



NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, April 13, 2016, 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.

APRIL 13, 2016 CONTRA COSTA LAFCO AGENDA

1. Call to Order and Pledge of Allegiance
2. ***Welcome Returning Commissioner***
3. Roll Call
4. Adoption of Agenda
5. 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.
6. Approval of Minutes for the March 9, 2016 regular LAFCO meeting

OUT OF AGENCY SERVICE REQUESTS

7. ***LAFCO 16-03 – John Miller*** – the Commission will consider a request by the City of Concord to provide municipal sewer service outside its jurisdictional boundary to a 1.43± acre parcel (APN 116-130-050) located at 4981 Concord Blvd in the unincorporated Ayers Ranch area to serve a proposed subdivision (five lots); and consider related actions under the California Environmental Quality Act (CEQA)

BUSINESS ITEMS

8. ***FY 2015-16 Third Quarter Budget Report*** - the Commission will receive the third quarter budget report.
9. ***Legislative Report – Update and Positions*** – the Commission will receive a legislative update.

CORRESPONDENCE

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

INFORMATIONAL ITEMS

11. Commissioner Comments and Announcements
12. Staff Announcements
 - CALAFCO Updates
 - Highlights of 2016 Staff Workshop
 - Pending Projects
 - Newspaper Articles

ADJOURNMENT

Next regular LAFCO meeting – May 11, 2016 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

March 9, 2016

April 13, 2016
Agenda Item 6

Board of Supervisors Chambers
Martinez, CA

1. Chair Mary Piepho called the meeting to order at 1:30 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 Federal Glover and Mary Piepho. Alternate Candace Andersen arrived at 1:32.

Special District Members Mike McGill and Igor Skaredoff and Alternate Stanley Caldwell.

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 Blubaugh, second by Tatzin, Commissioners, by a vote of 7-0, adopted the agenda.

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

NOES: none

ABSENT: none

ABSTAIN: none

5. Public Comments

There were no comments from the public at this time.

6. Approval of February 10, 2016 Meeting Minutes

Upon motion of Skaredoff, second by Blubaugh, the minutes were unanimously approved by a vote of 7-0.

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

NOES: none

ABSENT: none

ABSTAIN: none

7. Information Presentation - Dublin San Ramon Services District: Impact of the Drought in 2016

The Executive Officer introduced John Archer, Interim General Manager, and Dan Gallagher, Operations Manager, with the Dublin San Ramon Services District (DSRSD). Both bring decades of experience to the district; Mr. Archer with a specialty in finance, and Mr. Gallagher as a water and wastewater engineer. DSRSD provides water and wastewater services to the City of Dublin and portions of San Ramon.

Mr. Archer and Mr. Gallagher provided some background on the drought and its effect on their water resources and operations. After providing historic comparisons in water levels in previous—both dry and wet—years, Mr. Gallagher noted their district's successfully high water conservation

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rate in 2015 compared to their 2013 rate (usage down by 33.9%). Further, the conservation has had no impact on safety and health issues. The district established drought rates designed to generate sufficient revenue to meet fixed costs even when customers bought less water, and “staged” them over 2014 and 2015, with Stage 1 rates going into effect in December of 2015. Additionally, strict limitations were put in place for residential water use. Finally, an enforcement system, ranging from a first warning to increased fines to, with a fourth violation, installation of a flow restrictor or even disconnection of water service. They also have a robust rebate program that helps residents achieve the conservation limits that have been set.

Most importantly, DSRSD established California’s first residential recycled water fill station that is open to all at no cost. By the end of 2014 they had 500 residential recycled water customers, and by the end of 2015, they had 3,600.

They have also initiated an automated meter reading system (called “AquaHawk”) that allows customers to track their own water use; about half of all of their residential customers have signed up for this so far. This also allows DSRSD to notify customers when they are using too much water or may have a leak. The district provides many tips on its website in addition to a portal to customers’ AquaHawk accounts.

Commissioners congratulated Mr. Archer and Mr. Gallagher on their leadership. In response to a question from Commissioner Piepho, Mr. Gallagher noted that they generate one billion gallons of recycled water per year, and last year distributed 28 million gallons to customers.

8. Fire & Emergency Medical Services (EMS) 2nd Round MSR Progress Report

The Executive Officer provided some background on the 2nd Round MSR on fire and emergency medical services, which concentrates on updating the data presented in the 2009 MSR for the three cities and eight special districts covered, a review of auto and mutual aid agreements, and focused analysis on the two most distressed districts: East Contra Costa FPD (ECCFPD) and Rodeo-Hercules FPD (RHFPD) and the interface with Contra Costa County FPD (CCCFPD). She introduced Mike Oliver of Municipal Resource Group (MRG) to provide an update.

Mike Oliver commended all of the agencies, which gave him a warm welcome and were forthcoming with the information requested. In addition to individual meetings with fire chiefs and administrators for the agencies, Mr. Oliver and his team also met with representatives from International Association of Fire Fighters (IAFF) Local 1230, Contra Costa County Employees’ Retirement Association, and held a joint meeting with all of the agencies in West County.

Mr. Oliver recounted the issues facing ECCFPD and RHFPD, with financial problems leading; both districts have been historically underfunded, and the 2008 recession exacerbated their situations. On the other hand, CCCFPD, while experiencing significant long-term impacts from the 2008 recession, has restructured and created a roadmap to sustainability; with substantial reserves this district will turn the corner strongly. Its recent joint proposal with American Medical Response (AMR) for emergency medical services was accepted by the County and the joint service program is expected to save money as well as generate new federal funds.

However, it is highly unlikely that CCCFPD will be able to continue to extend services to underserved areas that have inadequate revenues.

Many residents in the ECCFPD area (of 290 square miles) don’t fully understand the risks the district is facing, including inadequate force and coverage for an increasing population.

The same risks face those in the RHFPD area. There are some support possibilities (West County Fire Service Coalition, Battalion 7), but the loss of Benefit Assessment District funding and rising retirement and OPEB costs present serious challenges.

Mr. Oliver laid out the schedule for this 2nd Round MSR, noting that they are currently working on the draft report, which will be provided to staff in early April, with a Public Review Draft projected for April 20 and a public hearing at the May 11 LAFCO meeting.

In response to Commissioner Piepho about the difference in this MSR from the first round, Mr. Oliver stated that it seems that all parties are working on their issues locally and that they are willing to go to their communities to make their arguments for Standards of Coverage. Reallocation of the 1% ad valorem property tax could make a difference, but it's difficult for other agencies to be persuaded that it is in their best interest to give up a part of their allocations. The long-term effect of OPEB was not as evident when the 2009 MSR was done, and depooling was hugely affected by the 2008 recession. Mr. Oliver also noted that the 2106 MSR recognizes LAFCO's role and will include some strong recommendations, but is not a roadmap for local agencies.

Commissioner Andersen asked if the MRG team had met with Moraga-Orinda Fire District. Mr. Oliver replied that they are looking at their numbers but haven't yet spoken with them.

9. Castle Rock County Water District

The Executive Officer provided background on the Castle Rock County Water District (CRCWD) and the 2014 2nd Round Water/Wastewater MSR, which included that district. The District, while modest, is 60 years old and in need of infrastructure refurbishment, the cost of which would exceed the District's reserves. In 2014, LAFCO established a zero SOI for CRCWD signaling a future change or organization or reorganization, and made some recommendations based on the MSR findings. The CRCWD has implemented a number of these recommendations including establishing a website and completing a system assessment. Because CRCWD is within the service boundary of Contra Costa Water District (CCWD) and most of its residents purchase water (treated and untreated) from CCWD, Commissioners recommended that the two districts discuss governance options, including dissolving CRCWD and having CCWD take over operation of the system. Neither party expressed interest in this option. However, discussions have ensued regarding other options, particularly the possibility of connecting the 10 CRCWD residents who are not currently connected to CCWD's treated water service.

Fred Allen, representing CRCWD, submitted a comprehensive update on activities of the District, and was in attendance with follow-up comments. He stressed that cost is a factor in addressing all aspects of the recommendations made by LAFCO. In addition to costs, Mr. Allen also stated that his research, meetings with residents, and meetings with CCWD have taken a great deal of time and energy and have come up with no reasonable solutions.

Commissioners commended Mr. Allen's work and information, and discussed the option of working with CCWD to create a financing structure that could be amortized over a few decades. Mr. Allen responded that part of the problem is that the 10 residences needing CCWD water are only a small portion of the total District residents, and the cost for this is prohibitive.

At the Commission's request, Jeff Quimby, representing CCWD, responded briefly to questions from Commissioners and reported that he is continuing to meet with CRCWD board members as well as the residents needing treated water.

Commissioner McGill, after complimenting CRCWD's work and the engineer's report, suggested that they dig up some of the existing pipes to determine their condition. Mr. Allen responded that this would be another \$5-10,000 expenditure that the District can ill afford. He continues to take care of problems as they occur. He added that at least two of the 10 residents who treat their own water emphatically do not want any change in their status.

Commissioners asked Mr. Quimby to impress on the CCWD board that LAFCO wishes to see them move forward on this, thanked both Mr. Allen and Mr. Quimby for their reports, and requested that a status update be filed with LAFCO in six months.

10. Fiscal Year 2016-17 Proposed Budget and Work Plan

The Executive Officer presented the proposed annual budget for FY 2016-17, which projects an increase of 8.3% over FY 2015-16. A decrease of 1% in salary & benefit costs is due to a projected decrease in retirement costs. Services and Supplies expenses are expected to increase by approximately 19%, related to conducting two 2nd round MSRs (cities/CSDs, healthcare), a special study (i.e., RWPRPD) and an actuarial valuation, which is required every three years for small agencies. Regarding revenues, the year-end fund balance will be used to offset the apportioned contributions from the County, cities, and special districts. The FY 2016-17 estimate for applications is based on a multi-year historical average, and recent application activity, which is up from the prior year. Staff also reviewed LAFCO's major responsibilities, 2015-16 accomplishments, and goals for FY 2016-17.

Two budget options were presented related to possible relocation and adding staff. The first option addresses relocation to 40 Muir Road in Martinez, a building occupied and owned by the County Department of Conservation and Development, which would provide space to grow (i.e., add staff). Relocation would result in increased rent and building life cycle costs. In addition, LAFCO would incur construction costs (amortized over 5 years). If LAFCO were to relocate to 40 Muir Road, the move would be unlikely to occur before February 1, 2017.

The second option would include adding staff, which is dependent on whether or not LAFCO relocates its office, as there is no additional space at the current location. A new staff position would be addressed in the FY 2017-18 budget, contingent on relocating.

Commissioners provided comments and support for the proposed relocation. Upon motion of Blubaugh, second by McGill, Commissioners, by a 7-0 unanimous vote, approved the proposed budget for FY 2016-17; directed staff to distribute the proposed budget to the County, cities, and special districts; and scheduled a public hearing for May 11 to adopt the Final FY 2016-17 LAFCO budget.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

11. West Contra Costa Healthcare District (WCCHD) Special Study

The Executive Officer reported that, in response to the Commissioners' concerns about the future of West Contra Costa Healthcare District (WCCHD), she had discussed a special study with Richard Berkson of Berkson Associates, who is currently working on Contra Costa LAFCO's EMS/Fire MSR with Municipal Resource Group, LLC. Richard previously worked for Contra Costa LAFCO on the MDHCD special study and the IFA for the proposed incorporation of Alamo. Mr. Berkson has extensive experience working with local agencies in California; his areas of expertise include government organization and public finance. He has prepared numerous LAFCO governance studies, MSRs, and financial plans, and would be interested in conducting this study. However, staff noted that completing a special study in time to take action before the August 9 deadline for election filings is not possible. In lieu of a special study, another option would be to move forward on the 2nd Round Healthcare MSR, which would include this district.

Eric Zell, Chair of the WCCHD Board, noted that the District currently owes the County \$440,000 in prior election costs, which they intend to reimburse if the hospital property is sold.

However, the District is not in a position to pay for another election. Further, the District expects that it will not be able to pay off its debts until 2021 at the earliest. Mr. Zell reported that the remaining staff is currently indisposed due to health issues, but he stated his desire to see LAFCO conduct a study on the District immediately. He and most of the other board members will be stepping down at the end of their terms this year. They calculate that the District will need \$500,000 for one FTE to administer debt payments and obligations to employees.

Following discussion on the pros and cons of an immediate special study vs. waiting for the MSR, Commissioners agreed that a special study is preferable.

Upon motion of Tatzin, second by McGill, Commissioners unanimously, by a 7-0 vote, authorized an appropriation of \$25,000 from the contingency reserve to fund a special study to examine governance options including dissolution or appointment of a successor agency; and authorized the Executive Officer to execute a contract with Berkson Associates to prepare the study, with a contract term from March 10, 2016 through August 31, 2016.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: none
ABSTAIN: none

At this point, Chair Piepho moved Agenda Item 13, Agriculture and Open Space Preservation Policy, up on the agenda.

12. Agriculture and Open Space Preservation Policy (Agenda Item #13)

Commissioner Tatzin, representing the Policies and Procedures Committee, introduced a draft version of the Agriculture and Open Space Preservation Policy (AOSPP), which is intended to provide guidance to LAFCO applicants when they are developing their proposals. Before this document is presented to organizations and agencies for their input, the committee is requesting comments from the Commission.

Commissioner McGill complimented the committee on their work, commented on the Building Industry Association/Bay Area's (BIA) comparisons of inconsistent language, and asked about the open space designation of "urban reserve."

Commissioner Skaredoff noted that open space is not empty land with no function; perhaps a review of open space conversion could include a hierarchy with different considerations for different kinds of conversion.

Commissioner Schroder suggested that there be a statement about encouraging infill, as that is the most difficult kind of development to get approved.

Commissioner Piepho expressed concern that this policy could affect costs for both developers and homeowners, and questioned how this policy will be applied. She also noted that the open space definition is important. Finally, Commissioner Piepho commented on buffers and who should create them (e.g., farmers, developers, etc.). She also encouraged each of the 19 cities to review LAFCO's draft AOSPP.

Commissioner Tatzin commented on LAFCO's authority to impose terms and conditions. Also, he suggested that LAFCO send each city and special district a letter with background information along with the draft policy and a request for comments.

Commissioner McGill commented on the "urban reserve" and open space definition in the context of the CKH.

Lisa Vorderbrueggen, representing the BIA, asked if the East Contra Costa Habitat Conservation Plan is part of this discussion, and asked about LAFCO's ultimate goal with this policy. She also noted that landowners know their zoning, and need to be informed of this policy; additionally, some developers may want to negotiate, but the rules need to be clear. She directed Commissioners to the letter she presented at the beginning of the meeting for further comments, and urged that LAFCO's policy not add to the cost of development.

Chad Godoy, County Agricultural Commissioner, stated that the policy definitions are very important, and reminded Commissioners that ag production can take place on non-prime ag land. He stated that agriculture is a precious commodity, and when the acreage that is currently potentially developable is gone, the pressure will build on LAFCO to allow further development of agricultural land. Mr. Godoy commented that the land subject to a LAFCO AOSPP policy is approximately 5,000 acres.

Kristina Lawson, representing Altec Homes, questioned Guideline 2, and the relationship between CEQA and the application, and stated that they will provide comments in writing.

Chair Piepho thanked everyone for their comments. Commissioners directed the committee to distribute the draft policy and gather comments from the cities, special districts, and other agencies and organizations, and make further refinements. In response to a question about the timeline for bringing a final draft back to the Commission, staff stated that it would be June at the earliest.

At 4:04 p.m., Commissioner Glover departed and Alternate Commissioner Andersen stepped into his seat.

13. Proposed Update to Contra Costa LAFCO's Legislative Platform (Agenda Item #11)

Commissioner Burke of the Policies and Procedures Committee presented the revised CALAFCO Legislative Policies (adopted by the CALAFCO Board on February 5, 2016), and explained that Contra Costa LAFCO's legislative platform mirrors that document. The Policy & Procedures Committee recommends that the Commission approve minor changes to the Commission's legislative platform to coincide with recent changes to CALAFCO Legislative Policies, with any other changes as desired.

Upon motion of Blubaugh, second by McGill, Commissioners voted unanimously, 7-0, to approve all changes to Contra Costa LAFCO's legislative platform coinciding with the CALAFCO Legislative Policies as revised for 2016.

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

14. CALAFCO Legislative Report - Update and Positions

The Executive Officer reported that this legislative session, CALAFCO is sponsoring two bills including its annual omnibus bill and SB 1266. CALAFCO is also tracking a number of bills which have direct and indirect impact on LAFCOs. CALAFCO is currently requesting support letters on a number of bills: SB 1266 (direct communication connection with JPAs; support); SB 817 (reinstating allocations to recently incorporated cities; support); and SBs 971, 972, and 973 (annual validating acts; support).

Upon motion of McGill, second by Tatzin, Commissioners by a 6-0 vote approved the support letters and directed staff to submit the position letters as requested by CALAFCO.

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

15. Correspondence from CCCERA

There were no comments on this item.

16. Commissioner Comments and Announcements

Commissioner McGill reported that he will attend the CALAFCO Legislative Committee on March 18 in Ontario.

17. Staff Announcements

The Executive Officer reported that staff will be attending the 2016 CALAFCO Staff Workshop in Universal City March 30-April 1.

Also, the EO will attend the CALAFCO Legislative Committee on March 18 by telephone.

The meeting adjourned at 4:11 p.m.

Final Minutes Approved by the Commission April 13, 2016.

AYES:
NOES:
ABSTAIN:
ABSENT:

By _____
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

April 13, 2016
Agenda Item 7

April 13, 2016 (Agenda)

LAFCO 16-03

City of Concord - Out of Agency Service Request (Miller)

SUMMARY

This is a request by the City of Concord to provide sewer service outside its jurisdictional boundary and within the City's sphere of influence (SOI). The property is 1.43± acres (APN 116-130-050) located at 4981 Concord Blvd in the unincorporated Ayers Ranch area. The subject property is not contiguous to the City boundary. The City's request is to provide out of agency sewer service to a proposed subdivision (five lots) as discussed below.

DISCUSSION

Statutory Framework - The Government Code and local LAFCO policies regulate the extension of out of agency service. Government Code §56133 states that "*a city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the Commission.*" LAFCO may authorize a city or district to provide new or extended services under specific circumstances: a) outside the agency's jurisdictional boundary but within its SOI in anticipation of a future annexation; or b) outside its jurisdictional boundary and outside its SOI in response to an existing or impending threat to the public health or safety.

The Commission's current policies regarding out of agency service are consistent with State law in that annexations to cities and special districts are generally preferred for providing municipal services. However, there may be situations where health and safety, emergency service, or other concerns warrant out of agency service. Historically, out of agency service is considered a temporary measure, typically in response to an existing or impending public health and safety threat (e.g., failing septic system, contaminated well); or in anticipation of a future annexation.

Background – As noted in both the 2014 and 2008 *LAFCO Water/Wastewater Municipal Service Reviews* (MSRs), the City of Concord includes the Ayers Ranch area within its ultimate sewer service boundary. The Ayers Ranch area is a 189-acre unincorporated island within Concord's SOI. The City has historically extended sewer service to this area. More recently, and pursuant to State law, the City has requested LAFCO's approval to provide out of agency service. Some parcels in this area are experiencing issues with septic systems, including failure, and have requested municipal sewer service from the City on an individual basis. And while a significant portion of the island is developed, there are a number of vacant and under-developed properties in the area that will need municipal sewer service, including the subject property.

LAFCO has placed the Ayers Ranch within the City's SOI, signifying that the City is the logical, long-term service provider for this unincorporated island. The MSR reports recommend annexation of this area to the City of Concord. Annexation of the Ayers Ranch island, along with those unincorporated areas being served extra-territorially by the City, remains an important

issue to resolve. In September 2015, the Concord City Council took an affirmative step and adopted Resolution No. 15-59 establishing a non-binding strategy to annex Ayers Ranch by the year 2030. This signals the City's intent to annex the area in the future.

Out of Agency Service Request by City of Concord – The City requests to provide out of agency sewer service to property located at 4981 Concord Blvd in the unincorporated Ayers Ranch area. There is currently one single family residential home on the property. The property owner has approval from the County to build an additional five single family homes. The law permits LAFCO to authorize the City to extend services outside its jurisdictional boundary either in response to an existing or impending threat to the public health or safety, or in anticipation of an annexation. This request by the City to provide sewer service to the subject property is in anticipation of annexation.

The existing single family home is currently served by the City of Concord sewage system. The infrastructure needed to serve the proposed subdivision includes a 500 foot extension of the sewer main (6-inch diameter minimum), and lateral lines (4-inch diameter minimum). The project is estimated to generate approximately 195 gallons per day of wastewater. The property owner is responsible for the capital costs; future operations and maintenance costs will be the responsibility of the individual homeowners.

Environmental Review - Contra Costa County, as Lead Agency, prepared and certified a Mitigated Negative Declaration (MND) in conjunction with the proposed subdivision pursuant to the California Environmental Quality Act (CEQA), which is adequate for LAFCO purposes (available through the LAFCO office). The MND identified a number of potentially significant effects. Mitigation measures were adopted which reduced all impacts to a less than significant level; therefore, there are no significant and unavoidable impacts.

The MND noted that sewer service to the project area will be provided by the City of Concord. The City indicates it is able and willing to service the project area. Should LAFCO approve the out of agency service, the property owner must then implement the required mitigations for the project, including LAFCO's approval for out of agency sewer service, prior to the County issuance of the building permit.

ALTERNATIVES FOR COMMISSION ACTION

LAFCOs were formed for the primary purpose of promoting orderly development through the logical formation and determination of local agency boundaries, and facilitating the efficient provision of public services. The CKH provides that LAFCO can approve or disapprove with or without amendment, wholly, partially, or conditionally, a proposal. The statute also provides LAFCO with broad discretion in terms of imposing terms and conditions. The following options and recommended terms and conditions are presented for the Commission's consideration.

Option 1 **Approve** the out of agency service request with the following terms and conditions.

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the Mitigated Negative Declaration prepared and certified by the County.
- B. Authorize the City of Concord to extend sewer service outside its jurisdictional boundary to the 1.43± acre parcel (APN 116-130-050) located at 4981 Concord Blvd in the Ayers Ranch area in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Sewer infrastructure and service is limited to the proposed five single family residential units, and
 - 2. The City of Concord has delivered to LAFCO an executed and recorded deferred annexation agreement, and
 - 3. The City of Concord has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service.

Option 2 **Deny** the request, thereby prohibiting the City of Concord from providing sewer service to the subject property.

Option 3 **Continue** this matter to a future meeting in order to obtain more information.

RECOMMENDATION

Option 1

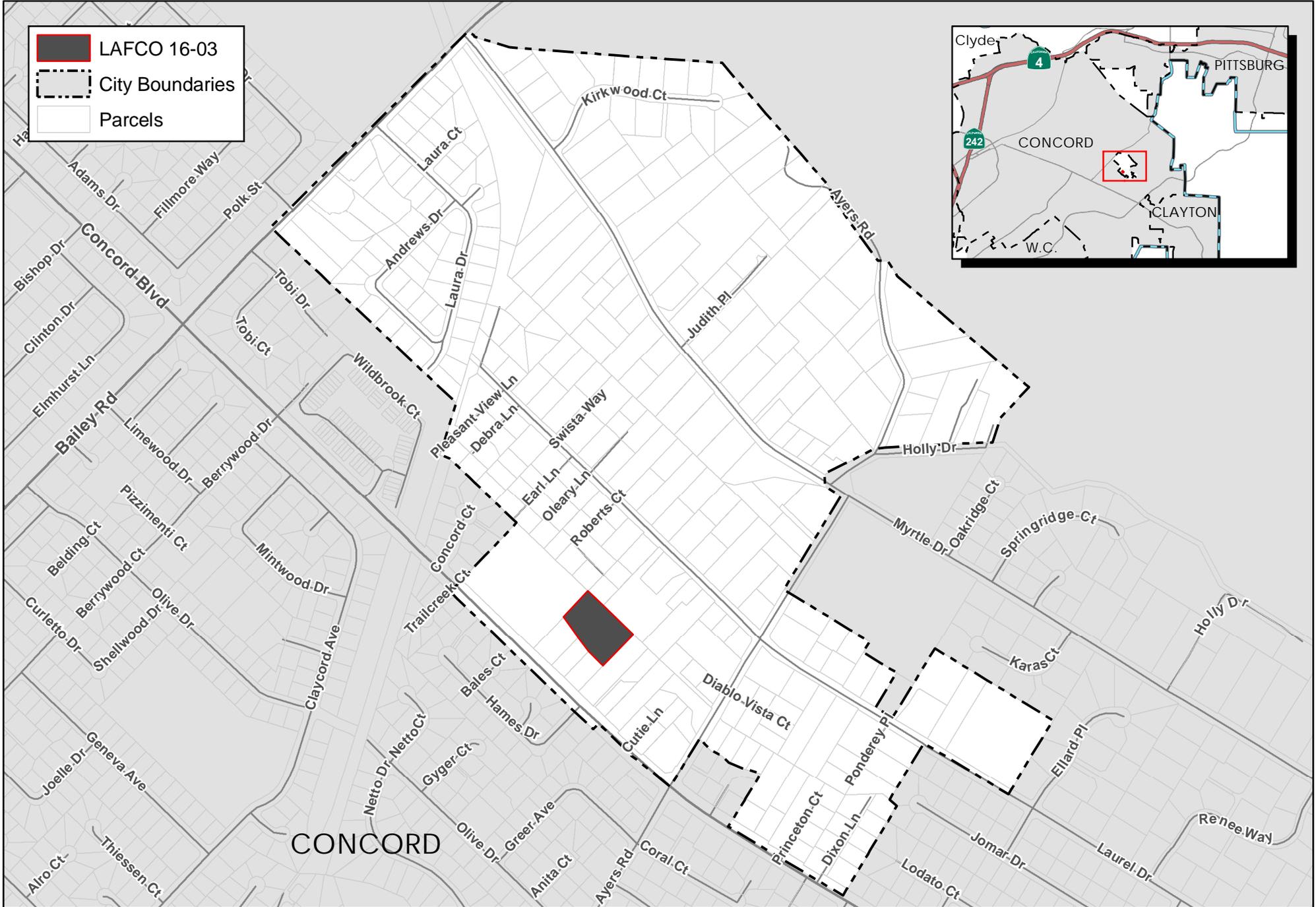
LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LAFCO

Attachments

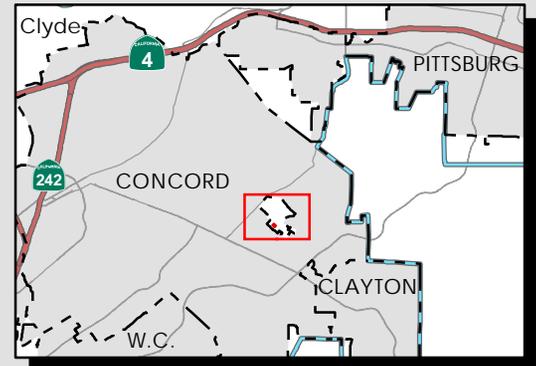
- 1. Map of Property located at 4891 Concord Blvd
- 2. LAFCO Resolution 16-03

c: Distribution

LAFCO No.16-03 City of Concord Out of Agency Service (John Miller)

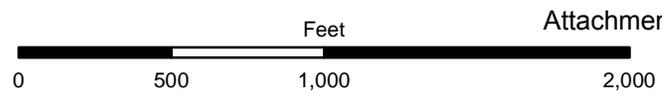


- LAFCO 16-03
- City Boundaries
- Parcels



Map created 03/07/2016
 by Contra Costa County Department of
 Conservation and Development, GIS Group
 30 Muir Road, Martinez, CA 94553
 37:59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



Attachment 1



RESOLUTION NO. 16-03**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING THE CITY OF CONCORD TO PROVIDE OUT OF AGENCY SEWER SERVICE TO THE
MILLER PROPERTY LOCATED AT 4981 CONCORD BLVD (APN 116-130-050)**

WHEREAS, the above-referenced request has been filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

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

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this request including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, out of agency service approval is needed in order to provide sewer service to the property to serve a small subdivision (five lots); and

WHEREAS, the City of Concord and the property owner have entered into a Deferred Annexation Agreement in support of the future annexation of the property to the City of Concord.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Contra Costa Local Agency Formation Commission as follows:

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the Mitigated Negative Declaration prepared and certified by the County.
- B. Authorize the City of Concord to extend sewer service outside its jurisdictional boundary to a 1.43± acre property located at 4981 Concord Blvd (APN 116-130-050) in unincorporated Contra Costa County subject to the following terms and conditions:
 1. Sewer infrastructure and service is limited to the proposed five single family dwelling units,
 2. The City of Concord has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service, and
 3. The City of Concord and the property owner(s) have signed a deferred annexation agreement (DAA), and that the DAA is recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA.
- C. Approval to extend City of Concord services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

* * * * *

PASSED AND ADOPTED AS REVISED THIS 13th day of April 2016, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

MARY N. PIEPHO, CHAIR, CONTRA COSTA LAFCO

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

Dated: April 13, 2016

Lou Ann Texeira, Executive Officer



Lou Ann Texeira
 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
 Stanley Caldwell
Special District Member

April 13, 2016 (Agenda)

April 13, 2016
 Agenda Item 8

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

Third Quarter Budget Report - Fiscal Year 2015-16

Dear Members of the Commission:

This is the third quarter budget report for FY 15-16, which compares adopted and actual expenses and revenues for the period July 1, 2015 through March 31, 2016.

The LAFCO operating budget includes three components: salaries/benefits, services/supplies, and contingency/reserve. The budget is based on the “bottom line,” which allows for variation within line item accounts as long as the overall balance remains positive. Funds may not be drawn from the contingency/reserve without Commission approval.

LAFCO’s budget is funded primarily by the County, cities and independent special districts, with each group paying one-third of the LAFCO budget. The city and district shares are prorated based on general revenues reported to the State Controller’s Office. LAFCO also receives revenue through application fees and interest earnings.

DISCUSSION

On May 13, 2015, LAFCO adopted its final FY 2015-16 budget with appropriations totalling \$813,730 (including contingency/reserve and OPEB Trust).

Expenditures - With 75% of the fiscal year elapsed, the Commission’s third quarter expenditures total \$523,704 (including the \$40,000 OPEB Trust contribution) or 65% of total appropriations. The Commission budgeted \$407,523 in *salaries/benefits* for FY 2015-16; at the end of the third quarter, actual expenses total \$298,452 or 74% of the total budgeted amount. The Commission budgeted \$286,477 in *services/supplies*; and at the end of the third quarter, actual expenses total \$185,252 or 65%. The budget also includes an \$80,000 contingency/reserve. In March 2016, the Commission authorized an expenditure of \$25,000 from the contingency

reserve to fund a special study of the West Contra Costa Health Care District. Expenditure of these funds will be reflected in the FY 2015-16 year-end report.

Revenues - The primary sources of revenues are local agency contributions and application fees. Total revenues received as of March 31, 2016 are \$675,055. All local agencies have paid their prorated contributions to the LAFCO budget.

As for applications, FY 2015-16 application activity exceeds FY 2014-15 activity. During the first nine months of FY 2014-15, LAFCO received three new applications; whereas, five new applications were received during the first nine months of FY 2015-16.

In the past, LAFCO has received investment earnings. Due to current market conditions, LAFCO is not currently investing, and awaits the County Treasurer's notice to resume investment activity.

Finally, when available, we budget fund balance to offset agency contributions. The FY 2015-16 budget includes \$150,000 in budgeted fund balance. A portion of available fund balance may be used at the end of the fiscal year, if needed. See table below for a summary of budget activity.

Account	FY 2015-16 Final Budget	Third Quarter Actuals	Percentage
Salaries & Benefits	\$407,253	\$298,452	74%
Services & Supplies	286,477	185,252	65%
Contingency/Reserve	80,000	-	-
OPEB Trust	40,000	40,000	100%
Total Appropriations	\$813,730	\$523,704	65%
Agency Contributions	\$651,730	\$651,730	100%
Application/Other Revenue	12,000	23,325	195%
Interest Earnings		-	-
Fund Balance	150,000	-	-
Total Revenues	\$813,730	\$675,055	

No budget adjustments are recommended at this time. LAFCO staff will continue to closely monitor the budget, and keep the Commission apprised.

RECOMMENDATION

It is recommended that the Commission receive the FY 2015-16 third quarter fiscal report.

Sincerely,

LOU ANN TEXEIRA
 EXECUTIVE OFFICER



Lou Ann Texeira
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

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Sharon Burke <i>Public Member</i>
Tom Butt <i>City Member</i>
Stanley Caldwell <i>Special District Member</i>

April 13, 2016

April 13, 2016
Agenda Item 9

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

Legislative Report - Update and Positions

Dear Members of the Commission:

As reported to the Commission on March 9th, the second year of the 2015-16 legislative session is underway. This year, CALAFCO is sponsoring two bills and tracking a number of bills that have direct and indirect impact on LAFCOs (see Attachment 1 - CALAFCO Legislative Report).

Last month, in response to CALAFCO’s request, the Commission approved sending letters supporting SB 1266, SB 817, SB 971, SB 972 and SB 973.

On March 21st, Contra Costa LAFCO received an urgent request from CALAFCO, asking for members to send letters opposing both SB 1318 (Wolk) and AB 2032 (Linder).

SB 1318 is aimed at providing drinking water and wastewater infrastructure or services to disadvantaged communities. Unfortunately, the bill contains provisions which remove LAFCO’s discretion and authority, impose new requirements, and create significant unfunded mandates for LAFCOs and local agencies. For these and other reasons, CALAFCO opposes the bill and has asked its members to join in opposing SB 1318.

AB 2032 (Linder) proposes changes to the recently enacted disincorporation provisions. In 2015, CALAFCO sponsored AB 851 (Mayes) which made long overdue updates to the statutes relating to disincorporations. The bill was signed by the Governor. AB 2032 was recently introduced and proposes substantive changes to the disincorporation statutes, most of which are unnecessary and/or problematic. CALAFCO opposes AB 2032 and has asked its members to join in opposing AB 2032.

Last year, Contra Costa LAFCO adopted a legislative policy which provides our LAFCO with flexibility to respond to urgent legislation that affects LAFCO. Specifically, the policy provides that in “*situations when proposed legislation affecting LAFCO cannot be considered by the full*

Commission due to timing, the Executive Officer, in consultation with the LAFCO Chair (or Vice Chair in the absence of the Chair), is authorized to provide written or email comments communicating the Commission's position if the position is consistent with the adopted legislative policies of the Commission. The Chair or Vice Chair would review the letter or email prior to it being submitted. The Executive Officer will forward the email or letter to the Commission as soon as possible. The item will be placed on the next regular LAFCO meeting agenda as either "informational" or for discussion purposes."

In response to CALAFCO's request, and in accordance with the Commission's policy, letters of opposition to both SB 1318 and AB 2032 were sent on March 22nd (see Attachments 2 and 3).

RECOMMENDATION – Receive legislative update.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment 1 - CALAFCO Legislative Update – April 6, 2016

Attachment 2 - Letter of Opposition - SB 1318 (Wolk)

Attachment 3 - Letter of Opposition – AB 2032 (Linder)

CALAFCO Daily Legislative Report as of Wednesday, April 06, 2016

1

[AB 115](#) (Committee on Budget) Water.

Current Text: Amended: 6/18/2015 [pdf](#) [html](#)

Introduced: 1/9/2015

Last Amended: 6/18/2015

Status: 9/11/2015-Ordered to inactive file at the request of Senator Mitchell.

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

Summary:

Would authorize the State Water Resources Control Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Special District Consolidations, Water

CALAFCO Comments: UPDATED COMMENTS: CALAFCO continues to monitor this bill to ensure it does re-present itself in another form impacting LAFCo.

OLDER COMMENTS: This bill is the same as SB 88, which was passed in 2015. As amended, AB 115 gives the State Water Resources Control Board (SWRCB) direct authority to mandate either an extension of service or consolidation of water systems, including public and private systems, and individual wells. The bill focuses on disadvantage communities. Prior to ordering the consolidation, the SWRCB must make certain determinations and take certain actions, including conducting a public hearing in the affected territory. They are also required to "consult with and fully consider input from the relevant LAFCo, the PUC, and either the city or county (whichever has land use authority). Entities are allowed 6 months to find workable solutions before the SWRCB mandates the action. Prior to making the order, the SWRCB must make certain determinations. Upon making the order, the SWRCB must make funding available to the receiving water system for capacity building (no operations and maintenance funding is provided, adequately compensate the subsumed system, pay fees to the LAFCo for whatever work they will do (which is as of now undefined) to facilitate the action. The bill also contains certain CEQA exemptions and liability relief for the subsuming water entity, as well as various penalties. Finally, the bill makes legislative findings and declarations as to the reason for the SWRCB to have these powers, which has been taken directly from the legislative findings and declarations of CKH and the reason LAFCos have the powers they do.

CALAFCO has attempted to work with the administration for some time in defining the best possible process for these actions. However, for the most part, amendments proposed have been dismissed. CALAFCO has a number of concerns regarding the proposed process, not the least of which is the language in section 116682 (g) (the way it is worded now, it exempts the entire consolidation process and there is a legal

argument that this would divest LAFCO of any authority to complete the consolidation since that authority is solely contained in CKH). Further, we requested indemnification for LAFCo as they implement section 11682(e)(4) which was also dismissed.

[AB 448](#) (Brown D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 2/23/2015 [pdf](#) [html](#)

Introduced: 2/23/2015

Status: 8/27/2015-In committee: Held under submission.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
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, and generally provides that each jurisdiction shall be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. This bill would modify these reduction and transfer provisions, for the 2015-16 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 Support Letter March 2015](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: As introduced, this bill is identical to AB 1521 (Fox) from last year. 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 2015-16 to include the growth of assessed valuation, including in an annexed area, from FY 2004-05 to FY 2015-16. Beginning in FY 2016-17, the VLF adjustment amount would be the jurisdiction's annual change in the assessed valuation

[AB 2032](#) (Linder R) Change of organization: cities: disincorporation.

Current Text: Amended: 4/5/2016 [pdf](#) [html](#)

Introduced: 2/16/2016

Last Amended: 4/5/2016

Status: 4/5/2016-From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.

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

Calendar:

4/13/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, requires the executive officer of a local agency formation commission to prepare a comprehensive fiscal analysis for any proposal that includes a disincorporation, as specified. Current law requires the comprehensive fiscal analysis to include, among other things, a review and documentation of specified costs associated with the proposed disincorporation. This bill would additionally require the comprehensive fiscal analysis to include a review and documentation of all current and long-term liabilities of the city proposed for disincorporation.

Attachments:

[CALAFCO Oppose Letter March 2016](#)**Position:** Oppose**Subject:** CKH General Procedures, Disincorporation/dissolution

CALAFCO Comments: This bill is sponsored by the County Auditor's Association. According to the Sponsor, LA and Riverside Counties (mostly LA County) have lingering concerns over some of the language adopted in AB 851 (Mayes, 2015). As amended, the bill makes substantial changes to the disincorporation statutes that were updated in 2015 through AB 851. CALAFCO has reviewed the proposed amendments and provided specific feedback to the author and sponsor. The vast majority of the amendments currently being proposed were also on the table last June, with the majority of those having been addressed to LA County by CALAFCO. There are four proposed amendments that are acceptable, only with the condition that all of the other stakeholders CALAFCO worked with last year also agree to them. The remaining proposed amendments are not acceptable either because they are adequately covered elsewhere within the statute or because they do not make sense. In addition, there were two proposed amendments for which we requested additional clarification.

[AB 2277](#) (Melendez R) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**Current Text:** Introduced: 2/18/2016 [pdf](#) [html](#)**Introduced:** 2/18/2016**Status:** 3/3/2016- Referred to Com. on L. GOV.

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

Calendar:

4/6/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, 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 a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 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 Support Letter March 2016](#)**Position:** Support**Subject:** Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: As introduced, this bill is identical to SB 817 (Roth, 2016) except that it does not incorporate changes to the R&T Code Section 97.70 related to AB 448 (Brown, 2015). 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 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

[AB 2471](#) (Quirk D) Health care districts: dissolution.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 3/8/2016-Referred to Com. on L. GOV.

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

Summary:

Would require a local agency formation commission to order the dissolution of a health care district without an election if the health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to the provisions of the act for winding up the affairs of a dissolved district.

Position: Watch

Subject: CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

CALAFCO Comments: As introduced, this bill amends CKH 57103 and Health & Safety Code by adding Section 32495. These changes require a LAFCO to order the dissolution of a health care district without an election, providing the health care district: (1) does not currently receive a property tax allocation; (2) has substantial net assets; and (3) does not provide a direct health care service (defined as the ownership or operation of a hospital, medical clinic, wellness center or ambulance service).

CALAFCO was not contacted by the author prior to the bill's introduction. According to the author's office, the bill is sponsored by Alameda County and focuses on a local issue with the Eden Health Care District. However, the bill is not written exclusively to address that issue, but rather all health care districts that meet the noted criteria.

AB 2910 (Committee on Local Government) Local government: organization: omnibus bill.

Current Text: Introduced: 3/15/2016 [pdf](#) [html](#)

Introduced: 3/15/2016

Status: 3/28/2016-Referred to Com. on L. GOV.

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

Summary:

Under current law, with certain exceptions, a public agency is authorized to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract only if the public agency receives written approval from the local agency formation commission in the affected county. Current law defines the term "jurisdictional boundaries" for these purposes. Current law, for these purposes, references a public agency's current service area. This bill would revise these provisions to remove references to a public agency's current service area and instead include references to the public agency's jurisdictional boundaries.

Position: Sponsor

Subject: CKH General Procedures

SB 552 (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service.

Current Text: Amended: 7/7/2015 [pdf](#) [html](#)

Introduced: 2/26/2015

Last Amended: 7/7/2015

Status: 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was RLS. on 7/9/2015)

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

Summary:

Current law, for purposes of the California Safe Drinking Water Act, defines "disadvantaged community" to mean a disadvantaged community that is in an unincorporated area or is served by a mutual water company. This bill would allow a community to be a "disadvantaged community" if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company.

Position: Watch

Subject: Disadvantaged Communities, Water

CALAFCO Comments: Previously, CALAFCO was informed by the author's office that this bill is being amended as a vehicle to clean-up the water consolidation legislation passed through as a budget trailer bill, SB 88/AB 115. However, to date there has been response from the author's office as to what that may look like. CALAFCO continues to monitor for amendments.

SB 817 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Amended: 2/22/2016 [pdf](#) [html](#)

Introduced: 1/5/2016

Last Amended: 2/22/2016

Status: 4/1/2016-Set for hearing April 11.

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

Calendar:

4/11/2016 10:00 a.m. - John L. Burton Hearing Room (4203)
SENATE APPROPRIATIONS, LARA, Chair

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, 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 a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 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 Support Letter Febuary 29, 2016](#)

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 2014). 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 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

SB 1262 (Pavley D) Water supply planning.

Current Text: Introduced: 2/18/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 4/5/2016-Set for hearing April 20.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered

1st House	2nd House	Conc.
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Calendar:

4/20/2016 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, HERTZBERG, Chair

Summary:

Would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any water system whose service area includes the project site and any water system adjacent to the project site. This bill would require, if a water source for a proposed project includes water of a quality not sufficient to meet certain drinking water standards, that prescribed additional information be included in a water supply assessment. This bill, if no water system is identified, would require a city or county to prepare a technical report containing prescribed information.

Position: Watch

Subject: Water

CALAFCO Comments: As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

In Water Code section 10910, the bill makes the following changes: If no water system that is within or adjacent to the service area of the project site is identified as a viable source of water for the project, the city or county shall prepare a technical report that includes five factors. Based on this report, if the city or county determines that it is feasible for a water system to provide water to the project, the city or county shall submit the technical report to the local LAFCo with jurisdiction over the project. If the LAFCo denies the annexation or extension of service then the city or county shall develop a water supply assessment as outlined in 10910.

What is unclear to CALAFCO at this time is what is to be done with the assessment once completed, and why it is not completed prior to the LAFCo considering the application as part of the CEQA process.

SB 1266 (McGuire D) Joint Exercise of Powers Act: agreements: filings.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 3/28/2016

Status: 3/29/2016-Set for hearing April 6.

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

Calendar:

4/6/2016 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, HERTZBERG, Chair

Summary:

When a joint powers agreement provides for the creation of an agency or entity, separate from the parties to the agreement and responsible for its administration, current law requires that agency or entity to cause a notice of the agreement or amendment to be prepared and filed, as specified, with the Secretary of State. This bill would require an agency or entity required to file documents with the Controller, as described above, meets the definition of a joint powers authority or joint powers

agency, to also file a copy of the agreement or amendment with the local agency formation commission in each of the counties in each county within which all or any part a local agency member's territory is located within 90 days after the effective date of the agreement or amendment.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Sponsor

Subject: Joint Power Authorities, LAFCo Administration

CALAFCO Comments: This is a CALAFCO sponsored bill with a number of amendments pending, as, although submitted to Leg Counsel for inclusion, were not included in the introductory version of the bill. The intent is that all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, shall file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located.

[SB 1318](#) (Wolk D) Local government: drinking water infrastructure or services: wastewater infrastructure or services.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/28/2016

Status: 3/29/2016-Set for hearing April 6.

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

Calendar:

4/6/2016 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, HERTZBERG, Chair

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation and change of organization of cities and special districts. This bill would prohibit the commission from authorizing a city or a district to extend drinking water infrastructure or services or wastewater infrastructure or services until it has entered into an enforceable agreement to extend the same services to all disadvantaged communities within its sphere of influence or adjacent to its jurisdictional boundaries, unless specified conditions are met.

Attachments:

[CALAFCO Oppose Letter March 2016](#)

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Municipal Services, Service Reviews/Spheres, Water

CALAFCO Comments: As introduced, this bill amends GC Sections 56133, 56425 and 56430. To begin, the bill would prohibit a LAFCo commission from authorizing a city or a district to extend drinking water or wastewater infrastructure or services until it has extended those services to all disadvantaged communities within or adjacent to its sphere of influence, as specified, or has entered into an agreement to extend those services to those disadvantaged communities, unless specified conditions are met. Further, it prohibits the commission from approving a sphere of influence (SOI) update where there exists a disadvantaged unincorporated community (DUC) within or adjacent to the city or special district's SOI that lacks safe drinking water or wastewater infrastructure or services unless specified conditions are met. This bill would prohibit commissions from authorizing a city or a district to extend drinking water or wastewater infrastructure or services until it has extended services to all disadvantaged communities within or adjacent to its sphere of influence, as specified,

or has entered into an agreement to extend those services to those disadvantaged communities.

The bill would additionally prohibit a commission from approving an annexation to a city or qualified special district of any territory greater than 10 acres, or as determined by commission policy, where there exists a DUC within or adjacent to the SOI of a city or special district that lacks safe drinking water or wastewater infrastructure or services, unless the city or special district has entered into an enforceable agreement to extend those services into the DUC as specified. The bill would define "qualified special district" to mean a special district with more than 500 service connections.

The bill changes, when determining a SOI, the assessment of the feasibility of a reorg of agencies and recommendations of reorg of those agencies when it is found to be feasible, to a mandate (changes 56425 (h) from "may" to "shall"). Further, it adds (k), prohibiting a commission from approving a SOI update that removes a disadvantaged community from a city's sphere of influence unless a majority of the voters in the disadvantaged community approve of the proposed SOI.

The bill adds several requirements in GC Section 56430 relating to Municipal Service Reviews. First, it changes (b) to mandate the commission to assess various alternatives relating to the efficiency and affordability of infrastructure and delivery of services; and changes (c) to mandate the commission to include a review whether the agency being reviewed is in compliance with the CA Safe Drinking Water Act.

The bill: (1) Adds a number of unfunded mandates to LAFcos; (2) Requires LAFCo for the first time to study territory outside a sphere; (3) Requires LAFCo to include non-public agencies in studies; (4) Changes the final authority to approve spheres in certain situations from LAFCo to the voters and/or residents; (5) Ties the hands of LAFCo in extending services or annexing where reasonable; (6) Removes LAFCo discretion; and (7) Adds two requirements for LAFCo when making sphere determinations.

[AB 1362](#) ([Gordon D](#)) Mosquito abatement and vector control districts: board of trustees: appointment of members.

Current Text: Amended: 1/19/2016 [pdf](#) [html](#)

Introduced: 2/27/2015

Last Amended: 1/19/2016

Status: 2/4/2016-Referred to Com. on GOV. & F.

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

Summary:

Would authorize a city council, located in an existing or newly formed district as specified, to adopt a resolution requesting that appointments of persons to the board of trustees instead be made by a city selection committee, established pursuant to specified provisions of law, and conditioned upon a majority of authorized city councils adopting their respective resolutions. This bill would authorize the city selection committee to decrease the total number of appointments to be made by the committee if a majority of city councils within the district make this request in their respective resolutions.

Position: Watch

CALAFCO Comments: As amended, this bill amends the Health and Safety Code by

creating an alternative option to the appointment process to the board of trustees of a district. The additional process calls for the City Selection Committee to make appointments rather than the cities themselves in a case where a majority of the city councils located within the district and are authorized to appoint a person to the board of trustees adopt resolutions approving of this alternate appointment process. No change is being made to how the County Board of Supervisors makes their appoint to the district board.

This is a locally supported bill, stemming from an issue in San Mateo with their Mosquito Abatement District which is in the Assembly member's district.

AB 2414 (Garcia, Eduardo D) Desert Healthcare District.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 3/8/2016-Referred to Com. on L. GOV.

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

Calendar:

4/13/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the Board of Supervisors of the County of Riverside to submit a resolution of application to the Riverside County Local Agency Formation Commission, and, upon direction by the commission, to place approval of district expansion on the ballot at the next countywide election following the completion of the review by the commission.

Position: Oppose

Subject: Disincorporation/dissolution, LAFCo Administration

CALAFCO Comments: This bill requires the approval of the expansion of the territory within the Desert Healthcare District. It requires Riverside LAFCo to process, without the authority to deny, an application by the County of Riverside to expand the district. It further requires the Riverside LAFCo to consult with and complete a fiscal analysis with the District's Board, County Auditor-Controller, affected local entities and all interested stakeholders. The County Board of Supervisors is required to submit the application to LAFCo no more than 15 days after the enactment of the legislation, and Riverside LAFCo is required to complete the review on or before August 1, 2016. The bill eliminates the protest provisions for the purposes of this application. The bill further requires that a sufficient funding source to expand the district is identified, the expansion will be subject to a vote of the registered voters within the proposed expanded district.

This bill is reminiscent of AB 3 (Williams, 2015) in that it strips the local LAFCo of their authority. Additionally, the timelines proposed within this bill for the LAFCo are unrealistic.

AB 1658 (Bigelow R) Happy Homestead Cemetery District: nonresident burial.

Current Text: Introduced: 1/13/2016 [pdf](#) [html](#)

Introduced: 1/13/2016

Status: 2/4/2016-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered

1st House	2nd House	Conc.
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Summary:

Would authorize the Happy Homestead Cemetery District in the City of South Lake Tahoe in the County of El Dorado to use its cemeteries to inter residents of specified Nevada communities if specified conditions are met. This bill contains other related provisions.

Position: Watch

Subject: Special District Principle Acts

AB 1707 (Linder R) Public records: response to request.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 1/25/2016

Last Amended: 3/28/2016

Status: 3/31/2016-In committee: Set, first hearing. Hearing canceled at the request of author.

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

Calendar:

4/13/2016 Anticipated Hearing - Not in DailyFile ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

4/20/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

The California Public Records Act requires state and local agencies to make public records available for inspection, unless an exemption from disclosure applies. The act requires a response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. This bill instead would require the written response demonstrating that the record in question is exempt under an express provision of the act also to identify the type or types of record withheld and the specific exemption that justifies withholding that type of record.

Attachments:

[CALAFCO Oppose Letter March 2016](#)

Position: Oppose

Subject: Public Records Act

CALAFCO Comments: As introduced, this bill would require public agencies, including LAFCOs, when responding to a Public Records Request for which a determination has been made to deny the request, to include in the written response the title (or other identification) of each record that was requested and not provided, and the specific exemption that applies to that record.

AB 2142 (Steinorth R) Local government finance.

Current Text: Introduced: 2/17/2016 [pdf](#) [html](#)

Introduced: 2/17/2016

Status: 2/18/2016-From printer. May be heard in committee March 19.

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

Summary:

Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations

to a qualifying city that merges with a special district.

Position: Watch

CALAFCO Comments: As introduced, this appears to be a spot bill, although CALAFCO is still trying to confirm. The bill targets Section 96.15 of the Rev & Tax code pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

AB 2257 (Maienschein R) Local agency meetings: agenda: online posting.

Current Text: Introduced: 2/18/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 3/29/2016-In committee: Set, first hearing. Hearing canceled at the request of author.

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

Calendar:

4/20/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

The Ralph M. Brown Act requires the legislative body of a local agency to post, at least 72 hours before the meeting, an agenda containing a brief general description of each item of business to be transacted or discussed at a regular meeting, in a location that is freely accessible to members of the public and to provide a notice containing similar information with respect to a special meeting at least 24 hours prior to the special meeting. This bill would require an online posting of an agenda by a local agency to have a prominent direct link to the current agenda itself.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: As introduced, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCos will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda.

AB 2389 (Ridley-Thomas D) Special districts: district-based elections: reapportionment.

Current Text: Amended: 4/5/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 4/5/2016

Status: 4/5/2016-Read second time and amended.

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

Summary:

Would authorize a governing body of a special district, as defined, to require, by resolution, that the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval. This bill would require the resolution to include a declaration that the change in the method of election is being made in furtherance of the purposes of the California Voting Rights Act of 2001.

Position: Watch

CALAFCO Comments: As introduced, this bill allows special districts, if approved by resolution of the governing board, to conduct elections of their governing board using district-based elections, without being required to submit the resolution to the voters

for approval.

[AB 2435](#) (Mayes R) Local government organization: disincorporated cities.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 2/22/2016-Read first time.

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

Summary:

Under that Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, upon disincorporation of a city, on and after the effective date of that disincorporation, the territory of the disincorporated city, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within that territory, are no longer subject to the jurisdiction of the disincorporated city. This bill would make a technical, nonsubstantive change to this provision.

Position: Placeholder - monitor

Subject: Disincorporation/dissolution

CALAFCO Comments: This is a spot bill. According to the author's office, they have no intention of using it to amend CKH but rather as a vehicle to amend another unrelated section of the Government Code. CALAFCO will continue to monitor.

[AB 2470](#) (Gonzalez D) Municipal water districts: water service: Indian tribes.

Current Text: Amended: 4/4/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/4/2016

Status: 4/5/2016-Re-referred to Com. on L. GOV.

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

Calendar:

4/13/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Current law authorizes a district to sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. Current law authorizes a district to sell or otherwise dispose of water above that required by consumers within the district to any persons, public corporations or agencies, or other consumers. This bill, upon the request of an Indian tribe, would require a district to provide service of water at the same terms available to the current customers of the district to an Indian tribe's lands that are not within a district, as prescribed, if the Indian tribe's lands meet certain requirements.

Position: Watch

Subject: Water

[AB 2737](#) (Bonta D) Nonprovider health care districts.

Current Text: Amended: 3/17/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/17/2016

Status: 3/28/2016-Re-referred to Com. on L. GOV.

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

Calendar:

4/20/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would require a nonprovider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses. By requiring a higher level of service from nonprovider health care districts, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

AB 2801 (Gallagher R) Local government: fees and charges: written protest.

Current Text: Amended: 4/4/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/4/2016

Status: 4/5/2016-Re-referred to Com. on JUD.

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

Summary:

Existing statutory law provides notice, protest, and hearing procedures for the levying of new or increased fees or charges by local government agencies pursuant to Article XIII D of the California Constitution. Under existing statutory law, one written protest per parcel, filed by an owner or tenant of the parcel, is counted in calculating a majority protest to a proposed new or increased fee or charge. This bill would additionally require the local agency to keep the written protests securely stored and sealed until the public hearing.

Position: Oppose

Subject: LAFCo Administration

CALAFCO Comments: This bill will would remove the 60 day statute of limitations on bringing a validation action to court for any public agency, including LAFCo.

AB 2853 (Gatto D) Public records.

Current Text: Amended: 3/18/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/18/2016

Status: 3/28/2016-Re-referred to Com. on JUD.

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

Calendar:

4/12/2016 9 a.m. - State Capitol, Room 447 ASSEMBLY JUDICIARY, MARK STONE, Chair

Summary:

Would authorize a public agency that posts a public record on its Internet Web site to refer a person that requests to inspect or obtain a copy of the public record to the public agency's Internet Web site where the public record is posted.

Position: Placeholder - monitor

Subject: Public Records Act

CALAFCO Comments: As introduced, this is a spot bill declaring the intention of the legislature to expand the definition of "public record" to include writing kept on a private cell phone or other electronic device of an elected official, official, or employee of a public agency if they relate to the business of the public agency.

SB 971 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 3/31/2016-Read second time. Ordered to consent calendar.

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

Calendar:

4/7/2016 #72 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

Summary:

Would enact the First Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 972 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 3/31/2016-Read second time. Ordered to consent calendar.

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

Calendar:

4/7/2016 #73 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

Summary:

Would enact the Second Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute, but would become operative on a specified date.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 973 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 3/31/2016-Read second time. Ordered to consent calendar.

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

Calendar:

4/7/2016 #74 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

Summary:

Would enact the Third Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all

local agencies.

[SB 974](#) (Committee on Governance and Finance) Local government: omnibus.

Current Text: Amended: 3/29/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Last Amended: 3/29/2016

Status: 3/29/2016-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.

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

Calendar:

4/6/2016 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, HERTZBERG, Chair

Summary:

The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book. This bill would also authorize a county recorder to store records of survey in any other manner that will assure the maps are kept together. This bill contains other related provisions and other current laws.

Position: Watch

CALAFCO Comments: As introduced, this bill is the Senate Governance & Finance Committee's annual Omnibus bill.

[SB 1009](#) (Nielsen R) Public cemeteries: nonresidents.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 2/25/2016-Referred to Com. on GOV. & F.

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

Summary:

Would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a nonmetropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

Position: Watch

Subject: Special District Powers

CALAFCO Comments: This bill would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a non-metropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

[SB 1263](#) (Wieckowski D) Public water system: permits.

Current Text: Introduced: 2/18/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 3/15/2016-Set for hearing April 6.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered

1st House	2nd House	Conc.
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Calendar:

4/6/2016 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY SPECIAL ORDER, WIECKOWSKI, Chair

Summary:

Would, commencing January 1, 2017, prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the State Water Resources Control Board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit.

Position: Watch

Subject: Water

CALAFCO Comments: As introduced, this bill would prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the state board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit. The bill would prohibit a public water system not in existence on January 1, 1998, from being granted a permit unless the public water system demonstrates that the water supplier also possesses adequate water rights to ensure the delivery safe drinking water, and would specify that the prohibition applies to any change in ownership of the public water system, including the consolidation of a public water system. The bill would allow the state board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently permitted public water systems. Finally, the bill would prohibit a local primacy agency from issuing a permit without the concurrence of the state board.

SB 1276 (Moorlach R) Local agencies.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 3/3/2016- Referred to Com. on RLS.

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, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make nonsubstantive changes to the above-described law.

Position: Placeholder - monitor

Subject: CKH General Procedures

CALAFCO Comments: This is a spot bill to amend CKH. CALAFCO has not been contacted by the author's office regarding their intent.

SB 1292 (Stone R) Grand juries: reports.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/28/2016

Status: 3/28/2016-From committee with author's amendments. Read second time and amended. Re-referred to Com. on PUB. S.

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

Calendar:

4/12/2016 9:00 a.m. - Room 3191 SENATE PUBLIC SAFETY, HANCOCK, Chair

Summary:

Current law authorizes a grand jury to request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release. This bill would delete the authority of a grand jury to request a subject person or entity to come before it for purposes of reading and discussing the findings of a grand jury report.

Position: Watch

Subject: Other

CALAFCO Comments: Sponsored by CSDA, there are amendments pending to this bill. Those amendments would require the Grand Jury to conduct an exit interview with report subjects to discuss and share findings. They may also provide a copy of the subject's report. The subject will have no less than 5 working days to provide written comments back to the Grand Jury for their consideration before the report is public. One the Grand Jury report is approved by a judge, the Grand Jury is required to provide a copy of the section pertaining to the subject to that entity no later than 6 working days prior to the reports public release. The subject entity can submit a preliminary response to the report to the Grand Jury, who is then required to make those prelim comments public at the time the report is made public.

This will allow LAFcos, when they are the subject of a Grand Jury report, to meet with the Grand Jury and hear their findings, and for the LAFco to respond to those findings and offer additional information or corrections. Further, it allows the LAFco to provide preliminary comments that are required to be posted with the report when it is made public.

[SB 1360](#) ([Bates R](#)) Local government: municipal service agreements: law enforcement services.

Current Text: Amended: 3/31/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/31/2016

Status: 4/4/2016-Re-referred to Com. on GOV. & F.

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

Summary:

Would require a city that provides law enforcement services through its appropriate departments, boards, commissions, officers, or employees to another city pursuant to a contract or any other agreement to charge that city all the costs that are incurred in providing those law enforcement services, but prohibit the inclusion of any costs that the city providing the services reasonably determines are general overhead costs. The bill would provide that any determination of general overhead costs made by a city providing law enforcement services is subject to judicial review as to the reasonableness of that determination.

Position: Placeholder - monitor

Subject: Municipal Services

CALAFCO Comments: This bill appears to be a spot bill amending GC Section 54983, relating to the authority of local agencies to enter into agreements to provide municipal services. CALAFCO has no other information regarding this bill at this time.

[SB 1436](#) ([Bates R](#)) Local agency meetings: local agency executive compensation: oral report of final action recommendation.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/28/2016

Status: 4/5/2016-Set for hearing April 13.

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

Calendar:

4/13/2016 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, HERTZBERG, Chair

Summary:

Current law prohibits the legislative body from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined. This bill would require the legislative body to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration, Other

CALAFCO Comments: As introduced, this bill requires LAFCos, when taking final action on salary for the LAFCO's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda.

Total Measures: 33

Total Tracking Forms: 33

4/6/2016 9:36:04 AM

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Mary N. Piepho
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Rob Schroder
City Member

Igor Skaredoff
Special District Member

Don Tatzin
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ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke
Public Member

Tom Butt
City Member

Stanley Caldwell
Special District Member

March 22, 2016

Senator Lois Wolk
California State Senate
State Capitol Room 5114
Sacramento, CA 95814

Subject: Opposition to SB 1318

Dear Senator Wolk:

The Contra Costa Local Agency Formation Commission (LAFCO) regretfully must oppose SB 1318. The California Association of Local Agency Formation Commissions (CALAFCO) and LAFCOs are aware of and concerned about the disparity of local public services, especially for residents and properties located within disadvantaged unincorporated communities (DUCs). All Californians deserve adequate and safe drinking water and wastewater facilities. CALAFCO supports your ongoing efforts to address these problems, which persist in many counties, and we support partnering with you to find the appropriate solutions.

Our primary concern is that the outcome of this legislation does not result in any changes to community services or facilities, or address the root causes of the lack of acceptable drinking water and wastewater facilities to these communities. We are aware that CALAFCO has shared concerns with your staff and the bill's sponsor, and we echo those concerns.

Specifically, this bill:

1. *Creates a Significant Unfunded Mandate to LAFCo and Local Agencies.* The studies, analysis and preparation of recommendations regarding underserved disadvantaged communities that would be required by SB 1318 impose an unfunded mandate on all LAFCOs. By law, Contra Costa LAFCO must then pass these costs on to its funding agencies – the County, cities, and special districts which fund the commission. In these challenging economic times for local agencies this is a difficult proposition. LAFCOs have no other revenue source to fund the required studies. With limited staff, many of these studies will require outside consultants at an added cost.
2. *Studies Outside of a Sphere.* The legislation would require LAFCOs, for the first time, to study territory outside of an agency's sphere of influence (SOI). This is a significant new

requirement and a costly study process. Further, the term “adjacent” is undefined and since these communities have no boundary it is impossible to know what constitutes “adjacent.”

3. *Studies of Non-Public Agencies.* The legislation would also require LAFCOs, for the first time, to identify the level of water and wastewater services provided by public or private utilities and mutual water companies that serve disadvantaged communities and DUCs. LAFCo has no authority over private entities, and would be prohibited from allowing an extension of service from a city or public agency within or adjacent to an SOI if a private company, public or private utility, or mutual water company provided unsafe drinking water or inadequate wastewater infrastructure or services within or adjacent to the same SOI. While LAFCOs support efficient delivery of public services to all residents, the legislature has not granted LAFCo the authority to regulate or approve service extensions of the non-public service providers included in this legislation. This will lead to confusion, potential conflict and likely litigation.
4. *Precedent-setting Change in Final Authority of Spheres.* The bill changes existing law by removing from LAFCo final authority over the SOI and instead puts that authority in the hands of the voters. This is in direct conflict with the existing definition of a sphere. The legislature has established a framework that gives voters and landowners the final say in changes of jurisdiction. Spheres are not jurisdictional changes; they are planning tools. Planning functions are not typically delegated to voters. In addition, the bill proposes an inconsistent use of the terms “voters” and “residents”, thereby creating confusion as to the intent.
5. *Removes LAFCo Discretion.* When considering a change of organization pursuant to Government Code Section 56133, LAFCo has the discretion to consider the unique local circumstances and conditions that exist. This is an important and basic construct within the legislatively stated purpose of LAFCOs. This bill removes that discretion and authority.
6. *One size does not fit all.* We are concerned that SB 1318 has unintended consequences in the provision of necessary services to an existing DUC. For example, if it is reasonable to extend services to a particular DUC but not to others, this bill prevents the extension of services to the area that can reasonably be serviced. The same is true for those areas currently contained within a city or district’s SOI, where it may be best to have another service provider providing the service. In the latter case, the bill proposes an election, and we are concerned not only with the precedent-setting nature of a voter-approved sphere, but also the cost of the election. These changes are complicated by the fact SB 1318 interchangeably uses the terms “disadvantaged community” and “disadvantaged unincorporated community.”
7. *Changes Governmental Reorganization Recommendations from May to Shall.* The amended language requires LAFCo to assess governmental reorganizations and non-governmental service provisions in all sphere determinations, rather than allowing commission discretion. This will add costly, time consuming and often wasted studies to every sphere review, and may create unintended litigation issues. Current law allows LAFCo to determine those cases where a reorganization study may be appropriate to

further the goals of orderly development as well as efficient and affordable service delivery. Again, to require it in all cases creates costly, unnecessary studies.

Contra Costa LAFCO and CALAFCO remain committed to help find solutions to the disparities in service delivery to disadvantaged communities. We recognize, however, that simply changing the boundaries or spheres of local agencies does little to ensure adequate services are actually delivered. A major obstacle remains the infrastructure and operational funding for these services. We believe that addressing the needs of disadvantaged communities through the planning process and finding tools to support the infrastructure deficiencies remain a very important part of the solution.

Sincerely,



Mary N. Piepho, Chair
Contra Costa LAFCO

- c: Members, Senate Governance & Finance Committee
- Pamela Miller, Executive Director, CALAFCO
- Anton Favorini-Csorba, Consultant, Senate Local Governance and Finance Committee
- Ryan Eisberg, Consultant, Senate Republican Caucus
- Members, Contra Costa LAFCO

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX



Lou Ann Texeira
Executive Officer

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March 22, 2016

Assembly Member Eric Linder
California State Assembly
State Capitol, Room 2016
Sacramento, CA 95814

Subject: OPPOSITION TO AB 2032 (AS AMENDED)

Dear Assembly Member Linder:

The Contra Costa Local Agency Formation Commission (LAFCo) is aware of and has been following your bill, AB 2032, which makes substantive changes to the disincorporation statutes. Regrettably, we must oppose AB 2032 as amended March 17, 2016.

We are aware that the California Association of Local Agency Formation Commissions (CALAFCO) has shared concerns regarding the proposed amendments to your staff as well as to a representative of the bill's sponsor.

Most of the proposed amendments are unnecessary, as the authority or actions to which they pertain are already found in existing statutes. These include: items pertaining to the comprehensive fiscal analysis (CFA) [i.e., proposed amendments Gov. Code §§56816(2), (3), (5) and (6)]; information that LAFCo can obtain through the application process and the CFA [proposed amendments Gov. Code §§56804 and 56816(2), (3), (5) and (6)]; and terms and conditions that LAFCo can place on the application when making a determination (proposed amendment Gov. Code §57412). Moreover, Gov. Code §56804(g), as amended, duplicates the requirements currently outlined in Gov. Code §56816 also proposed for amendment, and the proposed amendment to Gov. Code §56084(h). This change requires the disincorporating city to provide even more financial information that, while attainable in the

CFA, will place additional burdens on an agency already in crisis. Placing additional burdens on the distressed city will likely have an unfavorable outcome.

The amendment proposed to Gov. Code §56670(g) divests LAFCo of its existing authority [Gov. Code §56886(l)] and transfers that authority to the successor agency.

In addition, the amendment adding Gov. Code §57407(b) raises concern, as you cannot legally limit the liability of investors (pursuant to Gov. Code §56122). Further, the proposed amendment in Gov. Code §56816 (8) is already covered in the preceding paragraph in Gov. Code §56816(7).

The proposed change in Gov. Code §56670(e) assumes a continuing level of service which will not likely be the case – if that were the case there would be no substantive reason for the city to disincorporate. The tax rate referenced therein would be subject to an election requiring 2/3 voter approval.

Finally, we are confused by the proposed amendments moving Gov. Code §56813(c)(1) (A)(B)(C) to Gov. Code §56804 and the complete removal of subsection (c), as we do not fully understand the reasoning behind these changes.

While we oppose the bill as currently written, we support the idea that CALAFCO is willing to discuss several amendments, and support the proposed amendments as noted below.

1. 56804

(g) All debt obligations and current and long-term liabilities of the city proposed for disincorporation, including the balance of restricted and unrestricted funds available to extinguish the obligations and liabilities.

(h) ~~The required~~ **potential** financing mechanism(s) to address any shortfalls and obligations, for those responsibilities identified in this section, including but not limited to taxes or assessments.

2. 56816 (a)(3) The amount of any tax levy, direct **assessment**, or other obligation due the city that is unpaid or has not been collected.

3. 57405

If a tax or **assessment** has been levied by the disincorporated city and remains uncollected, the county tax collector shall collect it when due and pay it into the county treasury on behalf of the designated successor agency or county to wind up the affairs of the disincorporated city.

4. 57412

The ~~board of supervisors~~ **governing body** of the successor shall provide for collection of debts due the city and wind up its affairs. Upon an order by the **commission** ~~board~~

~~of supervisors~~, the appropriate ~~county~~ officer of the successor shall perform any act necessary for winding up the city affairs, with the same effect as if it had been performed by the proper city officer.

Please feel free to contact me with any questions you may have about our opposition to AB 2032.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Mary N. Piepho', written in a cursive style.

Mary N. Piepho, Chair
Contra Costa LAFCO

c: Members, Assembly Local Government Committee
Pamela Miller, Executive Director, CALAFCO
Misa Lennox, Associate Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Matt Siverling, Legislative Advocate, State Association of County Auditors
Members, Contra Costa LAFCO

March 15, 2016

To All CCCERA Participating Employers,

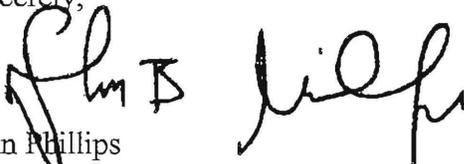
On behalf of the CCCERA Board of Retirement, I am writing you regarding an anonymous letter recently sent to CCCERA's participating employers. Your agency may have received such a letter. The author of the letter makes derogatory statements about CCCERA managers and alleges improper conduct in managing the fund. The author claims to be speaking for CCCERA staff, but has not disclosed his or her identity.

We take allegations of impropriety at CCCERA seriously. It is the Board's fiduciary duty to administer the CCCERA trust fund system in a manner that will assure prompt delivery of benefits and related services to our participants and their beneficiaries. Your trust is important to us. Accordingly, we have commissioned an independent review of these allegations. Meanwhile, be assured that the CCCERA trust fund remains safe and secure. The accuracy and competency of the fund's finances have and will continue to be audited annually by an independent external auditor, with any exceptions addressed immediately.

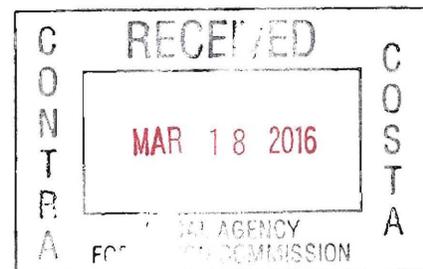
In the event that the review substantiates any complaint contained in the anonymous letters, we will immediately address such matters.

As always, if you have any concerns about the administration of the pension fund, please do not hesitate to contact CCCERA Chief Executive Officer Gail Strohl or myself.

Sincerely,


John Phillips
Board Chairperson

Copy: Gail Strohl, Chief Executive Officer





AGENDA

RETIREMENT BOARD MEETING

SPECIAL BOARD MEETING
March 24, 2016
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.

CLOSED SESSION

3. The Board will continue in closed session pursuant to Govt. Code Section 54956.81 to consider the sale of a particular pension fund investment.

OPEN SESSION

4. Presentation and recommendation from Verus on proposed structure and guidelines of Transition Management Program.
5. Consider and take possible action to adopt Verus recommendations regarding Transition Management Program.
6. Presentation and recommendation from Verus on proposed structure and vendor for Cash Overlay Program.
7. Consider and take possible action to approve guidelines for Cash Overlay Program
8. Consider and take possible action to select Cash Overlay manager.
9. Presentation and recommendation from Verus on proposed vendor for Transaction Cost Analysis services.
10. Consider and take possible action to retain Zeno Consulting for Transaction Cost Analysis services.
11. 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.

MEMORANDUM

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
651 Pine Street, Sixth Floor ♦ Martinez CA 94553 ♦ (925) 335-1094 ♦ Fax (925) 335-1031

April 13, 2016

April 13, 2016
Agenda Item 12a

TO: Each Member of the Commission

FROM: Contra Costa LAFCO Staff

SUBJECT: Highlights of 2016 Annual CALAFCO Staff Workshop

LAFCO staff attended the 2016 Annual CALAFCO Staff Workshop in Los Angeles (March 30 - April 1) hosted by Los Angeles LAFCO. The workshop was well attended by over 120 participants and guests representing 37 of the 58 LAFCOs.

The workshop theme was *Jeopardy: What is the Evolving Role of LAFCO?* and provided various practical and hands-on courses, general (G) and breakout (B) sessions, staff roundtables and CALAFCO legislative and business updates (see below). Contra Costa LAFCO staff (Kate Sibley) was responsible for putting together the opening session on water, and also co-hosted the Clerks' Roundtable.

- Water: Needed Resource and Vexing Problems (G)
- Staff Roundtables (B)
- Conducting Protest Proceedings (B)
- Website Maintenance and Development (B)
- Spreadsheets and Databases (Excel and Access) (B)
- Purpose & Productivity – Building a Winning Team (B)
- Tips & Tricks to Improve Your LAFCO Website (B)
- Clerks 101 (B)
- Building Trust (G)
- Legislation 101 (B)
- California's Open Meeting law – LAFCOs and the Brown Act (B)
- Navigating the New CALAFCO Website (G)
- 2015 Legislative – How to Implement the Good, the Bad and the Ugly (G)
- CALAFCO Organizational & Legislative Update (G)
- Workshop Wrap-up (G)

The staff workshop provided hands-on training focusing on day-to-day LAFCO operations and timely issues of significance. The workshop also provided a valuable opportunity to network with other LAFCO professionals. CALAFCO has posted workshop handouts on the CALAFCO website at www.calafco.org.

LAFCO staff thanks the Commission for the opportunity to attend.

c: Sharon Anderson, LAFCO Legal Counsel
Nat Taylor, LAFCO Planner
Kate Sibley, LAFCO Clerk

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
PENDING PROPOSALS – APRIL 13, 2016**

April 13, 2016
Agenda Item 12b

LAFCO APPLICATION	RECEIVED	STATUS
Town of 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)	July 2010	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	July 2010	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	Feb 2013	Continued from 11/12/14 meeting
Northeast Antioch Reorganization Area 2A: proposed annexations to City of Antioch and Delta Diablo; and corresponding detachments from County Service Areas L-100 and P-6	July 2013	Continued from 6/10/15 meeting to 6/8/16
Reorganization 186 (Magee Ranch/SummerHill): proposed annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) of 402± acres; 9 parcels total to CCCSD (8 parcels) and EBMUD (7 parcels)	June 2014	Removed from the Commission's calendar pending further notice
Carr Annexation to EBMUD: proposed annexation of one parcel (5.9± acres) to EBMUD located at 80 Carr Ranch Road in unincorporated Moraga	Jan 2016	Under review
Detachment from Byron Bethany Irrigation District – proposed detachment of 480± acres in two separate areas located in Discovery Bay	Feb 2016	Under review
City of Martinez – request to provide out of agency water service (1161 Plaza Drive)	Mar 2016	Under review

Santa Clara County taking fresh look at saving farmland

By Eric Kurhi

ekurhi@mercurynews.com

Posted: **02/22/2016** 05:44:41 PM PST | Updated: 16 days ago



Andy's Orchard sits next to the Terra Mia housing development in Morgan Hill, Calif. (Gary Reyes)

MORGAN HILL -- Andy Mariani knows the days of his beloved "Andy's Orchard" farm are numbered.

Since his family moved its operation to Morgan Hill from Cupertino -- selling a parcel in 1957 that's now across the street from Apple headquarters -- he's seen development creep in from all sides. What was once 50 acres in the middle of a couple dozen other farming operations is now an island of stone-fruit agriculture, with Mariani as one of the area's last holdouts.

"We are the remnants, the last couple of dinosaurs after a mass extinction," said Mariani, 70. "There's a natural incompatibility between agriculture and urban use and how can you resolve that? You can't. It has to go one way or the other and the scales were tipped the other way a long time ago."



Andy Mariani, 70, owner of Andy's Orchard, walks in a peach tree orchard at his farm on Monday, Feb. 22, 2016. (Gary Reyes)

But customers adore his farm, and green space advocates stress the importance of hanging on to the vestiges of the county's historic farmland.

On Tuesday, the Santa Clara County Board of Supervisors will consider launching an ambitious regional plan aimed at preserving agriculture in what was once known as the Valley of Heart's Delight for its bounty of fruits and vegetables.

The idea is to create a policy framework to prevent the piecemeal development of South County farmland. The county plans to join forces with San Jose, Morgan Hill, Gilroy and regional stakeholders.

The proposal, the result of a partnership with the Santa Clara County Open Space Authority, is the result of a \$100,000 grant awarded by the California Strategic Growth Council. County Planning Director Kirk Girard said coming up with the framework should enable the county to get more financial assistance in securing land.

"What we see on the horizon is the state potentially investing in agricultural protection and we want to be ready and competitive if funds are made available," Girard said. "Jurisdictions that use a combination of regulatory rules and economic incentives are usually more successful in preserving land than those with just regulations."

According to a county report, 45 percent of Santa Clara County farmland was converted to other uses between 1984 and 2000. Roughly 1,000 acres were lost between 2008 and 2010. Green space advocates say 55 percent of the remaining 20,000 acres is at risk of development.

Morgan Hill is currently eyeing more than 200 acres for a sports and recreation hub, and in San Jose, a warehouse and distribution facility has been proposed on 30 acres in North Coyote Valley.

A recently approved Gilroy master development of 4,000 homes north of city limits has been temporarily shelved by the landowner after public outcry, but it will be back.

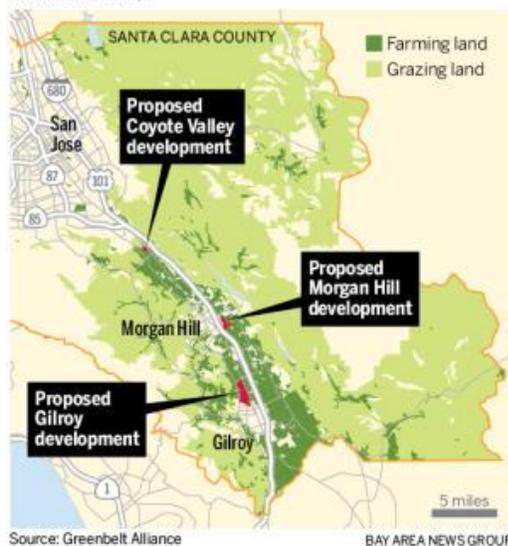
Jeremy Madsen, CEO of the San Francisco-based Greenbelt Alliance preservation group, said the Gilroy and Coyote Valley proposals illustrate the need to take a step back and look at the bigger picture.

"There are a lot of developers who are thinking about this the right way, with projects near transit so people have different options," he said. "But there are still some who want to build for 1980 instead of 2016."

Supervisor Mike Wasserman, who represents the South County area that accounts for the lion's share of Silicon Valley farmland, said they will be looking at what current controls are in place and what could be brought to the table.

DEVELOPMENT VS. FARMLAND

Santa Clara County will consider a plan aimed at preserving what's left of Silicon Valley's farmland, in the area from South San Jose to Gilroy.



"I've heard of clustering homes, I've heard of mitigation, and there are policies already in place," he said. "We generally agree that farmland is important, but the population is not going to stop growing and we need to look at ways to accommodate that growth and still preserve agricultural land."

First on the to-do list is identifying potential plots to preserve. That might prioritize sites that are still in the thick of remaining agricultural lands, while other areas that have already seen development surround them -- such as Andy's Orchard -- might not be as beneficial to hang on to. Then a committee of stakeholders including farming interests would analyze what kind of policies could be implemented to save prime tracts.

Jeff Martin, who owns land north of Gilroy that was included in the 721-acre proposal there, saw the development plan criticized in the local media and by a host of residents who said it was far

too ambitious. But Martin maintains that the Local Agency Formation Commission that oversees development in the interest of controlling sprawl decided back in the 1980s that expansion to the north was appropriate.

"I was here in 1984 when they produced this thing," he said of the growth plan. "We have policies but people forget about these things. Do we really need to establish new ones? It sounds like they're trying to reinvent the wheel."

Girard said that it will be ultimately be up to property owners to sell their land for preservation, and the hope is that state funds would sweeten the pot to be competitive with what they could get otherwise.

Mariani, who owns Andy's Orchard along with two older siblings, said he barely gets by selling mainly to a niche heirloom varietal market. His farm has tasted some fame, appearing in *Sunset Magazine* and other publications, and he often has folks tell him that he can't quit -- the resource he provides is too valuable. But Mariani knows what he's doing is becoming less and less viable.

"I'm going to stay here as long as I can," said Mariani, who worked for Saratoga as assistant city manager for a spell before hanging up a job he hated and returning to the farm and his roots. "But I'm a dirt farmer. I'm not a CEO or a professional who came here to plant a vineyard and have a tax write-off if it's not profitable. This land is all I have. It's my 401(k) plan. It's my retirement."

Contact Eric Kurhi at 408-920-5852. Follow him at [Twitter.com/erickurhi](https://twitter.com/erickurhi).

East County Times

Guest commentary: Bryan Scott: We, the People, demand equal protection for our East Contra Costa community

By Bryan Scott Guest commentary

Posted: **03/08/2016** 01:10:05 PM PST | Updated: a day ago

Can anyone imagine an elected official remaining in office for 36 years and never changing a policy? How about a 36-year-old government spending policy?

We residents of East Contra Costa County are saddled with regulations on government services funding from the late 1970s and early 1980s. Funding practices for government services, in the form of property tax allocation percentages, were set at that time and remain unchanged, over 36 years later.

It doesn't have to be like this.

The time has come for the 110,000 residents of East Contra Costa County, and the taxpayers who support the East Contra Costa Fire Protection District, to ask that funding for government services reflect our wishes, not the wishes of the 5,000 to 10,000 area residents from the 1970s.

Imagine the dramatic changes that have occurred since the property tax allocation percentages were put in place, 36 years ago. Brentwood then had a single traffic light and around 5,000 residents. Oakley was an unincorporated village, and Discovery Bay, as we know it today, did not exist.

There were no Summerset and Trilogy active adult communities, there were no golf courses, and as for boating and marinas, they were located way up north in Antioch. Farms, though, were plentiful, with fruit orchards and corn fields filling the vast majority of today's 249-square-mile ECCFPD territory.

Our part of the world has changed dramatically since that time when our government agencies received their allocation percentages of property tax funds. While these allocations were correctly set and were reasonable for their time, the world has changed.

Today some 100,000 more people require the life-sustaining services provided by our government, and these services are not receiving their fair and adequate share of property tax funds. Instead, other government services, which might improve the quality of our lives, are being funded at the expense of more necessary services which sustain life and protect property.

It is time for a change.

The East County Voters for Equal Protection has created a program that adjusts property tax allocation percentages for the ECCFPD with NO increase to taxpayers. ECCFPD currently receives a percentage of tax money that is the lowest of all fire districts in the county.

The severe funding shortages have resulted in closed fire stations and a woefully inadequate level of emergency services. The program would raise the percentage of taxes that the ECCFPD receives to a level which is close to the average percentage that other fire districts in the county receive.

This program calls for the 30 or so government agencies who now receive property tax funding within the fire district to shift a total of \$7.8 million of the \$154 million of property taxes collected within the ECCFPD jurisdiction to the fire district.

The ECV program would follow procedures outlined in the California Revenue and Taxation Code and elsewhere. These funds would allow the district to permanently open and staff three additional fire stations, with no additional taxes imposed on residents. The current special assessments appearing on tax bills would not be effected.

The ECV program calls for the agency recipients of the ad valorem property tax to voluntarily shift a small portion (5.2 percent) of their property tax allocation percentage to the fire district. District taxpayers would not be asked to pay any additional taxes. Phasing in the program over a number of years would mean that no current budgets would be cut, and the reallocated amount would be less than the expected growth in government revenues. No current budget expenditures would be affected, but each agency's funding would grow by a smaller amount.

Each of our government agencies, those that provide services to the residents of East Contra Costa County, needs to begin taking steps to adopt this program now, so that it can be implemented with the start of next fiscal year on July 1. The time for change is now!

Bryan Scott is a Brentwood resident who occasionally is a community affairs activist. He is co-chair of East County Voters for Equal Protection, a nonpartisan citizens action committee whose goal is to improve funding for the ECCFPD. Those interested in learning more about this grass roots effort can reach him by email at scott.bryan@comcast.net or by telephone at 925-418-4428. The group's Facebook page is located at <https://www.facebook.com/EastCountyVoters/> on the Internet.

Mercury News editorial: Morgan Hill land grab has to be stopped

Mercury News Editorial

Posted: **03/09/2016** 03:36:40 PM PST | Updated: about 17 hours ago

The future of farmland in Santa Clara County hinges on a decision Friday by the county's Local Agency Formation Commission on an outrageous annexation proposal by the city of Morgan Hill.

LAFCO determines whether cities can annex rural land. The state-mandated agency's mission is stopping sprawl and encouraging orderly and sustainable growth as prescribed in the county's general plan. There's a clear set of criteria for LAFCO's seven commissioners to approve annexation. Morgan Hill's bid to develop 229 acres of prime farmland in what's known as the Southeast Quadrant meets not a single one of them.

If the agency says yes to this, it's game over for a rural South County. Approval would say to other landowners and cities: Hey, all those policies for saving farmland? We were just kidding.

Then the farms will go quickly because each tract that's built up makes the next less viable. Even owners who want to farm will feel forced to sell. Other outrageous attempts at annexation are already in the works. Gilroy is trying to make a huge grab of 721 acres for some 4,000 homes on its northern edge.

LAFCO says Morgan Hill has 45 years worth of vacant commercial land within its borders and lots of additional land zoned for housing and other uses. It has plenty of room for the schools, ball fields and commercial development it wants to put in the Southeast Quadrant.

The city seems to encourage buying rural land for development and asking permission later. It did this itself, purchasing land for ball fields in the Southeast Quadrant.

In 2003 Morgan Hill persuaded LAFCO to annex rural land on its northeast edge that the Diocese of San Jose had already purchased to build a school. LAFCO said, oh well, for a school, OK. The diocese then sold that land. Homes are being built there.

Now the diocese has bought land for a campus in the Southeast Quadrant, and Morgan Hill again is using it as an argument to annex. LAFCO would be crazy to do it a second time.

Morgan Hill claims development of the quadrant will raise money for farmland preservation, but the American Farmland Trust and others did the math and found the city's plan highly inadequate. Besides, farmland is a finite resource. Building on it in order to save it? Really?

Rural landowners want their property annexed so they can sell it at a higher price for hotels, strip malls and particularly for housing, as the diocese did last time. Fortunately, Santa Clara County and the valley's Open Space Authority have a remedy in the works. They received a \$100,000 grant from the state to set up a program to buy conservation easements, giving farmers at least some compensation for keeping their land in agriculture. When the plan is in place, funding is expected to be available to carry it out.

Property rights advocates don't like planning for land uses that can limit profits. But communities need non-glamorous places to get their cars fixed, as an example. And this region benefits from farming. Land use planning is a trade-off for living in a society.

County Supervisor Ken Yeager, a new LAFCO member, is a big proponent of making fresh, healthy food available to all, especially in neighborhoods where supermarkets are scarce. Farmers markets help, but you need farms nearby.

Yeager has supported creative policies encouraging even urban farms. We're hopeful he'll stand up for South County farmland as well -- and that a solid majority of the commission will join him.

RELATED LINKS

- Morgan Hill Mayor Steve Tate advocating the annexation plan, http://www.mercurynews.com/opinion/ci_29237053 / Former Councilman Mark Grzan opposing the annexation bid, http://www.mercurynews.com/opinion/ci_29578019
- Mercury News reporter Eric Kurhi on Santa Clara County's farmland preservation initiative, http://www.mercurynews.com/breaking-news/ci_29548503
- LAFCO agenda for Friday including maps and staff reports on the annexation plan, http://santaclaralafco.org/images/resumes/agenda_packet/StaffReport_20160215.pdf

Contra Costa Times

Greenbelt Alliance report outlines challenges to farming

[By Rowena Coetsee, rcoetsee@bayareanewsgroup.com](mailto:rcoetsee@bayareanewsgroup.com)

Posted: 03/11/2016 05:11:19 PM PST

Updated: 03/11/2016 11:16:32 PM PST

The disappearance of large swaths of farmable land is among the top obstacles facing Bay Area farmers today.

The finding was one of a handful that a nonprofit dedicated to preserving open space described in a recently released report that it hopes will prompt local government agencies to rethink their land-use policies.

Well over a year in the making, the document that Greenbelt Alliance has published enumerates factors that make it difficult for farmers in the nine-county region to thrive -- or even survive -- and highlights how some growers and government officials are overcoming those problems.

Topping the list are the thousands of acres of arable land that are disappearing under developers' bulldozers: Contra Costa County lost 19 percent of its farmland from 1990 through 2008 -- 21,272 acres -- most of which is in its easternmost reaches, according to Greenbelt Alliance.

That matters to Bay Area residents who want to support local farmers by buying their produce, which in Contra Costa County is both diverse and top quality, said Joel Devalcourt, Greenbelt Alliance's East Bay regional representative.

Whether this food source remains plentiful "ultimately comes down to the ability to keep farmland productive," he said.

And that's becoming a challenge as developers and speculators buy farmland, driving up the price of what remains. Although the rising values are good for farmers who already own all the acreage they need, they don't bode well for those who want to expand or are trying to break into the business, said Kathryn Lyddan, executive director of Brentwood Agricultural Land Trust.

Unless a beginning grower inherits property, "it's almost impossible to farm," agreed Alli Cecchini of First Generation Farmers, a Brentwood nonprofit she founded to help newcomers get started. Her group offers a three-year training course where participants learn the basics of running a farm, how to borrow money for seeds and irrigation and keep business records.

The housing market has rebounded in East Contra Costa County, which has most of the county's richest farmland and where Greenbelt Alliance is keeping a close eye on Brentwood.

The city turned more open space into housing from 2000 to 2012 -- nearly 2,700 acres of farmland -- than any other Bay Area city, according to a report the Metropolitan Transportation Commission just released.

Brentwood has designated 378 acres of farmland outside its easternmost limits as land that it eventually might develop if the county's Local Agency Formation Commission approves the annexation, and voters consent to expanding the Urban Limit Line.

An additional 815 acres beyond Brentwood's western border also appear on maps showing where the city's long-term construction plans might materialize, although much of that land wouldn't lend itself to development because it is hilly.

Greenbelt Alliance's report suggests that counties follow the example of Santa Clara County's Local Agency Formation Commission, or LAFCO, which is responsible for approving boundary changes. That agency is the only one in the Bay Area that encourages cities to build within their limit -- except on rich farmland -- before annexing more open space.

LAFCOs also can require cities to prove that they don't have enough space to build all the homes they think they will need, the report noted.

In addition, Greenbelt Alliance pointed out that Alameda County voters agreed to tighten a portion of the Urban Limit Line and redesignate land that had been targeted for development as agricultural parcels.

The report also mentions that local government can mandate developers to compensate for the farmland they build on by paying for conservation easements on comparable tracts elsewhere. Easements are legal agreements in which property owners relinquish the right to develop some or all of their land in return for tax benefits and money.

Brentwood is the only city in Contra Costa County that requires developers to do this, Devalcourt said.

Prohibitively expensive real estate is not the only obstacle farmers face, however.

Another barrier is the host of government regulations they must comply with, according to Greenbelt Alliance.

Brentwood grower Al Courchesne says he must pay fees that others don't to have his produce certified as organic, a requirement that drives up the cost of doing business. What's more, farmers have to slog through reels of costly, time-consuming red tape to install improvements such as cafes, roadside stands or farmworker housing, he said.

"They have all these weird rules," Courchesne said, noting that it took him three years to build a 10,000-square-foot packing shed with a cold storage facility because of all the permits and inspections he had to get.

Although he understands the need to adhere to certain standards, Courchesne wishes county employees understood the challenges of farming so they could help farmers navigate the paperwork more efficiently, which a couple of Bay Area counties have done by appointing "farmbudsman."

"Over the years, it's been one obstacle after the other," he said, adding that the degree of government bureaucracy could discourage young farmers from pursuing this career.

As it is, the average age of those who work the land is increasing while the number of new farmers has declined significantly, according to the report.

Greenbelt Alliance's findings also acknowledge the conflicts that arise when urban sprawl butts up against farms.

Instead of appreciation for their contributions to the local food supply, growers get complaints from suburbanites unaccustomed to the spraying, early morning noise from farm activities and tractors that hold up traffic.

Agritourism can be a useful way of teaching the public to value farming, which enriches local economies by creating jobs that in turn generate revenue for other businesses, the report says.

Maintaining strips of undeveloped land to create a buffer between homes and farms is another method of reducing friction between the two worlds.

While Greenbelt Alliance's analysis describes efforts to help growers maximize profits by selling directly to the consumer and sharing production equipment to cut costs, Cecchini's organization focuses on equipping fledgling farmers with the skills they need to survive.

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From the Silicon Valley Business Journal:

<http://www.bizjournals.com/sanjose/news/2016/03/11/lafco-says-no-to-morgan-hills-annexation-request.html>

Updated: LAFCO says no to Morgan Hill's annexation request

Mar 11, 2016, 2:08pm PST Updated: Mar 11, 2016, 10:57pm PST

By the time Morgan Hill officials walked into a Santa Clara County boardroom on Friday, their plans to annex 229 acres of largely rural county land had already run into a buzzsaw of opposition from environmental groups and growth watchdogs.

It didn't fare much better with commissioners at the Local Agency Formation Commission, which holds the keys to city expansions. The 5-2 vote, taken after four hours of public testimony and commissioner comments, quashed a complex plan that the city said would help preserve farmland, but critics said would just encourage sprawl.



VICKI THOMPSON

Bill Chiale's family owns hundreds of acres just outside Morgan Hill. They're promoting a city plan that would expand the city limits, allowing some development in return for preserving agriculture land elsewhere.

"We knew this was going to be a difficult decision because of the importance of what they're deciding on" Morgan Hill City Manager Steve Rymer told me after the vote. "So we're disappointed, yes, but surprised, no."

The outcome sends a clear signal that the obscure but extremely powerful entity known as LAFCO is not in an expansionary mood. That is important as Gilroy contemplates its next moves for a 721-acre expansion it has been promoting.

Commissioners Mike Wasserman and Cat Tucker were in favor of the Morgan Hill plan. Sequoia Hall, Linda Lezotte, Susan Vicklund Wilson, Johnny Khamis and Ken Yeager were against it.

The proposal, which has been years in the works, would have opened up about 180 acres of agricultural land in an area called the "southeast quadrant" to sports, entertainment and leisure-related projects: Sports-themed retail, recreation-related businesses and hotels. Such projects are not possible if the land remains in the county.

In return, developers building projects there would have paid a fee to buy agricultural easements from landowners elsewhere — in essence, paying farmers to permanently give up the possibility of redeveloping their property.

I wrote about the subject in depth last month in a cover story that you can read [here](#).

City officials said the plan was designed to save farmland from being gobbled up for McMansions while also allowing development that would boost the city's economy and play off its growing sports-tourism brand.

But LAFCO, the county's entity that oversees city boundaries, said the plan was not adequately thought out and would have actually encouraged sprawl without any guarantee of saving farmland. LAFCO staff strongly urged commissioners to reject the application.

"The concept of converting prime agricultural lands ... in order to

preserve other ag lands conflicts with our growth framework," LAFCO executive director Neelima Palacherla said.

A slew of conservation and environmental groups and activists spoke out against the proposal, questioning whether it was necessary, feasible or even counterproductive.

But the most damaging testimony came from LAFCO's executive director, who went described how the Morgan Hill proposal was at odds with every aspect of LAFCO's mission, which includes ensuring orderly development, discouraging sprawl, promoting the preservation of farmland and encouraging the efficient delivery of services. She also cited a history of annexations that were misguided and said the city had plenty of land left -- a nearly 100-year supply of vacant land -- to develop on without the sports-leisure annexation.

"Past (annexation) approvals have only led to further requests, placing undue pressure on adjacent farmland and triggering more requests," she said.

Rymer pushed his city's case strongly, noting Morgan Hill was one of just 19 cities in the state that already has a agricultural mitigation fee program. He also displayed a map that showed far fewer developable parcels for sports and leisure uses than is immediately apparent.

"We take exception when people say we are being greedy or trying to undermine statewide and local goals," he said. "We're a leader in this county and region."

Farmers who would stand to benefit from the proposal by selling development rights also said they needed the program to survive. One farmer said her well was 60 years old and needed \$200,000 to fix, money that could come from selling easements.

"I think agriculture is under a great deal of stress," said Erin Gil, President of the Santa Clara County Farm Bureau. "It's very difficult to keep ag in these areas. We're faced with an area that's being gobbled up by either McMansions or other developments."

But that argument didn't find many takers. Instead, LAFCO commissioners said the city can work with the county to go after a state program that is expected to distribute millions from cap-and-trade revenue to cities and counties for ag preservation.

Catholic school question

The fallout from the decision is significant. The city was so committed that last year it paid \$5.3 million for 22 acres of farmland in the "sports entertainment and leisure" district for future baseball and softball fields. It's unclear how those fields could be developed without being annexed.

The seller of those fields was Gordon Jacoby, who was a key proponent of the plan. He is also working with the Chiala family on another development-transfer program that also involved annexation of another part of the area. That proposal was not part of Friday's hearing.

The decision also leaves hanging the Diocese of San Jose, which purchased land several years ago for a new, 1,600 student high school. That site was to be included in the city's overall annexation framework.

With that plan down in flames, Commissioner Khamis proposed an alternative that would have seen the high school site only brought into the city so it can be developed.

But the bid failed to gain traction with a majority of his colleagues. Its failure leaves the school's plans in the south county, where there is no Catholic high school, unclear.

"It's really a shame after four years and \$200,000 of CEQA and EIR, and five years of planning, that it was really all or none today as far as an option goes," Wasserman, who supported the Catholic high school site annexation, said.

Nathan Donato-Weinstein
Real Estate Reporter
Silicon Valley Business Journal



Oakley sues home developer for neglecting to build new fire station

By Nate Gartrell, ngartrell@bayareanewsgroup.com

Posted: 03/11/2016 01:49:25 PM PST | Updated: about 19 hours ago

OAKLEY -- As they continue to search for ways to help the financially embattled East Contra Costa Fire District, city leaders have filed a lawsuit against a developer that has yet to build a fire station in town, despite agreeing to do so 10 years ago.

Last week, the city of Oakley sued Shea Homes, a large home-building company that oversaw the Summer Lakes development. As part of its contract with the city -- signed in 2006 -- Shea Homes agreed to build a fire station on the property, but it hasn't.

The suit asks that a judge compel the company to build the station and pay the city's legal fees.

"Shea has been great to work with in the past and it is unfortunate that we have had to take this step to have them meet their commitment to build and furnish this fire station," Mayor Kevin Romick said in an email.

If built, the Oakley station will replace the fire district's Knightsen station, a barely functional holdover from the 1960s that was temporarily shut down in November 2014 because of a mold issue. Fire Chief Hugh Henderson said the Knightsen station isn't built for firefighters to live in 24-7, but the Oakley station would be.

"A new fire station would always be nice to work out of," Henderson said. "It would help responses to Bethel Island, to the Summer Lakes area, and help responses in the eastern Oakley area."

Laurel Wilson, a spokeswoman for Shea Homes, said the company was working with the city and the fire district to come up with a "viable solution."

"Shea Homes has not yet been served with the lawsuit from the city of Oakley, so we cannot comment on it specifically," she said. "However, Shea Homes has been working diligently with the city, the East Contra Costa Fire Protection District and other builders on the mechanics of the new fire station."

Oakley City Attorney Derek Cole said the development company indicated it has "difficulties" with the proposed site of the fire station, but he wouldn't elaborate.

"I don't want to speculate on what their reasons are," he said. "Our position is that it really doesn't matter what reasons they may or may not have; that obligation has been there for over a decade."

Although it may take months for the court process to play out, and months more for the station to be built, Cole said, "We have to start somewhere."

The fire district has been plagued by financial problems for years. The problems came to a head last year when the district was forced to shut down two stations. Brentwood and Oakley have since agreed to temporarily fund the reopening of one station, but officials are still looking for long-term funding sources.

Contact Nate Gartrell at 925-779-7174 or follow him at [Twitter.com/NateGartrell](https://twitter.com/NateGartrell).

(Riverside) Press Enterprise

ENVIRONMENT: Worries rising as Colorado River water runs low

The Inland area relies heavily on the withering, over-allocated Colorado.



A tourist looks at Lake Mead along the Colorado River at Hoover Dam near Boulder City, Nev. The rings shows how far the water level has dropped in recent years. JAE C. HONG , ASSOCIATED PRESS FILE PHOTO

By AARON ORLOWSKI / STAFF WRITER

Published: March 11, 2016 Updated: **March 12, 2016** 6:04 a.m.

For the past five years, as the drought drained California's water sources and depleted its reservoirs, Southern California water managers have relied increasingly on the region's largest out-of-state water source: the Colorado River.

The river feeds the 242-mile Colorado River Aqueduct, which ends at Lake Mathews in Riverside County. The aqueduct is managed by the Metropolitan Water District of Los Angeles, a wholesaler that supplies 1.2 million acre-feet of Colorado River water to the Inland region and beyond.

But the Colorado River Basin is suffering its own drought, now in its 16th year, and flows on the river are at the lowest they have been in a century of record-keeping.

If the Lake Mead reservoir on the river sinks much more, a shortage condition would be declared and deliveries will be reduced.

“Shortages are coming. It’s really not a question of if, but when,” said Bill Hasencamp, manager of Colorado River water resources for Metropolitan Water District, which supplies water for 19 million people in Southern California. “Is there a way to collectively live within our lower needs?”

Experts warn that consumers could see steadily rising water rates if conservation efforts and a series of planned reservoirs, recycling and other projects don’t produce a better balance of availability and demand in Southern California.

LION’S SHARE OF SUPPLY

The lifeblood of the Southwest, the Colorado is the most litigated and politically contentious river in the country. It supplies water to seven states and Mexico.

The river starts high in Colorado’s Rocky Mountains as melting snowpack. It wends out of the mountains and is joined by tributaries originating in Wyoming and New Mexico. It drops through dusty southern Utah and the canyons of northern Arizona, past the neon lights of Las Vegas and Hoover Dam at Lake Mead. In Mexico, it dries to a trickle beyond Morelos Dam before reaching the Gulf of California.

Toward the end of the river’s run, along the Arizona-California border, the aqueduct with two reservoirs and five pumping stations diverts water to the Coachella and Imperial valleys and elsewhere in Southern California. In years such as 2014, when northern supplies are cut back and the State Water Project delivers as little as 5 percent of requested water, the Colorado River makes up the lion’s share of deliveries.

Between the 1940s and 1990s, plentiful Colorado River water allowed Southern California to boom. Today, a host of problems call into question whether the region can continue to rely on the river’s flow. Climate change is likely to constrict it and political factions continue to squabble over how to divide an ever-shrinking flow.

The South Coast region, which includes the western portions of Riverside and San Bernardino counties, cut water use by 18 percent between June 2014 and January 2016. During the same period, the Colorado River region, which includes the hotter, drier parts of the two Inland counties, reduced usage by 28.6 percent, according to the State Regional Water Quality Control Board.

To ensure reliable delivery of water in the face of lower rainfall across the West and the possibility of reduced imported supplies, water managers in those areas are seeking new sources and capturing storm water runoff to recharge groundwater.

Metropolitan Water District also is pursuing new water sources, including a recycling plant in Carson and agreements to get water from farmers who fallow their fields. Each new source increases costs for ratepayers.

‘SHORTAGES ARE COMING’

On the Colorado River, water supplies already are squeezed.

For 16 years, drought has wracked the river system. Water managers forecast an 18 percent chance a shortage will be declared in 2017, which will yank back supplies for Arizona and Nevada. Those odds rise to 52 percent in 2018 and even higher for 2019.

California is unlikely to keep its first-in-line position for Colorado River water, experts say, because it’s politically untenable to cut other states’ allocations to near-zero while leaving California untouched.

In 2000, because of several wet years, Lake Mead was essentially full. Now, bone-white, sun-bleached cliff sides loom over the reservoir and exposed rings show the water level has plummeted 12 stories.

Even in years of average snowfall, Lake Mead will continue to empty because, in 1922, the seven states that use its water allotted themselves more water than comes down the river in a typical year.

At the time, water negotiators assumed that about 16.5 million acre-feet would be available annually. They gave 7.5 million acre-feet to the Upper Basin states – Colorado, Wyoming, Utah and New Mexico – and another 7.5 million acre-feet to the Lower Basin states – California, Arizona and Nevada. Later, in 1944, they added 1.5 million acre-feet of water for Mexico into the agreement.

The problem was the decades prior to 1922 “happened to be the wettest period in the last 500 years, by quite a bit. It was an outlier,” said David Meko, a professor at the University of Arizona, who has done historical reconstructions of Colorado River flows using tree-ring data. “They couldn’t have picked a worse time for allocating the water.”

Modern estimates peg the river’s flow at about 14.9 million acre-feet, or about 1.5 million acre-feet of water less than currently promised.

OVER-ALLOCATED

For decades, not all the states took their full share, so the over-allocation of the river didn’t pose a problem. California, which is allocated 4.4 million acre-feet, was able to take 5.2 million acre-feet. That changed in the late 1990s when population growth caused Nevada and Arizona to demand their full allocations, and Arizona began storing some of its excess water in the ground.

In 2003, an agreement slashed California's water supply. Metropolitan Water District, which had been using water unclaimed by others, took the brunt of the hit.

So the urban water agency ramped up water transfer agreements, paying agricultural districts money to fallow fields or install more efficient irrigation equipment in exchange for water.

"When you have a lot of water and people need water, you become the obvious solution to their problems," said Tina Shields, the Colorado River resources manager at Imperial Irrigation District, an agricultural district.

In coming years, farms and cities alike will have to grapple with further squeezes on water supply caused by climate change.

As the West's mountains warm, experts predict snowpack will melt earlier in the spring and surge into reservoirs, where water evaporates more quickly. Higher temperatures also raise the atmosphere's capacity to absorb moisture, meaning that more moisture is drawn out of soil, plants, rivers and reservoirs.

All told, scientists predict a 3 to 4 percent drop in runoff per degree of warming, said Jeff Lukas, a researcher at the Western Water Assessment, a federal partnership with the University of Colorado, Boulder. So, if the planet warms by nearly 4 degrees by 2050, what many scientists consider a conservative estimate, runoff in the Colorado River could decrease as much as 15 percent.

"That puts us in a state of chronic to moderate drought relative to historic conditions," Lukas said.

But experts aren't sure how a hotter, drier climate ultimately would affect Colorado River flows and when it might happen. That's partly because they have only 50 years of good data on the river.

Gus Goodbody, a water supply forecaster for the Colorado River at the National Water and Climate Center, said: "The reality is, we haven't been here long enough to understand how the fluctuations naturally occur here."

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Delta islands sale roils state water politics

By Dale Kasler and Ryan Sabalow, Sacramento Bee
Contra Costa Times

Posted: Sat Mar 12 01:00:00 MST 2016

They see the purchase as part of a water grab to send more water to Los Angeles through Gov. Jerry Brown's \$15.5 billion twin tunnels plan, at the expense of fish and wildlife.

Either way, some 20,000 acres of island is moving toward a change of ownership that is stirring up waves in California's water politics.

After months of negotiations, the Metropolitan Water District board authorized its general manager Tuesday to enter into a contract to buy the islands from the privately owned Delta Wetlands Properties. The deal, valued at some \$200 million, is expected to wrap up soon.

Some critics say they are alarmed that the water supplier for 19 million Southern Californians is becoming a big landowner in the Sacramento-San Joaquin River Delta, the crossroads of California's water delivery system.

Once it owns the land, Metropolitan will use its political muscle to change laws to maximize its access to Delta water, said Barbara Barrigan-Parilla, executive director of Restore the Delta.

"We believe that having MWD as a neighbor is an existential threat to the future of the Delta and Delta communities," Barrigan-Parilla said.

Environmentalists worry that the island purchase will help pave the way for the governor's tunnels and increased taking of water from the Delta at the expense of the area's fish, wildlife, recreation and economy.

Restoring fish and wildlife habitat is just part of the solution needed to help the ailing Delta environment, said Gary Bobker, program director for the Bay Institute, an environmental group.

"If someone else, like maybe the Nature Conservancy, were buying these islands to restore habitat, that sounds fine," Bobker said. "But with such a big entity involved, you have to wonder whether the end game is that this is a piece of permitting the tunnels and increasing exports from the Delta."

The deal involves two islands in Contra Costa County -- Webb and Holland tracts -- and two in San Joaquin County -- Bouldin and Bacon islands. A portion of a fifth, Chipps Island, also will be bought.

Metropolitan officials acknowledged they are considering using some of the farm land to help pave the way for California WaterFix, Brown's \$15.5 billion plan to build massive twin tunnels beneath the Delta and shore up reliability of water shipments to Southern California.

Jeff Kightlinger, Metropolitan's general manager, said some of the islands could serve as a staging ground for equipment, excavated dirt and other materials. Two of the islands lie in the heart of the proposed tunnels route.

In addition, Kightlinger said Metropolitan is prepared to use the islands to restore wildlife habitat. Given that water-pumping through the Delta is frequently limited because of environmental concerns, Kightlinger said restoring habitat represents "enlightened self-interest" on Metropolitan's part, helping to keep the water flowing by making the Delta's ecosystem healthier. Owning the islands also would position Metropolitan to repair levees more quickly in case of a major earthquake that might interrupt the flow of water south.

Rather than a "water grab," Kightlinger said, "This is about safeguarding the water we do have."

Kightlinger said Metropolitan believes it has the legal clearance to use the islands for the purposes he outlined.

Delta landowners, however, said they think they could erect legal roadblocks if Metropolitan tries to make wholesale changes to the islands. George Hartmann, a Stockton lawyer who represents farmers and others in the area, said Delta interests can't prevent Metropolitan from buying the islands but can ensure the agency abides by previously negotiated legal settlements that restrict what

can be done with the land.

"We're not going to roll over and play dead," Hartmann said. "We're going to do our best to make sure the agreements are enforced."

Hartmann scoffed at the idea that Metropolitan wants to improve environmental habitat in the estuary, which has been degraded by decades of pumping.

"They have only one interest. And that is getting more water and securing more stable water, and it's all about the money," Hartmann said.

Michael George, a state official who helps oversee Delta water rights, doesn't see a peril from Metropolitan's ownership. George, the Delta "watermaster" at the State Water Resources Control Board, said Metropolitan has been "pretty wide open about what it's doing" and won't be able to make big changes or export more water south without getting regulatory approvals.

"My sense is that Metropolitan is a very responsible, pretty transparent public agency that owns lots of properties throughout the state and is a pretty good steward of those facilities," George said. "I certainly would anticipate, as I'm sure they do, that there will be a great deal of scrutiny of however they choose to use their (Delta) property."

Jerry Brown, general manager of the Contra Costa Water District, said it's too early to comment on the sale because Metropolitan hasn't sought permission to change how the land is used. "Ownership change alone doesn't mean anything," he said.

One of the Contra Costa Water District's water sources for its 500,000 customers is in Rock Slough, which is near Holland Tract, one of the islands to be bought.

The company selling the islands had considered for years using the islands as reservoirs to store water, but that never happened.

Metropolitan doesn't plan to use the islands to store water, Kightlinger said.

Staff writer Denis Cuff contributed to this story. Contact him at 925-943-8267. Follow him at [Twitter.com/deniscuff](https://twitter.com/deniscuff).

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The Sacramento Bee

March 11, 2016

As rain falls in California, tensions rise over who gets the water

Sen. Dianne Feinstein calls for feds to pump more water south

Fisheries officials say more pumping could push fish to extinction

Tensions highlight competing demands on fragile Delta estuary



Second-graders from Colfax Elementary School release 50-day-old steelhead trout that they raised into the American River next to the Jibboon Street Bridge during a field trip to Sacramento on Friday, March 11, 2016 in Sacramento, Calif. Randy Pench rpench@sacbee.com

By Ryan Sabalow and Dale Kasler

rsabalow@sacbee.com

With prolonged and steady rain falling on Northern California for the first time in weeks, tensions are rising over how to manage the stormwater flows now streaming through the Sacramento-San Joaquin Delta.

Saying too much water is flowing out to sea, U.S. Sen. Dianne Feinstein on Friday called on operators of the federal and state water projects to pump more water south through the Delta to drought-stricken farms and cities in Central and Southern California.

The influential Democrat argued that federal regulators need to be more flexible in their approach to pumping in the Delta, the environmentally fragile estuary that serves as the hub of the state's water delivery network. As it is, she said, they are being too cautious in their assessment of the dangers posed to endangered fish species.

Federal regulators painted a starkly different scenario, saying they are shipping as much water south as legally allowed under the environmental restrictions imposed by the Endangered Species Act. Fisheries officials cited recent surveys showing that smelt and the winter-run Chinook salmon are on the brink of extinction.

"We're in the worst condition ever," said Steve Martarano, spokesman for the U.S. Fish and Wildlife Service. "Every (smelt) survey has pointed that out."

The debate highlights the sharp divide that has come to define California's water battles. On one side are the major agricultural interests who say they have borne the brunt of water cutbacks in the drought. On the other, the fisheries advocates who say fish have taken the biggest hit in California's four-year drought. Now that El Niño is providing some measure of relief, both sides are hoping to benefit.

The argument centers on the Delta, the heart of California's complex system of water conveyance. The California Department of Water Resources and U.S. Bureau of Reclamation operate water projects that rely on two giant pumping systems in the estuary, diverting river flows into canals that ship the water west to Silicon Valley and south as far as San Diego. The water not diverted flows to the Pacific.

Given the recent storms, there is 10 times as much water flowing out of the Delta to San Francisco Bay compared with a year ago, according to the Bureau of Reclamation. But flow alone doesn't determine how much water gets pumped.

The bureau is subject to rulings issued by government biologists on how much water can be pumped and when. Those rulings are based on a variety of factors, including water quality, temperature, recent fish counts and where various fish species are in relation to the pumps. The decisions they make with regard to pumping are binding under Endangered Species Act rulings.

"We're pumping as much as we legally can," said bureau spokesman Shane Hunt.

Feinstein said the pumping restrictions have allowed millions of gallons of water to escape into the Pacific, water that could have supplied 360,000 homes for a year. Advocates for increased pumping say Delta water could be filling groundwater banks and reservoirs that supply cities and farms throughout the south state.

"That water is now gone forever," said Johnny Amaral, spokesman for Westlands Water District, which supplies water to farmers on much of the west side of the San Joaquin Valley. Westlands farmers fallowed thousands of acres of land last year.

Feinstein, in a news release, noted that river flows more than doubled in the Delta this year compared with 2015, and yet less water has been pumped south.

“It’s inexcusable that pumping levels have been reduced without sufficient evidence of fish mortality,” she said in the release.

Fisheries officials, however, say there’s plenty of evidence that the fish are doing poorly. Endangered Delta smelt are at their lowest numbers in recorded history. The first two state trawling surveys for 2016 found only 13 of the finger-length fish.

Under environmental law, officials set a threshold of how many fish can get sucked into the Delta pumps in a given “water year,” which starts Oct. 1. This year, the threshold is set at 56 smelt, the lowest ever. Since October, the pumps have sucked in 12, Martarano said.

The smelt aren’t the only fish at threat from pumping. Right now, tens of thousands of endangered juvenile winter-run Chinook salmon also are in the Delta.

In late February, federal officials released into the Sacramento River in Redding about 420,000 juvenile winter-run fish that were raised in a special hatchery, a stop-gap measure to prevent a complete die-off of the genetically distinct fish that spawn in summer along a stretch of river below Shasta Dam.

“They’re in the Delta right now, after carefully taking a few of the wild survivors and nurturing them in the hatchery and releasing them,” said Kate Poole, an attorney at the Natural Resources Defense Council. “So we’re going to wipe those out now? That’s an insane idea.”

The National Marine Fisheries Service said recently that only 3 percent of the wild juvenile salmon survived long enough to make it out to sea last year. It marked the second year in a row that the vast majority of juvenile winter-run Chinook got too hot and died in the Sacramento River.

Maria Rea, assistant regional manager for the National Marine Fisheries Service, said almost all the fish that did survive are in the Delta now, along with about 80 percent of the hatchery-released fish.

John McManus, executive director of the Golden Gate Salmon Association, said their best chance of survival in the Delta is as much fast-moving, cloudy water as possible to protect the Chinook from predators and push them quicker to sea. He said for all the complaining from farming interests about pumping curtailments, agriculture has fared far better in the drought than fish.

“There’s no existential threat to irrigated agriculture commensurate with the existential threat to salmon right now,” he said.

Salmon fishermen are facing a fishing season in peril. Fisheries officials warn there are so few salmon off the coast that they'll likely have to curtail upcoming commercial and recreational fishing seasons.

Hunt, the Bureau of Reclamation spokesman, said there's simply not enough Delta water to make everyone happy. "Given the drought and where we've been," he said, "we still don't have enough in the right places to meet all of the demands."

The good news is more water is on the way.

Sacramento has received 2.35 inches of rain so far this month; that's more than two-thirds what it typically receives for all of March. The National Weather Service said Northern California can expect more precipitation Saturday and Sunday, with the chance of rain tapering off to 30 percent Monday.

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Read more here: <http://www.sacbee.com/news/state/california/water-and-drought/article65587437.html#storylink=cpy>

Wolverton: Pole dispute points to bigger problem with broadband

By [Troy Wolverton, Mercury News Columnist](#)

Posted: **03/12/2016** 09:00:00 AM PST | Updated: about 4 hours ago

The dream of having more competition in the local broadband market seems to be on hold. But perhaps we shouldn't be surprised.

Most folks in this country are lucky to have two broadband competitors, much less a third. And that situation doesn't look like it's going to change much for most people, regardless of how the latest dispute is resolved.

That dispute involves Google's efforts to bring Google Fiber, its super-high-speed broadband service, to the Bay Area. As my colleague Ethan Baron reported Friday, Google's efforts have been stymied in many cities by its inability to get permission to string its wires over the local utility poles. The pole owners -- a collection of companies including AT&T, Comcast and PG&E -- aren't recognizing that Google has a right under California Public Utilities Commission rules to get access to the poles.

However it's resolved, the pole dispute points to a much bigger problem. Even when you have a company as wealthy, powerful and determined as Google, it can be damn hard to build out broadband networks to compete with those already offered by the former local telephone and cable monopolies.

It wasn't supposed to be this way. For the last 15 years or so, regulators at the federal and state level have been promoting the notion that if they just put forward the right deregulatory and pro-investment policies, numerous companies would compete to build out Internet connections to our homes. Broadband would be fast, cheap and plentiful, and we consumers would have multiple choices for going online.

But that's not how things have played out. Compared with residents of other developed countries, we generally pay more and get slower speeds. According to the Federal Communications Commission, some 51 percent of Americans have only one choice among wired providers of what is now considered to be broadband access -- speeds of 25 megabits per second or faster. An additional 10 percent have no options at all for service at that speed.

Those numbers have improved in the past several years. But even so, we're still far from the broadband utopia we were promised.

Hurdles like those being thrown in front of Google by the utility pole owners are one reason. Google has faced similar issues that delayed the build out of Fiber in Austin, Texas, and have halted it in Louisville, Kentucky. In both places, AT&T, which plans to build its own fiber-optic-based broadband network in those cities, blocked Google from access to its poles.

However, those pole disputes are only a small reason for the lack of broadband competition. The primary impediment is a simple one: building out networks is extraordinarily expensive. And no matter what regulators do to try to encourage more investment and competition, that fact simply isn't going to change.

Collectively, providers like AT&T and Comcast have invested hundreds of billions of dollars over the years to build out and upgrade their broadband networks, noted Bruce Leichtman, president and principal analyst at Leichtman Research Group, which focuses on the telecommunications industry. Few companies have access to that kind of money. And the more competitors they potentially face, the less likely they will be to invest that kind of money.

"It's very hard to legislate competition and legislate spending," Leichtman said.

If you're going to be the first or the only broadband provider in a particular area, you may well invest the money. But if you would be the third or fourth, you likely won't, because it likely won't be economically feasible.

Some areas of the country -- San Francisco, say -- are dense enough that it can be profitable to lay down multiple lines, because companies can reach a lot of potential customers without having to roll out a lot of cable. But those areas are few and far between.

"There's a lot of the country where you can only economically sustain one broadband provider. In fact, there's a lot of areas of the country where you can't sustain one," said John Bergmayer, a senior staff attorney at Public Knowledge, a consumer advocacy group.

But even in those cities where it's possible to have multiple providers, many folks aren't likely to see much competition. That's because Google, AT&T and other companies aren't planning on offering the high-speed fiber networks in all areas of those cities. Instead, they're cherry picking neighborhoods, focusing on those that are most likely to sign up for service.

Again, that comes down to an economic decision. The prospective broadband providers are only going to offer service where they're most likely to see it pay off.

Many of you may remember that things weren't always like this. During the dial-up era, consumers often had their choice of dozens of different Internet access providers. But that was because the regulations at the time required the phone companies to open up their networks to competitors. As we moved into the broadband age, the FCC decided to relieve the cable and DSL providers of the same obligation, figuring that the build out of new networks would keep things competitive.

The regulators were wrong and we're still paying for that mistake.

Contact Troy Wolverton at 408-840-4285 or twolverton@mercurynews.com. Follow him at www.mercurynews.com/troy-wolverton or [Twitter.com/troywolv](https://twitter.com/troywolv).



From the **Silicon Valley Business Journal**:

<http://www.bizjournals.com/sanjose/news/2016/03/14/diocese-of-san-jose-still-has-hope-for-morgan-hill.html>

Diocese of San Jose still has hope for Morgan Hill school site

Mar 14, 2016, 2:13pm PDT

The Diocese of San Jose is not giving up on plans for a new high school in southern Santa Clara County despite a major setback last week.

The church's intentions were nearly lost in all the discussion of Morgan Hill's controversial plans to annex more than 200 acres just outside the city's limits. Most attention was focused on the city's hope to use the land for sports, recreation and leisure projects that would generate revenue for an agriculture-preservation program.

But the annexation would have also brought into the city about 40 acres that the Diocese has assembled for a new, 1,600-student school. That land needs to be annexed to become developable and hook up with services.



GOOGLE MAPS/NATHAN DONATO-WEINSTEIN

The yellow outline shows the land acquired by the Diocese of San Jose.

That's not happening anytime soon after the Local Agency Formation Commission voted against the annexation on Friday. You can read more about that decision [here](#).

Join the conversation: Follow @SVbizjournal on Twitter, "Like" us on Facebook and sign up for our free email newsletters.

Bob Serventi, chief financial officer for the Diocese of San Jose, told me on Monday that the church planned to hold onto the land and try again another day.

"At some point we'll come back and talk to them," he said. "We do have a need. The South County is growing, and there's a need for a high school and parishes down there."

The Diocese counts about about 16,500 students in its school system, with 14 preschools, 29 K-8 elementary schools and six high schools. While its lower-grade schools stretch from Gilroy to Palo Alto, there are no high schools south of San Jose.

"We know there's a lot of kids going north. And there are a lot of kids going south or west into Watsonville or Salinas. Why not keep them in the valley?" Serventi said.

The Diocese acquired the land in two transactions, each roughly 20 acres. One occurred in 2008, the other in 2012. The property is located along Murphy Avenue between Barrett and Tennant avenues.

At Friday's LAFCO hearing, Commissioner Johnny Khamis sought to make a motion that would have allowed Morgan Hill to annex just the school site. But the majority of commissioners were not comfortable with that, because it could have meant approving the environmental impact report for the entire area.

It's possible the issue could come up again, but Serventi couldn't say how long it would be.

"We think five to 10 years down the road," he said.

Nathan Donato-Weinstein
Real Estate Reporter
Silicon Valley Business Journal



Former Doctors Medical Center in contact to become hotel

By [Paayal Zaveri](#)

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(<http://richmondconfidential.org/author/paayal-zaveri/>)

Posted March 14, 2016 4:02 pm

Since [Doctors Medical Center](http://richmondconfidential.org/?s=doctors+medical+center) (<http://richmondconfidential.org/?s=doctors+medical+center>) closed its doors last year, its tall white buildings in San Pablo, California, have stood empty. However, the property may soon have a new use under a pending \$13.5 million sales contract to a boutique hotel operator based in Davis, California.

The board of the West Contra Costa Healthcare district, which owns the hospital, accepted Royal Guest Hotels' offer in January, spurning higher bids because according to a [staff report](http://wcchd.ca.gov/wp-content/uploads/2016/01/BOD-Packet-01-11-16-1.pdf) (<http://wcchd.ca.gov/wp-content/uploads/2016/01/BOD-Packet-01-11-16-1.pdf>), the other deals would "take too long to close and were too speculative." The deal with Royal Guest Hotels may close within the next four months.

Doctors Medical Center (DMC) [stopped seeing patients on April 21 of last year](http://richmondconfidential.org/2015/04/22/community-members-mourn-the-closure-of-doctors-medical-center/) (<http://richmondconfidential.org/2015/04/22/community-members-mourn-the-closure-of-doctors-medical-center/>), after years of financial struggles. Officials attributed the hospital's financial failure to low reimbursement rates for Medi-Cal and Medicare patients, who made up about 80 percent of the hospital's patients. However, selling the hospital's buildings is just the first step toward alleviating the healthcare district's monetary troubles.

The board hopes that the money from the sale of the property will help fill the district's [\\$20 million dollar budget deficit](http://richmondconfidential.org/2015/04/22/community-members-mourn-the-closure-of-doctors-medical-center/) (<http://richmondconfidential.org/2015/04/22/community-members-mourn-the-closure-of-doctors-medical-center/>). The healthcare district expects to get another \$725,000 from selling its medical equipment. This would give the district a total of \$14.2 million towards paying off its debt. The healthcare district will also continue to receive money from property taxes and a 2004 parcel tax to help pay down its debt and meet other expenses.

Money from sales of the hospital's property and equipment would also help meet continuing financial obligations to former hospital employees including unemployment insurance, pensions, retiree healthcare benefits and worker's compensation, said Eric Zell, chair of the West Contra Costa Healthcare district's board of directors.

"We have about \$15 million in employee-related expenses that we need to pay, and so the only way we can pay it is by selling off the property," Zell said. Seven employees remain on the healthcare district's payroll.

In yet another ongoing obligation of the shuttered hospital, the healthcare district is responsible for storing medical records of all of the patients cared for during its 50 years of service. Under the law, the district needs to store records for seven years after a patient is discharged. To make sure former patients have easy access to their records, the district plans to scan all the paperwork by

contracting with an outside organization. This is estimated to cost \$425,000 in 2016 and that cost will go down over time, said Harold Emahiser, the district's outside financial advisor.

According to its website, purchaser Royal Guest Hotels (<http://www.royalguesthotels.com/>) (RGH) manages five hotels: University Park Inn & Suites, Best Western Plus Palm Court Hotel and Aggie Inn, in Davis; and Hotel Med Park and The Inn Off Capitol Park, in Sacramento. The company would renovate the Doctors Medical Center buildings to build a hotel on that site.

RGH staffers declined to comment on plans for the property, explaining that the company has not closed the deal yet. The company has four months before it is required by its purchase of sale agreement with the healthcare district to close the deal. John Troughton, vice president of Kennedy Wilson, the real estate group that represented the district, said during this period the hotel group is looking at the features of the property and confirming that its plans can be achieved as envisioned.

Zell said the board hopes the hotel group closes the deal earlier, so the district can meet its obligations to former employees.

If the deal with RGH closes, the healthcare district will end its second quarter of 2016 with \$10.5 million, after paying continuing expenses. However, it may need to seek loans or other assistance to meet expenses until June, Emahiser said.

A staff report from the healthcare district states that the staff were told that San Pablo city officials "played a key role in encouraging RGH to make a bid," on the property.

However, city officials said until a deal goes through and the city receives a proposal detailing RGH's plans for the site, they cannot definitively say what impact a hotel would have on the community. RGH would need to gain the necessary city permits, zoning and environmental review from San Pablo to move forward with its plans.

One possibility is that a hotel could provide jobs, said San Pablo Mayor Rich Kinney.

"We want to see that former Doctors Medical Center site be an economically active area, whether it's this transaction or any other transaction," said Reina Schwartz, assistant city manager for San Pablo. "But having that be a source of economic activity and jobs and services to the community, that's really the value of moving forward with a development on that site."

Troughton added that business growth in West Contra Costa creates a higher demand for hotels. In particular, the growth of ecommerce encouraged many companies to buy warehouse space in Richmond.

He added that many companies have hotel demand that goes all the way to renting hotel rooms in Emeryville.

The healthcare district said any viable medical or healthcare options would be given greater consideration than other offers. However, district representatives said that no feasible healthcare options were presented to them.

The Salvation Army made an offer over summer but withdrew it, the district staff report states. Another offer came from Drever Capital for \$19 million, which proposed turning the hospital into

a dementia facility. This was withdrawn as well. V Covington LLC, also known as U.S. Healthvest, and Central Valley Specialty Hospital also made offers that did not pan out.

Zell said that the offer to the district that was simultaneously the most viable and most lucrative came from the small hotel operator RGH. "If we're going to sell it, we need to get the maximum value of the land that we can, if we can't serve the basic mission of the healthcare district," he added.

But crafting a fiscal solution to paying down DMC's debts leaves still a gap in healthcare for the region, officials said. When Doctors Medical Center closed, the number of emergency room beds in West Contra Costa County dropped from 40 to 15. That's the loss that hit the hardest, said Contra Costa County Supervisor John Gioia.

"The sale of this hospital should not mean the end of trying to find a solution to bring back a smaller emergency room hospital in the future," Gioia said.

LifeLong Immediate/Urgent Care, across the street from DMC, has been able to meet some of the healthcare needs provided by an emergency room, but hasn't replaced it. Patients and employees still feel the aftermath of the hospital closure, which Richmond Confidential covered in an [earlier article \(http://richmondconfidential.org/2015/12/13/the-aftermath-of-doctors-medical-centers-closure/\)](http://richmondconfidential.org/2015/12/13/the-aftermath-of-doctors-medical-centers-closure/).

Zell said that money from property taxes and the 2004 parcel tax and will go towards paying off debt until 2021. When their debt is paid, they can explore how to use that money to support healthcare needs in West Contra Costa County.

"There's other healthcare districts throughout the state that don't run hospitals and that support healthcare in other ways," Zell said. "That's a decision of a future board."

2 Comments

Geri Yancey

March 16, 2016 at 12:04 am

I would like information for the remaining employees. In particular their salaries and position. We had some administrative personnel that made very high salaries. I would hope that is not still the case. It would be difficult to explain if they are no longer on site. This is public information. I would like this issued clarified. Thank you

Ylan

March 21, 2016 at 5:17 am

Agreed!!

Contra Costa Times

East Bay cop involved in controversial traffic stop suspended with pay; interim police chief under investigation

By Thomas Peele, Tpeele@bayareanewsgroup.com

Posted: 03/11/2016 02:41:58 PM PST

Updated: 03/14/2016 06:45:40 AM PDT

KENSINGTON -- A police officer involved in a controversial traffic stop of an elected official last year has been placed on paid suspension as a final decision on potential discipline is being made, interim police Chief Kevin Hart announced Thursday night.

But in another twist in the ongoing saga of this hillside town, Hart himself is now the subject of an investigation related to that incident.

Members of the town's police board agreed Thursday to hire an outside lawyer to probe allegations that Hart had inappropriately revealed details of the internal affairs investigation of officers Juan Ramos and Keith Barrow for their part in a traffic stop outside town limits of police board member Vanessa Cordova. The decision came during a closed session Thursday night, which Cordova did not participate in.

Neither Hart nor Len Welsh, the Kensington Police Protection and Community Services District president, returned messages Friday.

Hart announced at the same meeting that Ramos has been suspended with pay as the probe continues. He told residents that action does not mean the officer will or won't be disciplined.

Cordova received written notice Friday that the board has authorized an investigation into a complaint she brought against Hart, alleging that he revealed details of the traffic stop investigation at a meeting with residents last month and said she was acting violently when she first went to the police station to make a complaint, which she denies.

"Hart told residents that my version of the traffic stop was not true," Cordova wrote in a complaint, and that Hart told residents she was "violent" and "throwing things " when she was at the police station about an hour after she was pulled over by Ramos and Barrow in Berkeley on Oct. 7. People at the meeting have told this newspaper they heard Hart make the comments.

"He was describing her as being hysterical and out of control," resident Simon Brafman said. Hart's remarks "were highly inappropriate."

The interim chief said she threw things, including a phone, Brafman said. "I think he wanted people to think she was hysterical at his office so she couldn't be believed about what happened earlier."

In an email Friday, Cordova wrote that Hart's alleged statements are "not only untrue but so innately harmful that I consider them to be defamatory."

Both Brafman and another person present at the small gathering at a private home, Andrea Lingenfelter, said Hart claimed Ramos and Barrow had offered an innocent reason why they were in Berkeley, where they pulled Cordova over.

Hart said Barrow asked Ramos to drive him to a convenience store in Berkeley because "Barrow wanted to stop off and get a Red Bull," Lingenfelter wrote in an email.

It was the theft of Barrow's gun and badge by a Reno prostitute that set off a political storm here last year that has not ceased. At Thursday's meeting, resident Lori Trevino said district phone records she obtained under the public records act raise new questions about when board members first knew about the weapon theft.

Trevino said phone records show a series of calls from Barrow to former chief Greg Harman on the day the gun was stolen, and Harman exchanging three calls with Welsh the same day. Welsh has said he had no direct knowledge of the gun theft around the time it occurred and didn't want to know facts about it in case Barrow appealed any discipline to the board of directors.

Follow Thomas Peele at [Twitter.com/thomas_peele](https://twitter.com/thomas_peele).

Morgan Hill Times

LAFCO denials leave property owners, city wondering what's next

Posted: **Monday, March 14, 2016** 4:48 pm

Morgan Hill's boundaries won't be expanding by more than 300 acres any time soon, after the Santa Clara County Local Agency Formation Commission voted March 11 to deny two annexation requests by city officials.

Following four hours of public comment and discussion, the seven-member commission voted 5-2 to deny the city's proposal to expand its Urban Service Area around 229 acres of farmland in the Southeast Quadrant (SEQ).

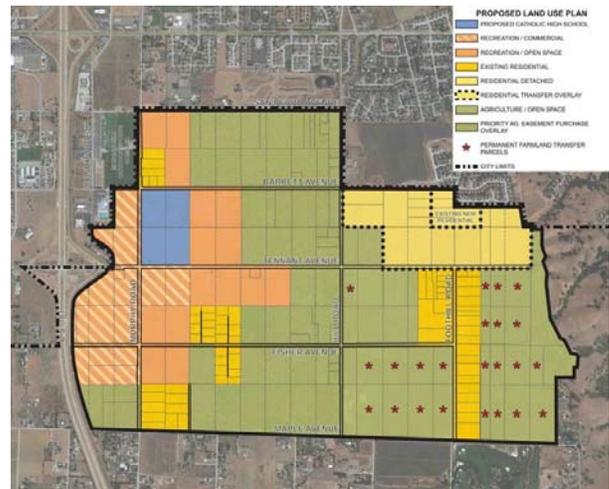
That motion followed a failed effort by three of the commissioners to annex only the 40-acre portion of the SEQ project that is tagged as the future site of the private St. John XXIII Catholic High School. Commissioner Johnny Khamis (San Jose City Councilmember) joined Commissioners Mike Wasserman (county supervisor) and Cat Tucker (Gilroy Councilmember) to support that partial annexation.

Only Wasserman and Tucker opposed the denial of the entirety of the SEQ plan—a motion made by Commissioner Susan Vicklund Wilson.

Ultimately, the majority of the commission agreed that the SEQ annexation would violate LAFCO's primary duties: to limit urban sprawl, encourage infill development in existing city boundaries and to preserve farmland and open space.

Although the LAFCO decision was not a complete surprise—the commission's staff issued a scathing report in February recommending denial of the city's proposals—the dismay among SEQ proponents was palpable in the county meeting chambers following the vote. City officials, farmers, SEQ property owners, youth sports advocates and the San Jose Diocese spoke in favor of the plan during the March 11 public comments.

“We are obviously disappointed that what's been a 10-year planning process has been denied in such a dismissing fashion,” City Councilmember Larry Carr said. “But that doesn't mean Morgan



Proposed land use plan, Southeast Quadrant

This map, produced by the City of Morgan Hill, shows the proposed land uses in the 1,200-acre Southeast Quadrant.

Hill is going to stop trying to preserve agriculture. The landowners have hung in there for 10 years, and now a yet-to-be-defined county process is going to ask them to hang on longer.”

The county-led process Carr referred to is the Sustainable Agricultural Conservation Framework. The county and the Santa Clara Valley Open Space Authority received a \$100,000 grant last year to work on the framework, which would apply a regional effort to preserve prime farmland on urban edges throughout Santa Clara County—similar to the SEQ properties the city proposes developing into sports fields and related commercial uses (with a new Sports-Recreation-Leisure zoning).

The draft countywide framework won't be complete until 2017, after which the county will compete for a share of \$40 million in public cap-and-trade funds to preserve farmland.

This countywide effort to preserve ag and the city's ag mitigation plan in the SEQ have been seen by observers as competing interests leading up to the March 11 vote.

“It's really troubling that the city has been at this for 10 years, and yet haven't heeded the siren call of so many organizations and individuals” who have consistently pointed out the SEQ project's shortfalls, Commissioner Linda LeZotte said at the March 11 meeting. “The city is part of a region and state that has an interest in preserving agriculture. There are a whole slew of things this project doesn't conform to.”

LeZotte and other commissioners said the city's boundary expansion request and proposed “conversion of prime farmland” are “premature.”

Added Commissioner Sequoia Hall, “I know (the city) is dedicated to a path of a sustainable living community, but I don't think this plan gets us all the way there... We should be focusing on more regional cooperation, and get rid of this ‘doing it yourself’ mentality. This (SEQ) ag preservation plan is a little more ‘do it yourself.’”

And while most of the commissioners agreed there is a need for a new high school in South County, as well as more youth sports facilities in Morgan Hill, a motion by Wasserman to annex only the future Catholic high school property failed.

“I want to support the high school, I want to see ball fields, but they need to be aware of where they are going in the community,” Hall added. “Ball fields are commercial. The (proposed) SRL complex should be treated more commercially. Sports fields should be planned where the community is... You should not go outside your jurisdiction—rezone and be creative within your jurisdiction.”

City Manager Steve Rymer said in his 15-minute presentation on the SEQ plan that a key aspect of the project is to embrace the already growing reputation of Morgan Hill as a regional youth sports destination, and build more facilities that can achieve that goal. Last year, the city paid \$5.3 million to purchase 22 acres of farmland in the SEQ to build baseball/softball fields (next to the

intersection of Tennant Avenue and U.S. 101).

Development of these facilities in the 229-acre SRL district would finance agricultural preservation farther east in the SEQ with mitigation fees, which would be supplemented by up to \$6 million in the city's open space fund.

Although LAFCO staff and commissioners noted that the city has plenty of vacant land inside its city limits on which to build sports facilities, Rymer noted most of this land is commercial and industrial, and thus not suitable for such uses.

"We don't believe using our vacant commercial lands (for sports) is a responsible use of those lands moving forward," Rymer told the commission.

A total of 50 members of the public spoke during the March 11 public hearing before the commission voted on the SEQ proposal. Those opposed to the plan included environmental and open space advocates as well as interested residents.

Bible Church, mushroom farm annexation denied again

Not to be overlooked on the March 11 LAFCO agenda was another application by the city to expand the USA around about 70 acres in southwest Morgan Hill, south of Watsonville Road.

The commission voted 4-3 in favor of denying the request, with Wasserman, Tucker and Khamis opposed.

The annexation request of the area known as "Area 2" included Royal Oaks Mushrooms' property, Oakwood School, Morgan Hill Bible Church, adjacent residential properties, a strip mall and other remaining farmland.

The city wanted to expand the USA in order to make its borders more orderly, and bring in some of the properties to the USA that are already in the city limits, according to the city's application.

Owners of the Morgan Hill Bible Church property supported the annexation because they want to take advantage of nearby city services and infrastructure.

During commission discussion, Khamis said it is "almost ridiculous" to not allow the church to hook up to nearby sewer lines, which would eliminate their need to maintain a septic leach field on the property.

Royal Oaks owner Don Hordness plans to move his agricultural operation to another area and sell his Morgan Hill site for a 123-unit senior housing complex. He presented LAFCO with an executed agreement with the city to pay mitigation fees to permanently preserve an equal acreage of agricultural land elsewhere in town in exchange for building on top of his existing farmland.

"It should be stated this (agreement) is the first of its kind in the county," Hordness told the commission. He added that the area surrounding the mushroom farm on Watsonville Road is no

longer compatible with agriculture, with increasing traffic and the “odiferous effects” on growing residential neighborhoods and the K-12 school.

Carr said after the meeting that the commission’s vote on Area 2 was “even more shocking” than the denial of the SEQ plan. He added that LAFCO, county planning, the OSA and others keep telling the city that its agricultural mitigation plan is inadequate, but they have never specified exactly what is missing or how it could be improved.

In 2013, LAFCO considered an earlier request to annex the same properties. That request was denied because the city and Hordness did not have a plan to mitigate the loss of agriculture. Now that such a plan is in place, LAFCO staff and a majority of commissioners think it doesn’t do enough to preserve farmland.

By [Alex Breitler](#)

March 15, 2016 6:24PM

Delta growers' voluntary water cuts reap savings

In the darkest days of the drought last summer, when farmers up and down the Central Valley feared the state would cut off their water supply, a strange thing happened in the Delta.

Hundreds of growers agreed to voluntarily give up a share of their extraordinarily reliable water supply, in exchange for protection from the possibility of deeper, mandatory cuts.

Stranger still, some farmers actually invited state regulators to come and inspect their fields and make sure they were doing as they had promised.

"I think there was a lot of pride in this project," said Michael George, the Delta "watermaster" for the State Water Resources Control Board. "It was a great example of how we might manage our water intelligently without having to do it through judges and lawyers and regulators."

Ultimately, according to a newly released report, the growers diverted about 32 percent less river water last summer than they did in 2013. The goal had been 25 percent.

To be sure, Delta farmers weren't necessarily thrilled with the grass-roots plan — at least, not at first. Some warned at the time that it wasn't voluntary at all, since the threat of mandatory cuts was looming. Others worried that giving up some water would compromise their disputed claim to some of the state's most senior water rights.

In the end, the voluntary reductions may well have reduced water demand enough to prevent the much-feared mandatory cuts, George said.

And, at a time when agricultural water use was under heavy scrutiny in California, Delta farmers were featured nationally in the New York Times and other publications.

"I think it was definitely good publicity," said Mike Robinson, who grows alfalfa on Roberts Island west of Stockton and reduced his own diversion from the Delta by 33 percent.

"This hopefully hits home with Californians who are not really up to speed with agriculture, or those in urban areas who may have been faced with a 25 percent mandatory reduction," Robinson said Tuesday. "It shows agriculture is doing our part and that we have exceeded the goal."

Rarely must Delta growers worry about water shortages. Many of their lands are directly adjacent to streams and sloughs, allowing them to claim very senior riparian water rights. When farmers lower on the pecking order in the San Joaquin Valley or elsewhere in California are cut off, Delta farmers usually keep right on pumping.

Of late, southland water users have accused the Delta farmers of illegally diverting water that was stored in upstream reservoirs, water to which they are not entitled. That dispute simmers on.

But, the new report concludes, the voluntary program allowed Delta farmers to make "tangible sacrifices to 'share the pain' of the drought, without waving their fiercely defended water right claims."

Farmers spread across two-thirds of the central and south Delta signed up for the program, submitting 217 separate plans on how they would achieve 25 percent savings.

In most cases, the farmers didn't simply fallow large swaths of land. They found other, often creative, solutions to reduce water use.

Some alfalfa growers sacrificed a cutting or two. Corn growers harvested earlier than usual, using their crop for dairy silage rather than grain — which, in turn, created a glut in the local market and brought down the price, bad news for those farmers.

While the summary report doesn't attempt to quantify the economic hardship caused by the reduction in water use, there is no doubt that Delta growers made some real sacrifices in the quality and quantity of their crops, George said.

And yet, the farmers continued to reduce their water use even after it became clear at about the beginning of August that the much-feared mandatory cuts would not materialize.

"I really think there was a sense that a deal's a deal, and 'we don't cheat,' " George said.

Only about a dozen of the 217 plans did not meet the 25 percent goal. No penalties were issued, George said; those deeper cuts, after all, never happened, making it a bit of a moot point.

While conditions in California have improved significantly over the past few months, George said last summer's "experiment" may help Delta farmers and officials deal with future droughts.

It may also help experts with a larger, ongoing study looking at how much water Delta crops actually consume. The low-lying Delta is different than other agricultural areas because of seepage from river channels and shallow groundwater. In some cases, growers say, reducing diversions to Delta farms may not actually save water.

Indeed, while diversions decreased 32 percent last summer, officials aren't able to say how much river water was actually conserved for other purposes, George

said.

But, he added, "There is absolutely no question in my mind that this experiment, this voluntary action that was taken, has dramatically improved our understanding," he said. "I'm proud of this program and I want Delta farmers to get the credit."

— *Contact reporter Alex Breidler at (209) 546-8295 or abreidler@recordnet.com. Follow him at recordnet.com/breidlerblog and on Twitter @alexbreidler.*

<http://www.recordnet.com/article/20160315/NEWS/160319820>

Print Page

Community reacts to SEQ denial

Posted: **Thursday, March 17, 2016 11:33 am**

What will become of nearly 1,200 acres of prime farmland in the Southeast Quadrant now that the Santa Clara County Local Agency Formation Commission has denied the City of Morgan Hill's request to annex a portion of the property?

There are both long-term and short-term answers to that question. The city's plan was to expand its Urban Service Area around 229 acres and turn it into a Sports-Recreation-Leisure district, using developer fees and existing local open space funds to purchase permanent agricultural easements on other farmland elsewhere in the SEQ .

But LAFCO shot down that plan March 11.

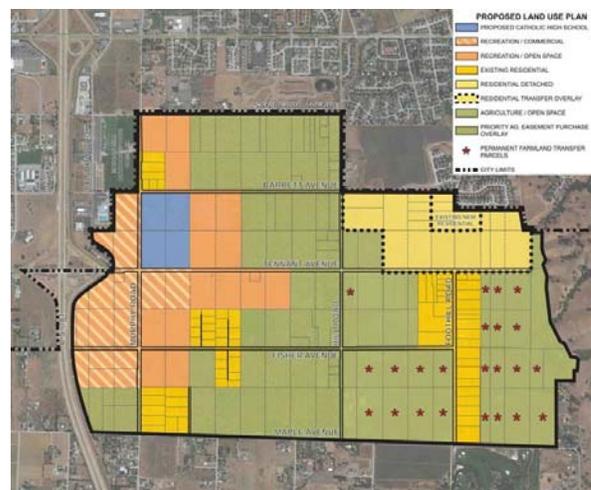
County authorities, environmental nonprofits and the Santa Clara Valley Open Space Authority are working on a regional ag preservation framework, which is expected to be complete in 2017. At that time, the county can compete for a share of \$40 million available statewide through cap-and-trade funds, but that funding isn't guaranteed. This is the long-term goal.

The county recently received a \$100,000 "Sustainable Agricultural Lands Conservation" grant to draft this framework.

Committee For Green Foothills Environmental Advocate Julie Hutcheson said despite the anticipated fierce competition for the cap-and-trade funds, the fact that Santa Clara is one of only three counties in the state to receive the SALC grant is a good omen.

"This is what we've been saying for years: step back and take a look at this from another perspective," Hutcheson said of the city's and county's competing ag preservation proposals following the March 11 meeting. "The county is very serious about protecting the agricultural resources in this part of the county. Their involvement may help secure funding in purchasing agricultural easements. It's a very hopeful process."

In the meantime, without any restrictions on the SEQ farmland, most of it can be developed into five- to ten-acre residential lots, under current county zoning. The most recent occurrence of this



Proposed land use plan, Southeast Quadrant

This map, produced by the City of Morgan Hill, shows the proposed land uses in the 1,200-acre Southeast Quadrant.

possibility is seen on Trail Drive, where five “McMansion” estates—in the parlance of some members of the public who spoke at the March 11 meeting—are under construction on roughly five-acre lots each.

“We feel good that we set the bar pretty high; we’re the only city in the county that has (an agricultural preservation) program,” said developer Gordon Jacoby, a longtime proponent of the city’s SEQ ag preservation plan and SRL district. However, he added that SEQ property owners might not wait for the county’s ag plan without any guarantees, since they are “getting older” and not as interested in farming as they used to be.

Jacoby sold a 22-acre agricultural parcel in the SEQ to the City of Morgan Hill last year for about \$5.3 million. The city intends to one day build baseball and softball fields on the site. The sales contract with the city allows Jacoby to retain a portion of the site for a future commercial development.

David Puliafico and his family own a 38-acre site on Tennant Avenue, which is also tagged in the city’s proposed SRL district for future sports fields. Puliafico said at the March 11 LAFCO meeting that his family has farmed the property in the past, but they don’t now and they never will.

“We could have sold this property for five McMansions years ago,” Puliafico told the commission. “We believe in the city’s plan, for thousands of children to come play on our land. This is prime spot for the kids to come.”

Angelo Grestoni of Top Flight Sports Academy said he left the March 11 meeting “really upset” about LAFCO’s decision. He owns a nearly four-acre parcel near the intersection of Tennant Avenue and Condit Road, where he hopes to one day build an indoor basketball facility.

His gripes had as much to do with the procedural aspect of the meeting as the merits of the commission’s decision, which also nixed plans by the San Jose Diocese—at least temporarily—to build a new private Catholic high school in the SEQ.

“They didn’t take any time to understand the city’s position,” Grestoni said. “Here’s a perfect opportunity by the city to do something to enhance sports for the youth and bring in a Catholic high school. That has to be valuable for a community.”

Don Hordness, a longtime farmer and owner of Royal Oaks Mushrooms on Watsonville Road, was at the rejected end of a second annexation request, by a narrow 4-3 vote, at the March 11 LAFCO meeting. Hordness took exception to the idea that the OSA is going to run any future agricultural easements in the area, rather than experienced farmers.

“The Open Space Authority has no farmers on their board. This is within the City of Morgan Hill’s sphere of influence, and they need to be the ones that control this land,” Hordness said. “The future of ag in the county has got to be with the people who are working the land.”

SFGATE

http://www.sfgate.com/bayarea/article/March-rain-prompts-California-to-boost-water-6920971.php

March rains prompt California to boost water project deliveries

By **Kurtis Alexander** Updated 8:54 pm, Thursday, March 17, 2016



IMAGE 1 OF 47

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Lake Oroville has rebounded from 2014, when lake levels were extremely low.

California officials announced Thursday that recent rains have been so substantial that more water will be provided to cities and farms from the state's massive reservoir system.

Deliveries from the State Water Project are now forecast to be 45 percent of what was requested, still less than what's supplied during most wet years but more than what's been allocated since the first year of the drought.

Erosion Reveals Old Pipes At A Pacifica Beach

CBS San Francisco

[SF Bay Area](#)



Autoplay: On | Off

Officials in December had projected a mere 10 percent allocation, but they have steadily increased the number as winter storms have raised water levels in the state’s 34 lakes, reservoirs and storage centers. Lake Oroville, the largest reservoir in the state system, was 77 percent full Thursday, having surpassed where it normally stands at this point in the year earlier this week.

Twenty-nine public agencies buy water from the State Water Project — and ultimately serve about two-thirds of Californians. Many agencies have had to severely cut back in recent years as a result of limited deliveries, with some imposing hefty restrictions on residents. The communities of Livermore, Pleasanton, Dublin and San Ramon, which get their water from the **Zone 7 Water Agency**, have been among these.

RELATED STORIES



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Thursday’s forecast could prompt some easing of widespread water rules.

While the wet weather this month has benefited the State Water Project, not all reservoirs have recovered from the drought. San Luis Reservoir in Merced County and Lake Perris in Riverside County are hovering at just half as full as they normally are at this time.

“February reminded us how quickly



days

California's weather can turn from wet to dry," **Mark Cowin**, director of the state Department of Water Resources, said in a statement. "The lesson of this drought is

that we all need to make daily conservation a way of life."

The federally run Central Valley Project, which similarly provides mountain-fed water to much of the state, has not yet projected how much water it will supply this year.

Kurtis Alexander is a San Francisco Chronicle staff writer. Email: kalexander@sfchronicle.com Twitter: @kurtisalexander

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H E A R S T

Council laments denial of SEQ project

Posted: **Friday, March 18, 2016** 3:56 pm

Downtrodden city officials and landowners vented March 16 about a county commission's decision to deny their plans for the Southeast Quadrant and properties south of Watsonville Road.

Comments at the council meeting reflected deep frustration with the Santa Clara County Local Agency Formation Commission's March 11 rejection of the city's push to build athletic fields and preserve farmland in the SEQ. City staff and property owners have been working on the plans for more than 10 years.



Marilyn Librers

Councilmember Marilyn Librers said March 16 she was “deeply saddened” by LAFCO’s decision and the fact that public discussion of the SEQ project has “divided our community in many ways.”

She added, “People that opposed us and these ideas, I think, really didn’t understand what we were trying to do. Shame on them for not being more educated. What we’re doing is trying to do is preserve the Southeast Quadrant to be ag and some development, not to become sprawl as (opponents) said.”

Councilmember Larry Carr wondered what exactly LAFCO had in store for preserving the agricultural land in the SEQ. He wants to know how the county’s effort to use a share of \$40 million in statewide cap-and-trade funds for this purpose is going to work.

“How much longer (is LAFCO) going to ask our community to wait to hear some more thoughts, or some new thoughts (on ag preservation)?” Carr said.

Open space advocates have said they prefer to use the cap-and-trade funds to preserve local farmland with a regional effort, but this money won’t be available until at least 2017 and is not guaranteed for Santa Clara County. The county and the Santa Clara Valley Open Space Authority are spearheading that plan.

Carr added that LAFCO commissioners’ reasons for denying the project “still baffle” him.

At the March 16 council meeting, City Manager Steve Rymer repeated the presentation on the SEQ that he gave to LAFCO March 11. Rymer and other proponents were unsuccessful in their bid to convince that body to accept the city’s proposal to bring 229 acres of farmland in the area

east of U.S. 101 into the Urban Service Area.

“We still truly believe we all have the same goal in mind” when it comes to preserving agriculture, Rymer said.

At the March 11 meeting, LAFCO voted 5-2 to block the city’s plan. The commission also voted 4-3 to reject a second annexation proposal for about 70 acres south of Watsonville Road, on the southwest side of town; those parcels included the Morgan Hill Bible Church and a portion of Royal Oaks Mushrooms.

The city planned to develop a new commercial Sports-Recreation-Leisure district in the SEQ that would fund the purchase of easements to preserve farmland farther east in the SEQ. It also included the development of a new Catholic high school on about 40 acres in the area of Tennant and Murphy avenues, owned by the San Jose Diocese.

LAFCO’s denial put a halt on these plans.

Librers also addressed comments about the SEQ on local social media pages. “If any of these social media groups are listening tonight, would you please take the time to call Mr. Rymer, or any of us on the council (to) find out what the truth is before you run your mouth off and go off on these tangents of how we’re just a bunch of crooks trying to ruin South County.”

Rymer and others have noted that without an ag preservation plan, SEQ property owners right now can develop their land into five- to 10-acre residential estate lots.

“We want to preserve it, but those property owners said that they have waited for 10 years, and they may not wait any longer,” Morgan Hill resident Brian Sullivan told the council.

Developer Gordon Jacoby, who sold about 22 acres of farmland in the SEQ to the city for the future use of baseball and softball fields last year, recommended the council wait “about a year” and see what the county and OSA’s plan is for any share of cap-and-trade funds they might receive.

Jacoby added it was “very wrong” for LAFCO to suggest the city use existing vacant industrial land for sports uses, but the city might have to concede by asking those property owners if they would be open to such recreational development.

Pittsburg: Tuscany Meadows housing project comes to council Monday

By [Sam Richards, srichards@bayareanewsgroup.com](mailto:srichards@bayareanewsgroup.com)

Posted: 03/18/2016 06:57:52 PM PDT | Updated: about 9 hours ago

PITTSBURG -- The City Council is poised to approve on Monday night a development agreement and other requirements related to the proposed 917-house, 365-apartment Tuscany Meadows project on Pittsburg's southeast corner.

In addition to helping the city meet its regionally required state affordable-housing mandates, developer fees from the Tuscany Meadows project would also provide an estimated 65 to 70 percent of the \$56 million cost of the long-planned Buchanan Bypass.

Also known as the James Donlon Boulevard Extension, the bypass would connect that roadway at the west side of Antioch with Kirker Pass Road. It has been championed as a safety valve route for the often congested Buchanan Road on Pittsburg's south side, and roundly criticized by environmental groups.

Tuscany Meadows would be built by Seecon Built Homes Inc., a Seeno family company.

In addition to the development agreement, other potential approvals Monday involve approving of California Environmental Quality Act findings and starting Local Agency Formation Commission proceedings, as the subdivision land would have to be annexed into Pittsburg.

The meeting starts at 7 p.m. at the City Hall council chamber, 65 Civic Ave.

Contact Sam Richards at 925-943-8241. Follow him at [Twitter.com/samrichardsWC](https://twitter.com/samrichardsWC).

Contra Costa Times

Antioch turns attention to plans for up to 4K homes in southeast

By Rowena Coetsee, rcoetsee@bayareanewsgroup.com

Posted: 03/21/2016 01:29:00 PM PDT | Updated: 43 min. ago



ANTIOCH -- Planning commissioners here have agreed that preserving hills and medium-density housing should take precedence over commercial development on a large swath of open space in the city's southeast corner.

Antioch Planning Commission recently arrived at the consensus during its first recent formal discussion of the 2,712 acres known as the Sand Creek Focus Area.

The city is updating its General Plan -- a document that describes in broad terms where and how Antioch will develop -- and the future of this 4.24-square-mile area is generating considerable interest among residents and environmental advocates concerned about the implications of building up to 4,000 homes there as the city grapples with the demand for affordable housing.

"I do hear quite a bit," said Planning Commission Chairman Kerry Motts of comments he receives from the public. "It seems to me that most people I've talked to, the only thing they do pay attention to is why Antioch is building any homes at all. There's a really strong sentiment about that."

Commissioners acknowledged at their meeting that it makes more sense to allow medium densities of residential construction in the northern portion of the Sand Creek Focus Area as well as its eastern edges, which are closest to a Brentwood shopping center and the Highway 4 bypass.

The Planning Commission also thought that homes should be off-limits on hills west of Deer Valley Road; east of that thoroughfare, it said builders should grade slopes to look as natural as possible and stick to medium-density projects.

In addition, commissioners recognized the benefits of giving developers the option of moving homes originally planned for hillsides to flat areas in return for permission to build more units there.

Although some members said they don't want lots less than 4,200 square feet -- the smallest residential lots in Antioch are usually about 6,000 square feet -- the group has yet to decide on a recommendation.

Commissioners have not settled on the housing densities they want, either.

However this area develops, it won't be happening anytime soon, said Community Development Director Forrest Ebbs.

The city typically issues about 200 building permits a year, which means it will take about two decades before the Sand Creek Focus Area is fully developed, he said.

But that doesn't allay the concerns of residents like Gil Murillo, who lives near its border.

He wonders whether building thousands of more homes will undermine public safety, noting that Contra Costa County Fire Protection District has no plans to build a station in that area.

What's more, Murillo thinks the additional traffic on Deer Valley Road -- the only local major artery -- could impede ambulance service to the Kaiser Permanente hospital nearby.

Wendi Aghily also is keeping a close eye on the city's plans.

She's concerned about the imbalance between residential and commercial development in Antioch, saying the city's rapid growth over the past couple of decades has resulted in too many homes and not enough jobs.

"We're overburdened with rooftops," Aghily said, noting that the dearth of local employment opportunities discourages college graduates who grew up here from making Antioch their permanent home and saddles others like her with brutal commutes.

Getting to her job in Concord often takes more than an hour, Aghily said, noting that it takes 20 minutes in the mornings just to merge onto Highway 4 from the A Street onramp.

She predicts that many of the new homes in the Sand Creek Focus Area won't be owner-occupied because buyers won't want to endure the long commutes themselves.

"It's troublesome for me," Aghily said.

The Planning Commission will revisit the Sand Creek Focus Area on May 18, when discussions will include whether to build senior housing in that part of town.

Ebbs said commissioners will hold at least two more meetings on development there.

Reach Rowena Coetsee at 925-779-7141. Follow her at [Twitter.com/RowenaCoetsee](https://twitter.com/RowenaCoetsee).

Contra Costa Times

California health exchange threatens to cut underperforming, overpriced hospitals

By Chad Terhune, Kaiser Health News

Posted: 03/21/2016 12:59:28 PM PDT | Updated: about 16 hours ago

California's insurance exchange is threatening to cut hospitals from its networks for poor performance or high costs, a novel proposal that is drawing heavy fire from medical providers and insurers.

In what appears to be the first proposal of its kind in the country, the goal is to boost the quality of patient care and make coverage more affordable, said Peter Lee, executive director of the Covered California exchange, which provides access to health insurance to 1.5 million Californians under the federal Affordable Care Act.

"The first few years were about getting people in the door for coverage," said Lee, a key figure in the rollout of the law. "We are now shifting our attention to changing the underlying delivery system to make it more cost effective and higher quality. We don't want to throw anyone out, but we don't want to pay for bad quality care either."

The exchange's five-member board is slated to vote on the proposal next month. If approved, insurers would need to identify hospital "outliers" on cost and quality starting in 2018. Medical groups and doctors would be rated after that.

Providers who don't measure up stand to lose insured patients and suffer a black eye that could sully their reputations with employers and other big customers. By 2019, health plans would be expected to expel poor performers from their exchange networks.

"California is definitely ahead of the pack when it comes to taking an active purchasing role, and exclusion is a pretty big threat," said Sabrina Corlette, a research professor at Georgetown University's Center on Health Insurance Reforms.

Under the Covered California plan, hospitals would be judged on a wide range of performance and safety measures, from rates of readmission and hospital-acquired infections to adverse drug events. The exchange said it will draw on existing measures already tracked by Medicare and other groups, and it will work with hospitals, consumer advocates and other experts over the next 18 months to finalize the details.

The idea has already sparked fierce opposition. Doctors and hospitals accuse the exchange of overstepping its authority and failing to spell out the specific measures on which they would be judged.

Health insurers, normally at odds with providers, have joined them in the fight. The insurers are balking at the prospect of disclosing their negotiated rates with providers. Health plans have long resisted efforts that would let competitors or the public see the deals they make with doctors and hospitals.

But scrutinizing the negotiated rates would help the exchange identify high-cost providers and allow policyholders with high deductibles to see the differences in price before undergoing a surgery or imaging test.

Lee said it's time for the exchange to move beyond enrollment and flex its market power on behalf of its members. He said insurers haven't been tough enough on hospitals and doctors.

Other public exchanges or large employers could try to replicate the idea, putting more pressure on providers and insurers. Lee has shared his proposal with other state marketplaces, government officials and employer groups to promote similar efforts.

Still, there are limits to this strategy. Exceptions would be granted if excluding a hospital or doctor from a network meant an area wouldn't have a sufficient number of providers. Insurers could appeal and offer other reasons for keeping a provider in the network.

"There may be a dominant hospital system that's charging through the nose, but without them you don't have an adequate network," Corlette said. "It will be interesting to see how Covered California threads that needle."

The composition of networks has typically been left up to insurers. Until now, most of the discussion has centered on the proliferation of narrow networks, with a limited range of providers, sold under the Affordable Care Act as a way to hold down rates. A study in 2015 found that 75 percent of Covered California plans had narrow physician networks, with more restricted choices than all but three other states.

"I don't know of anyone even close to trying this," said Dan Polsky, the study's author and executive director of the Leonard Davis Institute of Health Economics at the University of Pennsylvania. "I applaud Covered California for being bold to improve quality and reduce costs, but I worry about the implementation."

Polsky said measuring quality can be complicated, and steps must be taken to ensure hospitals and doctors aren't penalized for treating sicker patients or serving lower-income areas. Most quality-boosting efforts use financial bonuses and penalties rather than exclusion.

The California Hospital Association said the exchange is moving too fast and acting too much like a regulator.

"The devil is in the details, and the rapidity of this concerns us," said Dr. David Perrott, chief medical officer at the state hospital trade group. "We understand value-based purchasing is here in some form and we do not oppose that. But Covered California is charging ahead with this assessment and trying to figure out the answers when it hasn't been worked out."

Charles Bacchi, chief executive of the California Association of Health Plans, predicted that Covered California's idea will backfire, discouraging hospitals and doctors from participating in the exchange and driving up premiums as a result.

"It's the right goal but the wrong approach," Bacchi said. "Covered California is proposing a top-down, arbitrary measurement system that carries a big stick. This can make it difficult for health plans and providers to work together constructively."

This story was produced by Kaiser Health News, an editorially independent program of the Menlo Park-based Kaiser Family Foundation.

Associated Press

Mar 21, 10:59 AM EDT

Obama seeks more coordination on dealing with drought

By DARLENE SUPERVILLE
Associated Press

WASHINGTON (AP) -- President Barack Obama on Monday directed the federal government to come up with a less reactionary and more long-term strategy for dealing with drought.

About 12.5 percent of the continental U.S. was experiencing drought as of mid-March, said Alice Hill, a key Obama aide on this issue.

That translates into more than 39 million people, or about one-eighth of the U.S. population, living with drought in the lower 48 states, mostly in the West and with much of California suffering through its fifth year of dryness.

Obama issued a presidential memorandum and separate action plan Monday that sets forth a series of goals for the federal government. They include sharing more information about drought risks with state, regional, tribal and local authorities, and improving coordination of federal drought-related activities.

Drought affects the food supply and infrastructure, hurts the economy and increases energy costs, according to the action plan. Drought conditions are also expected to become increasingly more severe due to climate change. Combating climate change is a top environmental priority - as well as a legacy issue - for Obama, who has tackled the matter on a variety of fronts.

"With climate change, we know that drought will intensify and continue to cause us significant challenges," Hill said in a telephone interview with The Associated Press, explaining some of the rationale behind the president's call for a more comprehensive and less reactionary strategy for coping with drought.

The goals contained in the action plan are to be carried out using existing resources.

Federal agencies last year pledged \$110 million in drought aid after Obama met with governors and other leaders from seven Western states: Arizona, California, Colorado, Montana, Oregon, Wyoming and Utah.

The White House is hosting a "water summit" on Tuesday, which is World Water Day, to raise awareness of the importance of safe, sufficient and reliable water resources.

Obama's drought initiatives were released as he traveled in Havana on a historic, three-day visit to Cuba.

Follow Darlene Superville on Twitter: <http://www.twitter.com/dsupervilleap>

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CONGRESS MARCH 22, 2016 2:32 PM

In first-of-a-kind summit, White House rallies corporate investment in water supplies

HIGHLIGHTS

California drought, Flint drinking water crisis
spur White House meeting

Corporations say they'll commit billions to
research and development

Little discussion of farmers' concerns about
supply



McClure Reservoir dropped so low in 2015 that it supplied virtually no water to the Merced Irrigation District. **Mike Jensen/MID** - jholland@Modbee.com

BY MICHAEL DOYLE
mdoyle@mcclatchydc.com

WASHINGTON — The White House on Tuesday unveiled several billion dollars' worth of corporate commitments to water research and development during a high-level summit.

Pegged to World Water Day, the summit was intended to draw attention to specific state and corporate pledges as well as new Obama administration initiatives prompted in part by Western states' drought and the Flint, Michigan, drinking water scandal.

The corporate promises include a commitment by GE to invest \$500 million over the next decade on water and reuse technologies, and a pledge by San Francisco-based Ultra Capital to invest \$1.5 billion in decentralized "water management solutions."

"It's an investment opportunity that has the potential for great returns," enthused Ali Zaidi, associate director for natural resources at the White House's Office of Management and Budget.

“

**RECORD-BREAKING DROUGHT IN THE WEST,
SEVERE FLOODING IN THE SOUTHEAST, AND
THE WATER-QUALITY CRISIS IN FLINT,
MICHIGAN, HAVE ELEVATED A NATIONAL**

DIALOGUE ON THE STATE OF OUR NATION'S WATER RESOURCES AND INFRASTRUCTURE.

The White House.

The roughly four-hour summit, convened in the Eisenhower Executive Office Building adjacent to the White House, also allowed administration officials to tout their 20-page drought resilience action plan.

The plan includes calls for better data collection and improved coordination among government agencies. It also suggested specific projects, such as a new prize for water innovations and initiating a study of “the broad implications of a prolonged drought in California.”

“We need to start looking ahead and investing in our water infrastructure,” said Rep. Jerry McNerney, D-Stockton. “We need to conserve, capture and recycle water as well as fund infrastructure repair.”

Other officials attending the summit included Rep. Jared Huffman, D-San Rafael, and Felicia Marcus, chair of California’s State Water Resources Control Board. Private-section attendees included Cynthia Koehler, executive director of the San Francisco-based WaterNow Alliance, and Peter H. Gleick, president of the Oakland-based Pacific Institute.

The discussions centered far more on tech-related 21st century investments than on farmers’ familiar complaints that their water

supplies are limited by regulations that protect endangered species protections or inflexible bureaucrats.

“In California, as we’re struggling with drought and water scarcity, data has enabled us to find solutions,” said Joya Banerjee, a senior program officer with the San Francisco-based S.D. Bechtel, Jr. Foundation.

Banerjee used the summit to announce Project Water Data, which she described as an effort to “modernize our data systems.” In a similar vein, the administration unveiled an improved new “national water model” for forecasting river flows.

The San Joaquin Valley irrigation districts that have been pressing hard in recent years for new rules and more water deliveries did not appear to be represented, and at least one Valley lawmaker declined to attend.

“I find it extremely disappointing that California’s San Joaquin Valley is not at the forefront of discussions, after four years of drought,” Rep. Jim Costa, D-Fresno, said in a House floor speech Tuesday, adding, “We need short-term solutions now.”

A Bureau of Reclamation report issued Tuesday suggests, moreover, that climate change will aggravate the Valley’s problems, with predicted impacts, including reduced reservoir storage and irrigation deliveries.

Costa and California’s House Republicans, who were also conspicuously absent Tuesday, back

an ambitious water bill currently stuck on Capitol Hill. A Senate version, introduced by Democratic Sen. Dianne Feinstein on Feb. 10, is still being assessed by Democratic Sen. Barbara Boxer, according to Boxer's staff.

While it's loomed large among Valley lawmakers, the California water bill was effectively ignored by summit participants Tuesday. Instead, the summit illuminated a number of new, forward-looking undertakings that include:

- Establishment of a new water center at the California Institute of Technology's Jet Propulsion Laboratory, for using satellites and airborne observations to aid water planning.
- A commitment by the city of Los Angeles to capture an additional 12 billion gallons of stormwater a year by 2025, more than doubling the current amount.
- Three universities in Southern California are forming a consortium to work on ocean desalination.

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Published **March 23rd, 2016**

Lafayette Fire Station Construction Tops ConFire Capital Plan

By Nick Marnell

The remodel of Lafayette's fire station 16 is front and center as the Contra Costa County Fire Protection District unveiled its five-year, \$36 million capital improvement plan earlier this month. The plan, unveiled on March 8, includes fire station construction, infrastructure upgrades and additions to the apparatus fleet. The district also plans to acquire, in partnership with the Contra Costa County Office of the Sheriff, the 85-acre site of the former Concord Naval Weapons Station, which will house an emergency responders complex, a regional training center and the ConFire administrative campus.

Project No. 1 in the report is the remodel of Lafayette fire station 16, severely damaged by the 1989 Loma Prieta earthquake. The county added temporary living quarters in 1992 but by 2012 the living conditions were untenable and the county de-staffed the station. ConFire plans to reopen station 16 in January, but deputy chief Lewis Broschard cautioned the district board that the original \$1 million project estimate could rise due to the high increase in construction costs. Similarly, fire chief Stephen Healy of the Moraga-Orinda Fire District, planning to rebuild Orinda fire station 43, recently warned his board of a 33 percent rise in construction costs since an estimate three years ago.

While the ConFire capital plan identifies the needed district improvements, it identifies only \$27 million from the general fund with which to accomplish them. The district plans to bridge the gap via grants and alternative revenue sources. For example, fire chief Jeff Carman said that the district has hired a consultant to figure out a way to increase development impact fees for the district, and will seek board approval to have all nine cities under the ConFire jurisdiction adopt these fees.

"We keep adding homes and adding companies," said Carman. "What does the public think is going to happen to their fire service? If you're going to add 1,500 homes, that is an impact, and that has got to come with some sort of impact fee." Lafayette does not pay the district a development impact fee.

The capital plan includes fire apparatus acquisition, which the district initiated last year with the purchase of nine fire engines, three ladder trucks and one rescue truck under a 10-year, \$10 million lease-purchase agreement.

"This year, our oldest apparatus will be 10 years old. And there will be only one of them," Carmen told his advisory fire commission in February. ConFire has not decided if any of the new engines will be deployed at stations 15 and 17 in Lafayette.

Reach the reporter at: nick@lamorindaweekly.com

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Published **March 23rd, 2016**

MOFD Unveils Station 43 Construction Costs

By *Nick Marnell*

The Moraga-Orinda Fire District last week presented a detailed estimate of the \$4.5 million cost to reconstruct fire station 43 in north Orinda.

The district divided the estimate into two sections: the preconstruction phase, including "soft" costs, of nearly \$1 million; and the construction phase, including costs for the temporary facility, demolition and site work, of \$3.5 million.

"We are hearing construction costs that are pushing \$750 a square foot," said Fire Chief Stephen Healy. "We have to build to a higher standard than a house, and we have to pay prevailing wages on a public project." In 2005, the district built fire station 44 in Orinda for \$2.3 million.



Rendering courtesy MOFD

Kawasaki Architects, and nearly \$200,000 for a project manager. "I've received four proposals, and I will recommend a project manager at the April 6 board meeting," said Healy. MOFD paid over \$100,000 in construction management costs prior to the cessation of the station 43 project during the station 46 negotiations.

For the construction phase, Healy warned that the \$200,000 estimate for temporary living facilities for the station 43 crew may rise. The district purchased a double-wide mobile home from the Monterey Regional Fire District, which used the home as temporary quarters during station construction in the Carmel Valley. "They want it out of there now, because their construction is complete," said the chief. "It will require two moves. One from Carmel, and then another from temporary storage at station 41, which will increase the moving charge."

The district will separate the contracts for site demolition and station construction. "If we have a contract that says demolition in August and September with construction to start in October, and they find a problem during demolition, we'd be bound by that October contract," said Healy. "A delay in construction could turn into a claim, which would be the worst that could happen."

The chief, while conceding the stress of juggling such concurrent timelines, estimated the station construction will be completed by September 2017.

Reach the reporter at: nick@lamorindaweekly.com

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Contra Costa Times

Contra Costa Times editorial: Concord must restart bidding for weapons station project

Contra Costa Times editorial

Posted: 03/31/2016 01:30:00 PM PDT | Updated: 3 days ago



Looking west towards the Concord Naval Weapons Station in Concord, Calif., on Saturday, Aug. 15, 2015. (Jose Carlos Fajardo/Bay Area News Group) (JOSE CARLOS FAJARDO)

The Concord City Council should apologize to the community and start from scratch in its search for a master developer for the massive Naval Weapons Station project.

The council cannot continue on its current path and regain public confidence. With their outrageous behavior, council members chased away Catellus Development, which had brought the city the superior proposal but withdrew last week.

Only one developer remains in the running. The city has lost its leverage to negotiate favorable terms. The council can either give away the store to Lennar Urban, which sullied itself by improperly orchestrating campaign contributions to a council member, or restart the search.

Clearly, it must begin anew. But the new search must be completely transparent -- unlike the current fiasco.

With a project half the size of Pleasant Hill, with \$1 billion or more at stake, there was no excuse for Councilman Tim Grayson accepting campaign contributions from Lennar associates.

There was no justification for his political consultant, Mary Jo Rossi, meddling by telling Catellus it could improve its chances if it aligned with local developers.

And there was no defense for Grayson seeking political advice from Willie Brown after the former San Francisco mayor had just made a pitch on Lennar's behalf.

Concord already had a reputation for backroom deal-making. City Manager Valerie Barone's decision to hire Guy Bjerke, a politically connected former councilman, as the project's planning director reinforced the impression that politics trumps professionalism in Concord.

And Barone's illegal secret scheming with council members to withhold the staff recommendation favoring Catellus was inexcusable.

When independent investigator Michael Jenkins issued a damning report on the political influence peddling, council members only wanted to blame Catellus for sparking the inquiry -- even though its complaint was serious and proved legitimate.

Little wonder Catellus President Ted Antenucci lost trust. Who could blame him?

If the city had entered into an exclusive negotiating agreement with Catellus, as staff had originally recommended, the company would have paid for hundreds of thousands of dollars of city transaction costs. Yet, the city could still back out without signing a deal.

Given the history, Antenucci's recent request that Concord share financial risk until a final deal was struck was reasonable. Sadly, Mayor Laura Hoffmeister was incapable of understanding the situation. And Councilman Edi Birsan launched another of his unwarranted attacks on Catellus.

If Birsan was trying to curry favor with local power brokers to retain his council seat in November, and Grayson wanted backing for his Assembly bid, they forgot that voters also have an interest in the project.

If the council has even a modicum of respect for the community, it will start over.

Contra Costa Times

Concord seeks better weapons station deal from Lennar

By Lisa P. White, lwhite@bayareanewsgroup.com

Posted: 04/02/2016 11:53:17 AM PDT | Updated: about 22 hours ago

CONCORD -- The city may try to negotiate a better deal with Lennar Urban before deciding whether to select the company to develop the Concord Naval Weapons Station.

City staffers are recommending that the City Council on Tuesday delay its decision on a master developer and reopen negotiations with Lennar on five issues -- funds for affordable housing, Willow Pass Road improvements, use of binding arbitration, the right to develop future phases of the project and the firm's use of a limited liability corporation structure.

The meeting is at 6:30 p.m. at the Concord Senior Center, 2727 Parkside Circle.

The Concord Reuse Project Area Plan calls for building up to 12,272 housing units and 6.1 million square feet of commercial space on about 2,300 acres of the former military base.



The shuttered Concord Naval Weapons Station is seen in this Sept. 15, 2009 aerial photograph. (Karl Mondon/Staff Archives) (KARL MONDON)

Lennar's proposal for the first phase of the project includes two compensation options -- a guaranteed \$60 million over 10 years with additional profit-sharing once the company earns 25 percent return on its investment or \$36 million guaranteed over 10 years with shared profit once a 20 percent investment return threshold is reached.

Both Lennar and Catellus Development Corp., which bowed out of the project last week, agreed to provide affordable housing developers with free building pads connected to utilities to meet

the city's goal of having 25 percent of the housing units affordable to low- and moderate-income households.

However, since funding for affordable housing has decreased at the federal, state and local level, Catellus also pledged to spend \$56 million to ensure those dwellings would be built. Lennar, on the other hand, has proposed building 165 moderate-income housing units and including some affordable units in mixed-income projects. The company suggested that the city could use part of its guaranteed compensation for affordable housing, but Lennar's proposal does not earmark funds for this purpose.

"Staff is hopeful that Lennar will understand the need to be more specific about a source of funding for affordable housing," said Guy Bjerke, Concord's director of community reuse planning.

Both Catellus and Lennar rely on bonds to pay for the infrastructure -- roads, sewers and water lines -- that would be repaid by siphoning off most of Concord's share of the property tax revenue generated by the new development. Catellus proposed spending \$69 million for off-site roadway improvements, including widening Willow Pass Road to four lanes from Highway 4 to Landana Drive and rebuilding Willow Pass bridge as a four-lane span.

As part of its proposal to spend \$29 million for off-site roadway upgrades during the first phase, Lennar would widen Willow Pass to four lanes -- but leave the bridge with two lanes. The city wants the company to reconsider that plan, which Councilman Dan Helix said would create a traffic "bottleneck" on the heavily traveled road.

The city also does not want to resolve disputes over cost reimbursement through binding arbitration, nor is it willing to guarantee future development rights to Lennar if the company meets certain objectives during phase one. Finally, the city wants more clarity about how the company plans to finance the project.

If Lennar accepts city staff's suggestions, Bjerke said the firm's term sheet would be closer to matching Catellus' and worthy of a recommendation.

Lennar is open to pursuing a compromise.

"I look forward to working with the city and the city staff and the City Council, understanding where they feel we have fallen short and we'll try to shore up our proposal in a manner that allows us to move forward," said Kofi Bonner, Lennar Urban president. "We're willing to go into this with ears wide open."

Although Bonner said he believes Lennar's proposal is a better deal for the city, he is willing to accept the financial terms in Catellus' term sheet if the council so desires.

After an independent investigator concluded that Lennar had lobbied then-Mayor Tim Grayson by orchestrating contributions to his state Assembly campaign, some residents urged the council to cut ties with the company. Although Lennar disagreed with the investigator's conclusion,

Bonner said he regrets that his actions, though well-intended, disrupted the developer selection process.

"It is my responsibility to build the trust with this community so that we can ensure that Concord does indeed get the project it deserves," he added.

Helix, who tried to keep Catellus on board, plans to grill Lennar about its proposal at the meeting. Helix also said he will propose two alternative strategies that Concord could employ to develop the naval weapons station if the city is unable to reach a mutually beneficial agreement with Lennar.

"We're sitting on a gold mine, and we're not doing well; we're handling it badly," Helix said. "I'm disappointed, but I will do my very, very best to point out the shortcomings in Lennar's term sheet."

Lisa P. White covers Concord and Pleasant Hill. Contact her at 925-943-8011. Follow her at [Twitter.com/lisa_p_white](https://twitter.com/lisa_p_white).

Contra Costa Water District's Delta deal raises eyebrows among environmentalists

By Denis Cuff, dcuff@bayareanewsgroup.com

Posted: 04/02/2016 08:16:29 AM PDT | Updated: a day ago

CONCORD -- In a deal stirring up new waves about the governor's twin water tunnels plan through the Delta, a water supplier for 500,000 Contra Costa County residents has dropped its protest against the project in exchange for a new source of higher-quality water from the Sacramento River.

Some environmentalist say the legal deal between the state and the Contra Costa Water District helps the district at the expense of water quality for the Delta environment, farms and fish.

"Sadly, CCWD has sacrificed other Delta communities and bay-Delta fisheries by agreeing to this settlement, as everyone else in the Delta would be left with degraded water quality," said Barbara Barrigan-Parrilla, executive director of Restore the Delta.

In defense of the deal, Contra Costa Water officials said they got insurance that the \$15.6 billion tunnel plan won't degrade their Delta drinking water for people and industries in an area stretching from Concord and Walnut Creek to Antioch and Oakley.

"We are not abandoning the Delta," said district spokeswoman Jennifer Allen. "The agreement is only about protecting water quality for our customers from harm if the California WaterFix is built."

The state proposed the tunnels to change how water is moved to south Delta water export pumps, reducing harm to wild fish that has led to restrictions on water pumping to 25 million Californians and nearly a million acres of farmland.

But a team of five hydrology modelers for Contra Costa Water calculated that the governor's plan would lead to higher salinity and more algae and minerals in district water pumped from the western Delta.

Worried about a prolonged lawsuit, the state Department of Water Resources announced earlier this week it had reached an agreement with Contra Costa Water to address the concerns.

Under the 40-page deal, the state pledged to provide CCWD a big slug of higher-quality Sacramento River water to make up for fears about degradation of Delta water.

And CCWD would get this water at no extra cost, with the bills to be paid by state contractors who would benefit from the twin tunnels, otherwise known as the California WaterFix.

The state agreed to provide between 2,000 and 50,000 acre-feet of Sacramento River water each year. The annual amount would be tied to how much water moves through the tunnels.

The amount adds up to about 1 to 25 percent of Contra Costa Water's maximum annual federal supply of 195,000 acre-feet of water, which is taken from four spots in the western Delta.

The water district wouldn't be getting any more water than before but taking some of it through the higher-quality river source before it flows through the Delta and picks up salt, algae and other impurities.

"We take our role to protect our customers seriously and cannot gamble with the future of our water quality," said Jerry Brown, the CCWD general manager. "We are confident this is an ironclad insurance policy for our customers."

For its part, the district agreed to withdraw its protests against the twin tunnels as the state prepares this fall to rule on a project environmental impact report.

The district also pledged to keep a neutral stand on the project itself.

Environmentalists, however, asserted that the water district and the state are selling other Delta water users -- including farmers and fish -- down the river.

Having Contra Costa Water take up to 50,000 acre-feet of water a year from above the Delta will weaken water flows out of the estuary, said Jonas Minton, a water policy adviser for the Planning and Conservation League.

"I understand why (CCWD) wanted insurance," Minton said, "but I think this will leave a stain on Contra Costa Water for years to come."

CCWD officials replied that the deal will not alter existing standards for Delta water flows one bit.

Minton said the compensation agreement changes the scope and cost of the California WaterFix plan enough that the state is required to revamp its upcoming environmental report on the project despite the significant delay that will cause.

It's too early to know which of several options for delivering the Sacramento River water to CCWD would be used, but one of them could cost \$75 million to \$150 million, state water officials said.

Environmentalists also criticized the state and Contra Costa Water for negotiating and signing the deal behind closed doors without consulting the public or other Delta stakeholders.

Contra Costa Water officials said state law allowed the deal to be negotiated behind closed doors because there was a threat that the district could have sued the state.

"Our goal was to get the best deal for our customers," Allen said.

While the deal is already done, the water district will hold a public presentation and discussion on the agreement at the district board's next meeting, at 6:30 p.m. Wednesday. Allen said the public is encouraged to ask questions and make comments about the agreement.

Richmond to commission study on annexing North Richmond

By Sarah Tan, stan@bayareanewsgroup.com

Posted: 03/30/2016 02:24:03 PM PDT | Updated: 4 days ago

RICHMOND -- The city is taking an initial step on the long-discussed idea of annexing unincorporated North Richmond by authorizing a study on the merits of bringing what local leaders sometimes call the "hole in the doughnut" officially within its boundaries.

The idea has been a pet project of Mayor Tom Butt since he was elected to the City Council 21 years ago, and he says the city and the county have finally agreed to look into it as a real possibility.

"North Richmond is totally surrounded by the city of Richmond," Butt said. "So the short story is that, if we do this, I think that people who live there and people who have businesses there are going to get better public services."

The unincorporated neighborhood of 1.5 square miles is surrounded by Richmond on three sides and San Pablo on the fourth.

Last week, the city collected final bids on a study that would be the first of its kind to examine the financial and social benefits of making North Richmond and its 3,500 residents part of the city.

The cost of the study, estimated at \$40,000 to \$80,000, will be paid for by both the county and the city.

Contra Costa Supervisor John Gioia, whose district includes North Richmond, believes annexation could be good for the county, the city and residents of the largely low-income community.

"From a general principal, you know you get more effective delivery of municipal services when you don't have the isolated pockets of unincorporated areas," he said. "But ultimately, it's important to study this, look at this issue from a financial and service point of view, and have the residents express their preferences."

Butt noted that annexation would bring North Richmond under the jurisdiction of the city's police and fire departments, which might improve response times for residents. Public safety services are now provided by the county.

A 2014 story in this newspaper revealed that few homicides are solved in North Richmond, which is policed by the county Sheriff's Office rather than the Richmond Police Department.

Don Gilmore, chairman of the North Richmond Municipal Advisory Committee, said the panel isn't taking a stance on annexation just yet, but does feel it is time to do a study and determine how it could affect residents.

"The question is, what are the benefits that people are going to get from the city taking it over?" he said. "What's tangible that we'll be able to see that we don't have now? What does that mean to the overall improvement of the unincorporated North Richmond?"

Although some residents have voiced support and hope annexation will lead to better police and fire services, others are wary that it may not change anything, he said.

Richmond has its own issues with crime and street maintenance and "some people may feel they can't see the benefit" without tangible assurance that services in the community will be any better, Gilmore noted.

He added that the advisory committee is eager to see the report to help it decide whether North Richmond should incorporate with Richmond, incorporate as its own jurisdiction, or become part of neighboring San Pablo.

The last major attempt at annexation in Contra Costa was in 2007, when Pittsburg proposed annexing the community of Bay Point. However, both Pittsburg and Bay Point residents were split over the decision, and ultimately the proposal was dropped. Lou Ann Texeira, executive officer of Contra Costa's Local Agency Formation Commission said public education is important.

"It's really doing public outreach, because people don't know what annexation means, and people think, 'My taxes are going to go up,' but that's not always the case."

The city will be selecting a company to conduct the study within the next few weeks, with results of the report likely ready in early 2017.

From there, it will have to pass through the Local Agency Formation Commission.

Sarah Tan covers Richmond. Contact her at 510-262-2789. Follow her at [Twitter.com/sarahjtan](https://twitter.com/sarahjtan).

The Sacramento Bee

Drought-stricken California ponders future of conservation



FILE - In this Tuesday, Jan. 5, 2016 file photo, Richard Polich holds an umbrella as he crosses a street in the rain in San Francisco. Taking a regional approach to saving water in California's drought, state regulators may propose relaxing conservation orders for El Nino-soaked Northern Californians, while keeping in place more strict rules for residents of the drier Southern California. Jeff Chiu AP Photo

By SCOTT SMITH Associated Press

FRESNO, California

April 4, 2016

Taking a regional approach to saving water in California's drought, state regulators suggest relaxing or dropping conservation orders for El Nino-soaked Northern Californians, while keeping in place strict rules for residents of drier Southern California.

Officials on Monday will launch a discussion about the best approach to saving water as California's drought modestly improves, but clearly hasn't ended as it stretches into a fifth year.

"We're willing to listen to everybody's best ideas," said Felicia Marcus, chair of the State Water Resources Control Board. "We have to be thoughtful about it."

Strict conservation requirements started last year when Gov. Jerry Brown ordered residents statewide to use 25 percent less water compared to 2013, the year before he declared a drought

emergency. To comply, many residents have let their lawns turn brown, flushed toilets less often and taken other measures aimed at saving water.

That mandate was changed later. Californians are now required to use at least 20 percent less water.

Key reservoirs in Northern California are brimming, yet the El Nino storms didn't treat all parts of the state the same. Southern California saw relatively little precipitation, leaving most of its reservoirs low.

By April 1 — typically the end of California's rain and snow season — the state was left with a nearly-average snowpack and few hopes of more significant storms.

Regulators on Monday also plan to release figures showing how well Californians conserved water in February, the ninth and final month of reporting under the governor's 25 percent mandate. Marcus said she couldn't release them ahead of the formal announcement.

"Californians did pretty darn well," she said. "We're grateful for it. We need people to keep saving."

Read more here: <http://www.sacbee.com/news/state/california/article69809562.html#storylink=cpy>

East Bay Times

California water-saving rules to ease, but nobody's off the hook

By Paul Rogers, progers@mercurynews.com

Posted: 04/05/2016 05:08:38 AM PDT | Updated: about 4 hours ago



In this April 1, 2015, file photo, Frank Gehrke, chief of the California Cooperative Snow Surveys Program for the Department of Water Resources, left, and Gov. Jerry Brown walk across a dry meadow as Gehrke conducts the snow survey, near Echo Summit, Calif. (Rich Pedroncelli)

Poised to ease California's mandatory drought rules after rebounding rain and snow levels this winter, state water officials on Monday made it clear that -- even where reservoirs are 100 percent full -- no community is likely to get an entirely free pass from conservation targets this summer.

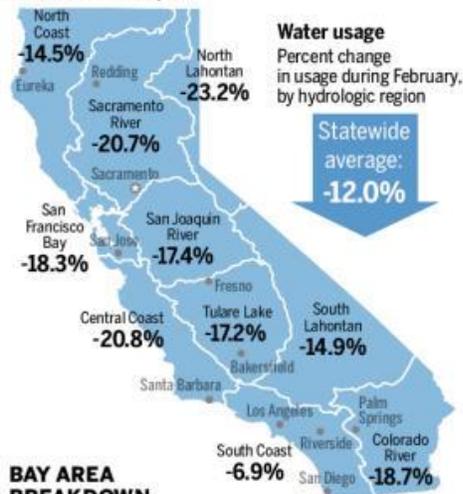
"One average year does not mean that we can forget about saving water," said Felicia Marcus, chairwoman of the State Water Resources Control Board. "We don't want to let our guard down."

California's urban residents cut water use 23.9 percent from June through February, compared with the same period in 2013, the state board announced Monday. That's just shy of Gov. Jerry

Brown's request for 25 percent savings last April when he ordered the water board to impose California's first-ever mandatory statewide drought rules, with fines for cities failing to meet assigned water-saving targets.

WHO SAVED THE MOST WATER?

California cut residential water use by 12 percent in February compared with the same month in 2013, the state's baseline year.



BAY AREA BREAKDOWN

Percent change in February, compared with February 2013

Alameda County Water Dist.	-15.5%	Mid-Peninsula Water District	-20.3
American Canyon	-17.8	Millbrae	-20.6
Antioch	-18.9	Morgan Hill	-21.6
Benicia	-46.3	Mountain View	-34.6
Brentwood	-30.0	Napa	-16.1
Burlingame	-22.1	North Coast County Water Dist.	-7.8
Bear Gulch	-29.5	North Marin Water Dist.	-59.6
California Water Service Company Livermore	-23.4	Palo Alto	-32.9
California Water Service Company Los Altos/Suburban	-33.3	Petaluma	-19.2
California Water Service Company Mid Peninsula	-15.8	Pittsburg	-9.6
Coastside County Water Dist.	-15.9	Pleasanton	-25.4
Contra Costa Water Dist.	-21.8	Redwood City	-2.6
Daly City	-10.5	San Bruno	-23.4
Dublin San Ramon Services District	-17.7	San Francisco Public Utilities Commission	-13.4
East Bay Municipal Utility Dist.	-12.8	San Jose	-24.4
East Palo Alto	+14.2	San Jose Water Company	-20.7
Estero Municipal Improvement District	-21.9	San Lorenzo Valley Water Dist.	-17.6
Gilroy	-16.3	Santa Clara	-15.1
Golden State Water Company Bay Point	-13.0	Santa Cruz	-21.1
Great Oaks Water Co.	-24.1	Scotts Valley Water Dist.	-18.8
Hayward	-29.7	Sonoma	-24.0
Hillsborough	-44.8	Soquel Creek Water Dist.	-26.3
Hollister	-11.2	Suisun-Solano Water Authority	-21.8
Livermore City of Division of Water Resources	-18.0	Sunnyvale	-24.7
Marin Municipal Water Dist.	-15.6	Vallejo	-11.3
Martinez	-20.2	Watsonville City of	-12.3
Menlo Park	-33.0	Westborough Water District	-23.5

OTHER AREAS

Fresno	-18.3
Los Angeles	-8.3
Sacramento	-20.7
San Diego	-0.9

Source: State Water Resources Control Board BAY AREA NEWS GROUP

California might have hit Brown's 25 percent goal, if not for low levels of water savings in Los Angeles and San Diego in February. The South Coast region of the state, as the water board defines it, cut water use only 6.9 percent in February, compared with the same month in 2013.

By comparison, the Bay Area cut use by 18.3 percent and the Sacramento region by 20.7 percent. Statewide, all Californians averaged 12 percent savings in February -- the lowest savings since Brown imposed mandatory restrictions.

Weather is to blame, experts said. It was hotter and drier in Southern California all winter than in the north, as El Niño storms mostly hit the northern part of the state and left the Southland with sunshine, low reservoirs and rainfall at barely half its historic average.

"There was a miserable February," Marcus said. "It was hot, and folks couldn't bear to see everything die so they turned the sprinklers on.

"I definitely would have liked more" savings, she added. "Southern California, because of its sheer size, can drive the percentages."

Nevertheless, California residents saved 1.2 million acre-feet of water during the nine-month period from June to February. That's enough for 6 million people's needs for a year, and it helped reduce the impact of the historic drought as it entered its fourth year.

Most Northern California cities, however, received 90 to 100 percent of their historic average rainfall this past winter. The state's two largest reservoirs, Shasta, near Redding, and Oroville, in Butte County, were 89 percent and 87 percent full on Monday. And the Sierra Nevada snowpack was at 81 percent of its historic average, the best in five years.

Marcus said the state water board will relax mandatory conservation targets on cities, water districts and water companies, with the biggest reductions coming in the north, where it rained and snowed most.

The board's original rules gave water providers targets, ranging from 8 percent to 36 percent, depending on how much water they were using per capita. Places like Santa Cruz and Hayward, which has among the lowest per-capita use in California, were given 8 percent targets, while communities like Bakersfield and Beverly Hills, with high per-capita use, were given 36 percent.

Those numbers were eased slightly last month, when the board allowed water providers to reduce targets by up to 8 percent if they had unusually hot weather, high rates of population growth or robust supplies of water from desalination and recycling.

Following a public hearing April 20, the water board will impose softer rules in May, Marcus said.

"Our emergency authority is something we should use judiciously," she said. "We certainly are open to adjusting those tiers for people."

But even areas that have received deluges of water this winter won't get their targets reduced to zero, she said, hinting that 4 percent might be the lowest level of conservation required. An example is the Marin Municipal Water District, where all seven reservoirs are 100 percent full.

"We may have a baseline conservation number that we ask everybody to do to keep the 'We're all in this together' attitude," Marcus said.

That was fine with many Bay Area agencies Monday.

"Our groundwater levels haven't recovered significantly for us to call it all off," said Colleen Valles, a spokeswoman for the Santa Clara Valley Water District in San Jose. The district asked every city and water company in Santa Clara County to cut water use 30 percent last year. That target will be reduced -- although how much is not yet known, Valles said -- when the agency's board makes a final call in late April or early May. It might also allow lawn watering to increase from two days a week to three, she added.

At the East Bay Municipal Utility District, where the largest reservoir, Pardee, is 99 percent full, officials are on a similar schedule and expect to relax the rules, said spokeswoman Andrea Pook. That could include boosting watering days and easing or eliminating drought surcharges and excessive use fines. The district's state target is 16 percent, and from June to February, it achieved 23.6 percent.

"You can't just let go of all this conservation at the drop of a hat," Pook said. "We do need to continue to be mindful of the situation in the context of what happens next year. We need to be prudent."

Even in Marin, where customers were asked to cut 20 percent and met that goal -- an achievement that cost the Marin Municipal Water District \$4.4 million in lost water sales last year -- some conservation is expected for this summer, said Libby Pischel, a spokeswoman for the district.

"We have a two-year supply, even when our reservoirs are full," she said. "So we always promote conservation."

At Bay Area garden centers, some people are behaving differently.

"People are talking about the drought less, for sure," said Marlon Nehls, manager of Encinal Nursery in Alameda. "They are buying a little more grass now. But people are still buying a lot of cactus and succulents."

He laughed and added, "A couple more shots of April rain would be nice."

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/PaulRogersSJM](https://twitter.com/PaulRogersSJM)

East Bay Times

Developer of Martinez golf course land sues open-space group

By [Sam Richards, srichards@bayareanewsgroup.com](mailto:srichards@bayareanewsgroup.com)

Posted: **04/06/2016** 08:45:48 AM PDT | Updated: 41 min. ago

MARTINEZ -- The owners of the former Pine Meadow Golf Course property have sued members of a citizens group that has fought to keep houses from being built there, asserting the group has spread lies about the project as well as its name -- "Friends of Pine Meadow."

DeNova Homes of Concord, and Christine Coward Dean -- the last member of her family to maintain an ownership stake in the 26-acre property -- filed suit Monday in Contra Costa Superior Court in Martinez. In addition to unspecified damages, the suit calls upon "Friends" leaders Tim Platt, Mark Thomson and a few others to quit using the name "Friends of Pine Meadow" in any way, and to delete their Facebook page of that name.

"Despite our asking them to stop spreading misinformation, Tim Platt and the 'Friends of Pine Meadow' continue to tell the public that this property will be turned into a park, that the golf course is 'open space' and that no development can occur there, which is totally false," said Dave Sanson, CEO of DeNova Homes, in a news release.

The suit also blasts assertions by the Friends group earlier this year that DeNova and the city were discussing prospects of a 288-house development on the former golf course property. DeNova officials have publicly denied such a project has even been on the table, though they have said they plan to come back to the city with a revised housing proposal.

The "Friends of Pine Meadow" group formed in January 2015, when the Martinez City Council was poised to change the city's general plan to allow houses on the golf course (which closed three months later). The Friends group then collected enough petition signatures to force the council to either cancel those changes, or to let Martinez voters decide whether they should go through. That election was to have taken place this coming November, but DeNova later pulled its application for a planned 98-house subdivision there, rendering the election moot.

The lawsuit claims the Friends group misrepresented itself as friends of the golf course owners -- at that point, three Coward family siblings -- when collecting those petition signatures. The suit alleges signature gatherers typically sought support "to save Pine Meadow," which could have been interpreted as saving the golf course.

"The defendants intentionally represent that the Pine Meadow owners and the Pine Meadow Golf Course are against such development, when in fact the opposite is true," the lawsuit states.

The suit also claims members of the Friends group have said DeNova has been "guilty of corruption" in its seven-year effort to build homes on the Pine Meadow land, and that the assertion is "defamatory on its face."

Platt, who has been the main spokesman for the group, said Tuesday night he had not seen the lawsuit, and could not comment on specifics.

"We stand behind everything we've said, and we've tried to be as accurate as we can in what we've stated on our website and elsewhere," Platt said.

Contact Sam Richards at 925-943-8241. Follow him at [Twitter.com/samrichardsWC](https://twitter.com/samrichardsWC).