campus project for Richmond's south shore, make the hospital a good investment.

"The demographics will be changing because West Contra Costa is the only place left for affordable housing," Templeton wrote in an email. "Even before the UC campus is completed, the growth will resemble what's happening in Bayview Hunters Point and West Oakland."

None of the proposals would maintain the hospital at the current site beyond a few years. Millions in seismic retrofit work required by the state make the current building untenable, investors say.

The hospital's governing board has retained a law firm to review the proposals and provide an analysis before a decision is made in mid-February.

"Every proposal has hair on it," Zell said. "We face difficult decisions."

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Rules revisited for preserving Stanislaus farmland

BY GARTH STAPLEY - GSTAPLEY@MODBEE.COM

01/24/2015 7:32 PM | Updated: 01/24/2015 7:32 PM

Questions about valuing farmland when it's swallowed by sprawl will resurface Wednesday in the latest dispute between development and agriculture.

The issue sparked when Patterson, which has been growing far more rapidly than any other Stanislaus County city, in the fall pitched a farmland preservation policy considered inadequate by agricultural advocates. Although Patterson has assumed the role of lightning rod in this dispute, the outcome could ripple far beyond as the building industry revives.

Much of the controversy centers on fees that some cities charge developers when they want to replace farmland with houses or businesses. Such money would be used to permanently preserve farmland in other locations.

In 2012, the Stanislaus Local Agency Formation Commission adopted rules requiring that cities, when they want to grow, have some sort of farmland preservation policy such as so-called in lieu or mitigation fees. Options include voter-approved urban limits.

The recession slowed growth in these parts and the rules have been tested only twice. Last year, Modesto said developers must set aside 1 acre of farmland elsewhere for every acre sacrificed in the 84-acre Woodglen annexation. And Patterson in late 2013 dangled the promise of 10,000 jobs to secure a 1,119-acre annexation for Jeff Arambel and KDN Enterprises' West Patterson Business Park.

Meanwhile, anticipating that building eventually would ramp up, most cities came up with ways to comply with LAFCO's farmland-preservation rules:

- In two growth areas, Oakdale leaders decreed that builders would mitigate farmland loss at a rate of

1 agricultural acre for every acre developed. Hughson doubled that goal, requiring 2 acres of farmland easements for every developed acre.

- Newman voters approved an urban limit that's supposed to restrict growth until 2040, and Modesto's voters in November will confront a similar ballot restriction proposed by controlled-growth advocates.
- Turlock leaders said they won't consider new growth proposals until prior developments are 70 percent complete, while Waterford is exploring establishing a greenbelt between that city and Modesto.

Patterson leaders, responding to a suggestion by the Building Industry Association, proposed charging mitigation fees of \$2,000 per acre. Critics heaped scorn, saying easements around Modesto are costing \$8,000 to \$10,000 an acre and noting that some farmland is selling for more than \$30,000 an acre. The Central Valley Farmland Trust, a nonprofit managing such easements, said the average Stanislaus going price is \$7,100 per acre.

LAFCO staff also challenged the idea, noting that Patterson leaders, when submitting the Arambel application, had valued farmland at \$3,500 to \$15,000 per acre.

Patterson leaders several times delayed voting on the policy and have yet to adopt it. But the issue surfaced in December at LAFCO; commissioners asked their staff to analyze how to arrive at fair fee amounts, and wanted more information on cities' traditional growth rates.

A new report says some agencies, such as Stanislaus County and Hughson, require that fees amount to no less than 35 percent of the average price paid in five comparable land deals, plus a 5 percent endowment, and suggests that LAFCO consider a similar rule.

In the past 10 years, Stanislaus' nine cities expanded a combined 33 percent, led by Patterson's growth rate of more than 135 percent. Waterford was next at 44 percent, and other cities ranged down to Newman, which has added no acreage since 2004.

The LAFCO meeting begins at 6 p.m. Wednesday in the basement chamber at Tenth Street Place, 1010 10th St., Modesto. For details, go to www.stanislauslafco.org/info/PDF/Staff%20Rpts/AgMemo.01282015.pdf (<http://www.stanislauslafco.org/info/PDF/Staff%20Rpts/AgMemo.01282015.pdf>). Commissioners also are expected to begin recruiting a replacement for executive officer Marjorie Blom, who is retiring.

Bee staff writer Garth Stapley can be reached at gstapley@modbee.com (mailto:gstapley@modbee.com) or (209) 578-2390.

DOCTORS MEDICAL CENTER SAN PABLO

Hospital bailout plans all have catches

Prospective investors all seem looking to buy assets at fire-sale prices

Pardon the folks who care about Doctors Medical Center San Pablo if they seem a bit lightheaded these days. They're still dizzy from a breathtaking 180-degree turn. After years of searching for a way to keep the cash-strapped hospital afloat, they recently had four proposed solutions thrown in their laps. The competing plans were presented to the hospital's governing board last week, just five weeks before the facility is expected to run out of money. If there was optimism in West Contra Costa Healthcare District Board Chairman Eric Zell's voice, it was tempered with caution. "Every one of these proposals has shown up because they think they see an opportunity, if you will, to buy low and sell high," he said. "They see the district is 30 days from closing. While we appreciate their interest in the See **BARNIDGE**, *Page 6*



COLUMNIST

TOM BARNIDGE

Article Continued Below

[See BARNIDGE on Page A06](#)

Barnidge

Continued from Page 1

future of this hospital, none of them are philanthropists."

Each of the plans hinges on DMC putting up its physical assets as collateral. (The hospital and its adjacent grounds are valued at about \$28 million, Zell said.) But that may be the price required to attract well-heeled investors.

The proposals run the gamut from "concerned citizen" Linette Coles-Spaccavento, who promised to connect DMC with a \$100 million funding source, to investment firm Venturata Group, which dangled \$36 million as part of its plan, to Angels Care Inc., which promised \$30 million and hospital turnaround specialist Larry Anderson. There is also the city of San Pablo, which offered \$11 million in cash, a five-year leaseback plan and a gift of land one block away that could be the site of a new facility. It was pretty heady stuff, with grand concepts, big dreams and large figures floating through the room. A guy might think it was too good to be true. "None of the four proposals provide a guaranteed, long-term solution," said Contra Costa Supervisor John Gioia, who serves on the separate Doctors Medical Center governing body board of directors. "At best, they give the hospital more time to bridge to a solution. The most concrete proposal was from San Pablo, but there's still substantial uncertainty whether this hospital can survive."

Anderson, former CEO of Tri-City Medical Center in Oceanside, made the case that he can turn DMC's money-losing situation — an annual deficit of \$18 million — into at least a break-even proposition with budget cuts, new efficiencies and an improved payer mix. About 90 percent of DMC's patients are uninsured, on Medi-Cal or Medicare.

"I wouldn't say he can't do that," said Zell, choosing his words carefully. "All I know is that in the last decade, nobody else with

significant experience running a hospital has been able to accomplish that.”

With the clock rapidly ticking down, the board's mission now is to sort reality from fiction. Which proposal has legs? Which offers the best hope? If the next decision is the wrong decision, there may not be another.

DMC's attorneys and financial analysts will crunch numbers for the next two weeks, dissect the terms of all the proposals and research the wherewithal of those making them. The board will reconvene in early February and cast its lot by the end of the month. San Pablo would seem to have the inside track.

There is, of course, one other concern. DMC must meet state-mandated seismic standards by 2020. At a minimum, that will cost \$20 million. A better option would be a new facility, costing five or six times as much.

DMC officials are very much hoping that's a problem they'll be forced to confront. *Contact Tom Barnidge at tbarnidge@bayareanewsgroup.com.*

Which proposal has legs? Which offers the best hope? If the next decision is the wrong decision, there may not be another.

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Contra Costa Times editorial: Doctors Hospital proposals only bury the district deeper in debt

Contra Costa Times editorial © 2015 Bay Area News Group

Posted: 01/26/2015 04:00:00 PM PST

For all the chatter, none of the latest proposals to "save" West Contra Costa's public hospital do anything of the sort.

We're witnessing a cruel hoax that provides false hope that, with a few sleights of hand, Doctors Medical Center in San Pablo will suddenly start operating in the black. Nothing could be further from the truth.

It's time to move on. The health care district must change its business model. It cannot afford to operate a full-service hospital. But by shifting to urgent care and preventive health services, it could still do a lot to save lives.

Meanwhile, none of the latest proposals changes the fundamental fact that a full-service hospital will continue to lose money. For years, we've witnessed attempts to stem the red ink, all of which have failed.

These new proposals would not fix that. Instead, in one form or another, they all call for the hospital district to sell off assets to raise short-term cash. That's just another form of borrowing that will drive the district, and taxpayers, deeper in debt.

We would welcome a plan in which a company with the requisite expertise risks its own funds to try to turn this hospital around. But we're tired of watching hospital district leaders inflate the mortgage to keep the doors open.

In 2004, voters approved a \$52 annual parcel tax to help keep the hospital running. In 2011, they increased it to \$99. In 2014, the district sought to triple that, to \$309, but could muster support of only 52 percent of voters for a measure that required two-thirds approval.

Meanwhile, the district continues to spend more than it takes in. To cover its current bills, it borrows against future tax revenues. It's now more than \$75 million in debt to the county and bondholders, a liability that won't be retired until 2042. Yet it will run out of cash in March.

It had been assumed that, if the hospital were to fold, the property, worth about \$28 million, could be sold to help pay down that debt. What these supposed saviors propose is that the district sell the hospital property to raise operating cash for the district.

The district would be allowed to keep operating the hospital under a lease-back arrangement or rent-free. But the primary point is that the asset would be lost and the proceeds would be used to cover operating expenses. The equity would no longer be available to help pay down debt. That additional burden would shift to taxpayers.

Once again, the district would be kicking the can down the road. That's not a solution.

Martinez council to pay for open space annexed to John Muir National Historic Site

By Dana GuzzettiCorrespondent

Posted: 01/28/2015 11:55:07 AM PST Updated: 5 days ago

MARTINEZ -- The Martinez City Council has agreed to pay for the 44-acre West Hills Farm open space to be annexed to the Mount Wanda part of John Muir National Historic Site at the mouth of the Alhambra Valley.

The unanimous decision was made at a short, special meeting Jan. 26.

The property is under contract to Muir Heritage Land Trust, which agreed to maintain it in perpetuity for the National Park System. The deal has "already been approved by Congress and the President," according to Charles Lewis, land trust director.

At the same meeting, the council unanimously approved a \$6.4 million plan to improve Waterfront Park baseball fields, picnic area, lighting, parking and more.

New Richmond mayor lays out goals for city

By Jennifer Baires For the Contra Costa Times

Posted: **01/28/2015** 12:18:30 PM PST Updated: about 15 hours ago

RICHMOND -- Newly seated Mayor Tom Butt delivered an upbeat outlook during his State of the City address at Tuesday night's City Council meeting and laid out his priorities for coming years, which include annexing North Richmond, reviving the failing Hilltop mall and continuing the revitalization of the city's historical main street, Macdonald Avenue.

While Richmond's crime rate remains high relative to other cities in Contra Costa County, it continued a downward trend in 2014, with reported violent crimes dropping below 1,000 for the first time in a decade and homicides reaching their lowest number since at least 1971 -- the earliest year for which records are available.

Likewise, unemployment is down to 9.4 percent, a 10-year low, and because of "real growth in small businesses," the city has added 5,000 jobs over the past four years.

Among the numerous initiatives Butt laid out for his term as mayor was a controversial one that has come up before -- the North Richmond annexation.

North Richmond is a tiny enclave -- 1.5 square miles -- completely surrounded by Richmond. For decades, the area has been beset with high poverty and crime; its median household income is \$8,763, and the per-capita homicide rate is among the highest in the nation.

"We believe North Richmond residents and businesses could receive better public services if the area were part of Richmond," Butt said. "For many years, North Richmond residents and businesses have opposed annexation, but there is new interest; 2015 could be the year we become one Richmond."

Despite the mostly positive outlook, two items the council discussed later in the night -- how to tackle the city's worsening roads and high foreclosure rates -- highlighted the work that still needs to be done.

After a lengthy discussion on how best to use money coming in from a one-half-cent sales tax measure voters passed in November to maintain and enhance city services, the council voted 5-1 to have staff come back with more information on its options for tackling city streets.

Although not earmarked specifically for streets, the sales tax measure was often framed as a way to raise money for their improvement, but some on the council balked at the \$44 million bond city staff recommended taking out to front-load the street improvement project and instead recommended the city stick with a "pay-as-you-go" strategy that would mean slower improvements to streets but less debt.

"We're all looking toward an economy that is going to get better," Councilwoman Gayle McLaughlin said. "But if we allocate a certain amount yearly for street funding, we could put in more during a good period, and in a bad period we could cut back. We wouldn't have that option with yearly debt payment."

"When we went out for this bond measure, we promised the people that we were going to fix their streets," Councilman Nat Bates said. "That was our number one priority; that is why they voted for it. Now you want to piecemeal this project, and no streets are going to be fixed for years."

The council also heard a presentation from Hogar Hispano Inc., a nonprofit group hoping to partner with the city on a homeownership-preservation program to assist families who are underwater with their mortgages.

"We have a real incentive here to help those in our city that are still struggling," McLaughlin said as she introduced the speaker. "We face an estimated 15 foreclosures per month, and over 4,000 homes in the city are underwater."

One of McLaughlin's pet projects as mayor was Richmond CARES, a contentious program that proposed using the city's power of eminent domain to seize underwater mortgages, prevent foreclosures and reduce the amount owed to keep people in their homes. Though initially popular among the council, the initiative stalled after its passage in 2013.

This potential new partnership would avoid the legal questions raised with the Richmond CARES program and instead would support the organization's attempt to buy pools of mortgages, with Richmond addresses, from large banks.

A resolution on the issue is expected to come before the council at a later meeting.

Martinez could hire new city manager

Wednesday

[By Sam Richards](#)[Contra Costa Times](#)

Posted: **01/30/2015** 06:17:58 PM PST Updated: about 18 hours ago

MARTINEZ -- The City Council could confirm Rob Braulik as its new city manager at its next meeting Wednesday night.

Braulik, who since 2012 has been town manager of Ross in Marin County, was among more than 40 candidates who applied for the city manager's job.

"Rob Braulik was chosen as our new city manager out of a group of very highly qualified candidates," Mayor Rob Schroder said in a statement Friday. "He brings strong qualities of an inclusive style of management with extensive experience in economic development, budget and finance, capital projects and community engagement."

His proposed starting salary in Martinez would be \$200,000.

Martinez has been without a permanent city manager since October 2013, when Phil Vince resigned.

Wednesday's council meeting begins at 6 p.m. at City Hall, 525 Henrietta St.