



Paul E. White
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September 9, 2016

VIA: E-mail and Federal Express

Commission Members
Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, California 94553-1229

RE: Northeast Antioch Reorganization Area 2A - Annexation

Dear Commissioners:

Thank you for this opportunity to again address the Commission Members of the Contra Costa Local Agency Formation Commission. I previously appeared before the Commission on this subject on April 9, 2014. Prior to your June meeting, I provided a letter dated June 7, 2016 (copy attached) stating Kiewit's opposition to the annexation. The circumstances have not changed and therefore, we remain opposed to the annexation.

Kiewit is the largest landowner in Area 2A and has owned a 38-acre parcel since the late 1970's. We acquired the land to produce components for our construction of the Senator John A. Nejedly Bridge over the San Joaquin River. Since 1980, we have continuously operated our Kie-Con business which produces manufactured precast concrete products. This is an intensely industrial type of manufacturing business.

Our property, like most or all of the land in Area 2A, is zoned Contra Costa County Heavy Industrial. This provides for a wide range of uses as set forth in the County's zoning code. The code is unambiguous. This zoning is crucial to our business uses and the overall valuation of the property. A user such as Kiewit or any future user/owner of the land can relatively easily determine how the land can be used and establish a value for the property. An annexation into the City of Antioch will make us subject to Antioch's current general plan. The current Antioch General Plan provides for some sort of marine and commercial development of the area. I am not sure what this means but when I asked the City in an April 28, 2014 conference call to zone our property heavy industrial within the City, I was advised by the city manager that they did not want to zone our land to this zoning category.

The importance of the correct zoning is not theoretical but is a real world matter. In an "it happened to us" story, Kiewit is just now trying to work through a similar case in Southern California. We have owned and operated a 10-acre industrially zoned parcel in Riverside County for a number of years. A few years ago, the land was annexed by the City of Menifee. We no longer can use the land as in the past and were unable to sell the property due to the land use uncertainty. We have held meetings from time to time with

the City of Menifee but fixing the problems is not a Menifee priority. In our current case and given the comments that rezoning to heavy industrial is not likely, I think that any annexation will lead to a similar problem for Kiewit that exists in Southern California.

The argument could be made that our uses following an annexation would be considered non-conforming uses. This condition is simply a ticking time bomb versus the clarity of heavy industrial zoning. I can certainly provide more explanation on this risk but will hold that discussion for another day.

Kiewit is pleased to be a part of the Contra Costa County community. While based in Omaha, Nebraska, we have been part of Bay Area construction for more than 50 years. Besides the Nejedly Bridge, we have constructed a number of the Bay Area's most prominent infrastructure and power projects. Kiewit was the general contractor on the Benicia – Martinez Bridge. We were the general contractor on two contracts pertaining to the construction of the new San Francisco – Oakland Bay Bridge. We are currently the contractor on the demolition of the old Bay Bridge. We were the builder of the adjacent Marsh Landing Generating Station project.

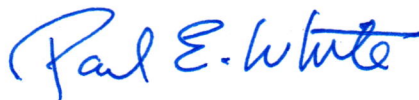
We remain opposed to the annexation as it will lead to uncertainty regarding our land use and could lead to a Menifee situation where we are in zoning Purgatory. Therefore, we request that you choose Option 2 in the executive officer's report and deny the proposal. Any reconsideration of annexation should be postponed until the City of Antioch updates their General Plan and provides for the heavy industrial zoning that is suitable for the Area 2A needs.

Finally, I know that a number of the neighbor owners also oppose the annexation. Their reasons are many and varied but we fully support their opposition.

Thank you again for understanding our concerns. Please choose Option 2.

Sincerely,

KIEWIT CORPORATION



Paul E. White
Vice President, Real Estate

Attachment

c: Blaise Fettig – Vortex Marine (w/attachment)
Allen Kung – Kie-Con (w/attachment)
Lou Ann Texeira – Contra Costa County LAFCO (w/attachment)

8540

KIEWIT INFRASTRUCTURE CO.
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(402) 342-2052 (402) 271-2830 FAX



PAUL E. WHITE
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June 7, 2016

VIA: E-mail and U.S. Mail

Commission Members
Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, California 94553-1229

RE: Northeast Antioch Reorganization Area 2A - Annexation

Dear Commissioners:

Kiewit owns a 38-acre parcel at 3551 Wilbur Ave. in Contra Costa County. We are the largest landowner in Area 2A. Kiewit remains opposed to the annexation of our property into the City of Antioch.

I provided testimony to this Commission at your April 9, 2014 meeting. Our opposition to the annexation continues as there are many unanswered questions regarding annexation of Area 2A. Our property is currently zoned Contra Costa County Heavy Industrial. This zoning designation is critically important to Kiewit for its precast manufacturing operations. The zoning classification if we were to be annexed into the City is uncertain and could very likely diminish the value of our property and negatively impact our ability to conduct operations.

Just as importantly, there are many uncertainties surrounding an annexation into the City as expressed in the City's recent letter dated May 23, 2016. It appears clear to me that the City of Antioch is not ready to properly deal with these issues. The buried storm water infrastructure located in the drive adjacent to our western boundary will need significant funding which the City does not have. The City has not completed the necessary General Plan and zoning amendments to provide heavy industrial zoning for our land. (Note: in an April 28, 2014 conference call with City, the City indicated that it did not want to rezone our land to heavy industrial). We do not have information on the additional costs by being annexed by the City that is needed to make an informed decision.

I understand that a number of the other property owners in area 2A also oppose annexation. I expect they will attend the upcoming meetings on this and will voice their concerns. We join in that opposition but will be unable to attend the June 8, 2016 meeting.

Please consider these comments from the largest single land owner in the Area 2A as you deliberate. We ask that you either deny the annexation proposal or postpone it

until the City has provided answers to the raised concerns as to the impact on owners within the area.

Thanks very much for your consideration.

Sincerely,

KIEWIT INFRASTRUCTURE CO.



Paul E. White
Director of Real Estate

c: Blaise Fettig – Vortex Marine
Brian Gardner – Northern California District
Allen Kung – Kie-Con
Lou Ann Texeira – Contra Costa County LAFCO

8227



September 12, 2016

Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553

Re: Northeast Antioch Reorganization Area 2A - Proposed Annexation

Dear Commissioners,

We appreciate the opportunity to address the Commission in the matter of the proposed annexation of Northeast Antioch Area 2A. Vortex Marine Construction, Inc. is the long term tenant of the property owner, Marterm Holdings, LLC, and we have been involved in this matter since the Marterm's purchase of our affected parcels in December of 2013.

Vortex is a heavy civil and marine contractor, operating in various markets across the U.S. from our corporate office in Antioch. This property was carefully chosen for waterfront access and zoning in order to appropriately reflect our needs and operations. Prior to purchase of the property, we engaged in a lengthy confirmation with Contra Costa County to assure ourselves and the County that the intended use of the property was consistent with the County's Heavy Industrial zoning of the property. In fact, the current zoning of this property as Heavy Industrial, along with its waterfront access, were the principle reasons that the property was purchased.

We understand that the proposed annexation of Area 2A will affect the current zoning in order to align with the City of Antioch's current or future zoning of our property. While we have had discussions with the City over the last two years, it remains unclear as to how the City might re-zone this property to reflect our heavy industrial zoning requirements, as the City's current zoning within this area is not consistent with it. Furthermore, the City has initially responded that the annexation could effectively "grandfather" our usage to the new zoning. This does not meet our long term goal for preservation of land value under the current Heavy Industrial zoning, which has become increasingly rare for waterfront property.

In addition to our zoning concern, we also understand that the proposed annexation would ultimately require us to connect our facility to the City's sewer system. As infrastructure for this 2100' connection is not currently in place, we are concerned as to who would be required to pay for such a connection.

For these reasons, we remain opposed to the annexation and respectfully request that the Commission vote "Option 2" to deny the proposal presented by the Executive Officer. In the event that the Commission votes "Option 3" to request further information, we remain committed to working with the City to resolve our concerns.

Thank you for your consideration of our request.

Sincerely,

VORTEX MARINE CONSTRUCTION, INC.


Blaise Fettig
President

Cc: Paul White – Kiewit Infrastructure
Lou Ann Texeira – Contra Costa LAFCO

