



Governor Signs Bill Limiting Eden Health District's Administrative Spending

Posted by: Steven Tavares October 4, 2016

By Steven Tavares.

Legislation that could be the first nail in the Eden Health District's coffin was signed last week by Gov. Jerry Brown. The new law, authored by East Bay Assemblymember Rob Bonta, requires the struggling Eden Health District to allocate a minimum of 80 percent of its operating budget for health-related expenditures. The narrowly-tailored bill only pertains to the Eden Health District, which covers much of Central Alameda County.

Following a years-long legal battle with hospital provider Sutter Health over ownership of San Leandro Hospital, the healthcare district's financial situation has been precarious in recent years. After losing the lawsuit, Eden Health District was ordered to pay \$20 million in damages to Sutter Health spread out over 10 years.

In addition to no longer overseeing a hospital, which was its original duty when voters created the district in 1948, its grant-giving ability has also been severely limited in recent years. Much of its income comes from medical office properties the district owns in Castro Valley and Pleasanton. The healthcare district is not funded by any taxes. Nearly two years ago, Eden Health District spent just 12 percent of its budget outside of administrative costs.

"The Eden District now essentially functions as a commercial real estate management operation, rather than a healthcare provider for the public," said Bonta. "Unfortunately, the mismanagement of the district and failure to meet the stated mission has gone on for too long and has violated the public trust by spending a disproportionate amount of their budget on administrative costs and not on helping people."

Bonta's bill faced little opposition through the legislative process before being signed by Brown on Sept. 21. Hayward Assemblymember Bill Quirk also offered legislation related to Eden Health District this session. Quirk's bill would have been far more punitive and ask for an immediate dissolution of the healthcare district. That bill, however, was shelved, in favor of Bonta's legislation.

But the push by Alameda County officials and local mayors to dissolve Eden Health District may only be beginning. The Alameda County Local Agency Formation Commission (LAFCO), which oversees the boundaries of jurisdictions in the region, is currently discussing the district's future, including the possibility of dissolution. A final report commissioned by LAFCO is scheduled for January 2017, according to a timeline offered last month. LAFCO's next meeting is Nov. 10.

Originally posted at East Bay Citizen.

Health district detachment; setting stage for reconsideration

by Frank Robertson Sonoma West Staff Writer news@sonomawest.com | Posted: Wednesday, October 12, 2016 11:26 am

County officials agreed to detach the lower Russian River area from the Palm Drive Health Care District last week, setting the stage for a protest proceeding expected to last into next year.

In a landmark vote that will drastically lower the Palm Drive Health Care District's approximately \$4 million in annual property tax revenues, members of the Sonoma County Local Agency Formation Commission (LAFCO) voted unanimously to detach the Monte Rio, Guerneville and Forestville area school district taxpayers from the Health Care District now in its second bankruptcy proceeding.

The vote formally vindicates months of signature gathering by members of TAUT, Taxpayers Against Unfair Taxes, the volunteer group started by three district residents, Margaret Benelli of Guerneville and Carolyn and Gary Harris of Forestville.

The LAFCO vote last week "acknowledges the heartbeat of our community," said Carolyn Harris, one of the organizers of the successful petition drive begun two years ago to get River residents out of the Palm Drive Hospital tax base.

The detachment advocates raised concerns about the fairness of the health care district's \$155 annual parcel tax that burdened taxpayers even after the former Palm Drive Hospital, now called Sonoma West Medical Center, went into bankruptcy and closed for 18 months.

Health Care District representatives last week again promised that Sebastopol's Sonoma West Medical Center is headed for solvency and can continue to deliver needed medical services to the River detachment area.

"Things are turning around rapidly," for the Sonoma West Medical Center, Palm Drive Health Care District Director Dennis Colthurst told LAFCO last week. Under the direction of Pipeline Health as the current management team, the bankrupt hospital "is not heading into the ashes again," said Colthurst.

LAFCO's seven board members wished the hospital well but said detachment is appropriate after more than 25 percent of the River area's voters signed petitions in support of getting out of the Palm Drive Health Care District's tax area. Detachment will cut Health Care District tax revenues by about 40 percent, "a huge hit to the district," said Palm Drive Health Care District Executive Director Allana Brogan last week.

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"This is a tough day for the health care district," agreed 5th District Supervisor Efren Carrillo, who serves as LAFCO's chairman. But detachment could create the impetus for the Sebastopol hospital to find fiscal stability without taxing residents who don't use the facility, said LAFCO.

The financial difficulties at the Sebastopol hospital reflect similar challenges nationally for small publicly owned hospitals, said Carrillo. The successful River-area petition drive begun two years ago was considered a longshot but met all the rather stringent requirements of the LAFCO detachment process, said Carrillo. "That was really the turning point," in persuading LAFCO to approve the detachment application, said Carrillo.

The detachment process will now continue with a 30-day window during which Palm Drive Health Care District directors can ask for a formal reconsideration of the detachment vote.

If the health care district asks for reconsideration, LAFCO would then hold a hearing at its regular Dec. 7 meeting to weigh the request.

If LAFCO denies the reconsideration request, a protest proceeding would open to allow Health Care District residents to protest detachment. The protest process would continue for seven weeks, during which detachment opponents would need formal support from more than 25 percent of either (A) voters in the detachment area or (B) 25 percent of landowners who own at least 25 percent of the assessed land value of the land within the affected territory, the Monte Rio, Guerneville and Forestville school districts, according to the staff report to LAFCO last week from LAFCO Executive Officer Mark Bramfitt.

Health Care District Directors have indicated they intend to file a request for reconsideration, said Bramfitt. The request will require new information that could not have been known prior to the vote last week. The request also requires a \$2,300 fee, said Bramfitt.

If the protest process opens in December it would continue until February of next year, according to the LAFCO schedule approved last week. If the protest fails to meet the criteria, "This could all be over in February," said Bramfitt.

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WaterNews

California Designs First Statewide Water Affordability Program

October 13, 2016 / in United States, Water Management, Water News, Water Pricing / by Brett Walton

Many questions before the program begins operating.



California officials are developing the nation's first state program to assist poor families who have trouble paying their water bill. Photo © Matt Black

By Brett Walton, Circle of Blue

Prompted by a 2015 state law [https://leginfo.legislature.ca.gov/faces /billNavClient.xhtml?bill_id=201520160AB401], the State Water Resources Control Board has begun designing a program to provide state aid to individuals and families who need help paying their water bills. Due to the Legislature by February 1, 2018, California is determined to be the first to use state funds to subsidize water service for poor residents, water rate experts say.

California is in the vanguard of what is becoming a nationwide movement for affordable water [http://www.circleofblue.org/2016/water-policy-politics/waterrights-access/water-affordability-new-civil-rights-movement-united-states/]. The cost of water service is increasing across the country as cities repair old pipes,

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overhaul treatment facilities, and comply with state and federal drinking water regulations. Meanwhile, the incomes of the poorest Americans, though they rose at an encouraging rate in 2015 [https://www.washingtonpost.com/business /economy/us-household-incomes-soared-in-2015-recording-biggest-gain-indecades/2016/09/13/a832da44-79e0-11e6-ac8e-cf8e0dd91dc7_story.html], have not kept pace with the rising cost of household needs for food, housing, phone service, healthcare, and other essentials, including water.

Interest in the topic is widespread. Utilities, often at the forefront of the affordability question, are expanding or reworking their aid packages. Philadelphia's water utility, for one, is testing an income-based water rate, which will be rolled out by next spring. Federal officials are interested, too. The U.S. Environmental Protection Agency is studying affordability, as are several expert groups that are advising the agency while it prepares a new national drinking water strategy, due in December. The U.S. Senate held a hearing in April [http://www.epw.senate.gov/public/index.cfm/hearings?ID=6F546780-A36E-44FE-9C5B-6B797D7F00A6] on the cost of water service, and earlier that month U.S. officials from four government agencies testified before the Inter-American Commission on Human Rights [https://www.youtube.com /watch?v=uNqNhuNnFWE] on access to water in the United States. It was the first time that U.S. authorities had appeared in front of the commission to address domestic drinking water access.

All of which makes California an interesting case study, says Stacey Isaac Berahzer of the Environmental Finance Center at the University of North Carolina. There is much work to do. Comments from water board officials at a public meeting in Fresno, on October 12, indicate that the state's thinking about the program is still in its very earliest stages.

"We'll be collecting a certain amount of money in some way so that it gets to people to help pay their water bill," said Max Gomberg of the State Water Resources Control Board. The Fresno meeting was the first of five forums over the next month to gather public input on the program.

The ambiguity in Gomberg's statement reflects the difficulty of the water board's task. It must estimate statewide needs based on financial circumstances that vary from household to household. It must also find a funding source, most likely taxes or fees, that does not run afoul of state rules that prohibit utilities from charging higher rates on one group of customers to subsidize another.

The water board identified four main questions that will guide the development of the program:

- 1) Who is eligible?
- 2) How much aid will be offered and what form will it take (a rebate, a tax credit, or a reduced bill)?
- 3) How will the state pay for it?
- 4) How will it be administered?

Regarding eligibility, Gomberg said that the water board is considering whether

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Measuring affordability is a challenge. The U.S. Environmental Protection Agency uses median household income for a utility's service area as the basis for affordability. Water bills are deemed "unaffordable" if they exceed 2.5 percent of the median income. Numerous critics, however, point out that this is a blunt tool. Poorer residents may be paying far more as a percent of their income.

A 2013 study [http://d3n8a8pro7vhmx.cloudfront.net/communitywatercenter /pages/52/attachments/original/1394397950/assessing-wateraffordability.pdf?1394397950] by the Pacific Institute, Community Water Center, and Fresno State University used more detailed data that incorporated household income. The researchers found that nearly one-quarter of households in the Sacramento metropolitan region were paying more than two percent of household income on water. Two percent is the affordability threshold that California uses.

Private wells are another issue. Generally households that use a well are responsible for maintenance and testing. Gomberg said that the water board, which estimates as many as two million Californians are served by private wells, would consider using state aid if a family could not afford maintenance.

"We're trying to implement the right to water," Gomberg said, referring to California's 2012 law that established a state role in ensuring water access for all residents. "So we would look at including private well owners."

Quality is another matter, but one that is probably beyond the water affordability program's mandate. Many towns in the Central Valley and Salinas Valley, two major farm regions, supply water to homes with high levels of nitrates, which can kill an infant. Not only might it be unaffordable, the water is undrinkable. The water board is considering whether families who buy bottled water because their tap water is unsafe should be eligible for aid under the affordability program. Per gallon, bottled water is dozens or hundreds of times more expensive than tap water.

All of the ideas will be incorporated into a draft plan, which will be released early next year, Gomberg said.

The plan, once finalized by February 2018, is only a first step. The Legislature will have to approve a funding source, probably taxes or fees, Gomberg said. The earliest the program might begin handing out aid is 2019, he reckoned.

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Brett Walton [http://circleofblue.org/author/brett]

Brett writes about agriculture, energy, infrastructure, and the

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politics and economics of water in the United States. He also writes the Federal Water Tap [http://www.circleofblue.org /water-tap/], Circle of Blue's weekly digest of U.S. government water news. He is the winner of two Society of Environmental Journalists reporting awards, one of the top honors in American environmental journalism: first place for explanatory reporting for a series on septic system pollution in the United States (2016) and third place for beat reporting in a small market (2014). Brett lives in Seattle, where he hikes the mountains and bakes pies. Contact Brett Walton [http://www.circleofblue.org/contactbrettwalton/]

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Sewer water die hards refuse to give up



Sam Lipson, of Martinez, fills five gallon jugs with recycled water at the Central Contra Costa Sanitary District recycled water filling station in Matinez, Calif., on Wednesday, Oct. 12, 2016. Recycle water for landscape irrigation is provided free of charge to homeowners. (Anda Chu/Bay Area News Group)

By Denis Cuff | dcuff@bayareanewsgroup.com

PUBLISHED: October 17, 2016 at 7:00 am | UPDATED: October 16, 2016 at 3:54 pm

MARTINEZ — Though he knows it makes no financial sense, Sam Lipson regularly drives to a local sewer plant to haul home free effluent to irrigate the trees in his yard.

A year ago, at the height of California's drought when residents faced higher rates and penalties for using too much water, the time and effort saved Lipson money.

Now, with drought rates and penalties gone, Lipson saves less than 20 cents on his water bill each time he picks up 40 gallons of free effluent, instead of getting the water from his faucet at home. That's scant compensation for the time and effort.

But he — like many other Californians — continues to do it.

Water officials thought business at drought-inspired recycled water fill stations would wither and die after rates dropped back to normal and rainfall returned to near normal in much of California. Business has slowed but far from dried up.

Thousands of homeowners are still tanking up at sewer plants in Scotts Valley near Santa Cruz, Redwood City, Martinez, Pleasanton, Brentwood, Pittsburg, Livermore, Irvine, San Diego Los Angeles and Calabasas.

Heather Cooley, water program director at the Oakland-based Pacific Institute, a water think tank, said it's hard to predict how long the fill stations will stay in California. But she added that the users are sending an important message that public views have shifted about water scarcity and reuse.

"The public is understanding that California's water problems are not just in droughts but in normal years," Cooley said. "The message is that we need to look at effluent not just as a waste product but as a natural resource that we can make greater use of."

Lipson, a semi-retired community college chemistry professor who fills up eight 5-gallon jugs at the fill station at the Central Contra Costa Sanitary District plant in Martinez, says, "I do it because it's the right thing to do. ... I can't stand the idea of using fresh tap water on plants and trees when we're not using millions of gallons of our wastewater."

The more than 15 fill stations that popped up in the drought are a striking throwback to a low-tech, grass-roots course of individual action in the state with the most advanced water plumbing system in America. The volumes used are a drop in the bucket compared with overall water use.

Planners wonder: Is it a fad? Is it a feel-good measure? Or is it a vanguard of greater acceptance for using more recycled water in an arid state?

At the fill stations, people use tanks, barrels and jugs to haul home their water, which weighs 7.8 pounds per gallon, giving them a sense of mission and control over at least part of their supply.

In Scotts Valley near Santa Cruz, Bill Ekwall, a retired firefighter, picks up free effluent to irrigate his lawns, potted plants and other landscaping even though the Scotts Valley Water District has more abundant supplies this year.

Ekwall said he doesn't feel good about using Scotts Valley's limited groundwater to irrigate his plants when treated sewage is being piped out to sea.

"The newly constructed areas in town are built to get recycled water in purple pipes. The parks use recycled water," he said. "Why can't homeowners in the older areas have the same access to recycled water?"

Water and sewer industry managers say the steep cost of installing new purple pipes is a big deterrent to delivering recycled water to older neighborhoods.

Responding to public demand amid drought restrictions, some communities opened recycled water fill stations in the past two years to provide a temporary way to let homeowners get the effluent on a do-it-yourself basis.

The number of customers that pick up reycled water varies from community to community, according to a survey by the website www.recycledh2o.net/, which tracks the trend.

About 88 people in Scotts Valley are signed up. Some 3,800 or more are signed up in the Dublin San Ramon Services District, the agency that opened the first fill station in 2014 and served as a model for other stations.

About 27 people are registered to use a fill station opened in Los Angeles this summer by the Los Angeles Department of Water and Power. The station recently switched from weekday to weekend hours in a move to make it more accessible and popular.

Los Angeles' primary reason for the station is to promote greater understanding and acceptance of recycled water as more California communities study expanding its use, said Alberto Rodriguez, a department spokesman.

In Scotts Valley, Piret Harmon, the local water district general manager, said her agency benefits from offering the free service because it lays a foundation of public understanding of recycled water. The district is studying whether to use treated effluent to replenish the local underground basins from where the district pumps its water supply.

She expects the Scotts Valley fill station will stay in business as long as there are a significant number of users.

"I think it's a feel-good thing," Harmon said.

SOME BAY AREA RECYCLED WATER FILL STATIONS*

Redwood City, 601 Chesapeake Dr., Redwood City. Visit http://bit.ly/2e4I5Hz for information Martinez: Central Contra Costa Sanitary District, 4797 Imhoff Dr. Martinez. http://bit.ly/2e4IUAg

Scotts Valley: Scotts Valley Water District, 370 Kings Village Road. http://bit.ly/2e4Mha9

Pleasanton: Dublin San Ramon Services District. 7399 Johnson Drive, Pleasanton. http://bit.ly/27BPba5

Brentwood: Brentwood wastewater plant, 2251 Elkins Way. http://bit.ly/2e4OH8H

*Some fill stations limit use to local residents. Hours and days open vary from station to station.

New York Times

As California Water Use Rises, Some Ask: Were Limits Eased Too Soon?

By ADAM NAGOURNEY

OCT. 19, 2016

EAST PORTERVILLE, Calif. — This state slashed urban water use over 25 percent in the face of a punishing drought last year, exceeding a mandatory order issued by Gov. Jerry Brown and turning California into a model of water conservation. Californians tore out lawns, cut back landscape watering and took shorter showers as they embraced Mr. Brown's call to accommodate what he warned were permanently drier times.

But this year, after regulators lifted the <u>mandatory 25 percent statewide cut</u> following a relatively wet winter, water use is up again, a slide in behavior that has stirred concern among state officials and drawn criticism that California abandoned the restrictions too quickly. In August, <u>water conservation dropped below 18 percent</u> compared with August 2013, the third consecutive month of decline.

"The lifting of the mandatory conservation targets was a big mistake," said Peter H. Gleick, a founder of the <u>Pacific Institute</u>, a think tank dedicated to water issues. "It sent the wrong message, it stopped the implementation of a growing set of effective urban conservation and efficiency programs, and it took pressure off both utilities and individuals to continue to improve water-use efficiency."

Felicia Marcus, the chairwoman of the <u>Water Resources Control Board</u>, said the state could not continue to ask Californians to take emergency measures amid evidence that the situation had eased. Still, she said she was concerned by the rise in water use and warned that the state may reimpose mandatory cuts if conservation continues to decline and California endures another dry winter.

"It's not clear whether it is an understandable and reasonable relaxation or a turning away from the effort," she said. "You can see it as people still saving two-thirds of what they were saving in the worst water moment in modern history, or you can worry that people are saving one-third less than last year. It really appears to be a mixed picture."

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"I worry about the slippage," Ms. Marcus said. "But folks are still saving a lot of water without the state giving them a number."

By any measure, California is confronting a complicated new chapter as it enters the sixth year of a drought that has forced it to balance huge demand for a sparse resource — water — from farmers, residents, municipalities and developers. For one thing, the situation is not as dire as a year ago after a relatively normal rainy season. Some of the most searing symbols of the drought, such as near-empty reservoirs, are harder to find.



The home of Sebastian Mejia and his family in East Porterville. They were provided a water tank when their well ran dry. Credit Stuart Palley for The New York Times

The improvement can be seen in and around this Central Valley farming community that became a national symbol of the drought. For nearly two years, Sebastian Mejia, a truck driver who lives here with his wife and four daughters, had to haul buckets of water to his home so his family could take showers, flush the toilet and wash the dishes. No more.

"I just took a shower right now," Mr. Mejia said, standing on his dusty street on the edge of a community where many homes, including his, have temporary water tanks perched on their lawns.

A few miles away at the Drought Resource Center, no one was in line on a recent afternoon to use the temporary showers that were set up last year.

But the drought shows no sign of ending. Meteorologists say it would take five years of normal to heavy rain to replenish depleted groundwater supplies and reservoirs. Last year, after forecasts of a heavy El Niño weather system that would soak the state, California ended up with average rainfall, concentrated in the north of the state.

And a number of environmentalists say this is not a typical cyclical drought that is part of life here, but rather the beginning of a more arid era created by global warming.

"We've had less than 39 inches of rain in five years in L.A. County, which is absolutely unprecedented in our history," said Mark Gold, an environmental professor at the University of

California, Los Angeles. "The timing of the rollback and the mixed message could have severe consequences. The public did their part in responding to the emergency. We are still under emergency conditions."

Even in places like this community, improvement in the availability of water has been limited.

Elva Beltran, who runs the Porterville Area Coordinating Council, which provides emergency water to families who run out, said that while the pace had slowed, people were still coming in for help. "I never know from one day to the next when a family is going to come by and say, 'Mrs. Beltran, we are out of water.' "

In suspending the cutback, the board instructed the state's 411 water agencies to determine whether conservation measures were necessary in their districts. (By easing the rules, the board was also acting in response to financial problems that some agencies suffered as drops in consumption led to decreased revenue.) The vast majority of districts declared that they did not need to impose rationing, relying on consumers to restrict use on their own.



A Drought Resource Center on the grounds of a local church. It provides showers, restrooms and drinking water for residents facing water shortages because of the drought. Credit Stuart Palley for The New York Times

Mayor Eric M. Garcetti of Los Angeles said he feared that that sent a confusing message to water users, signaling that it was fine to return to old habits when it was not. Ms. Marcus agreed that it was a challenging argument to make. "It's less easy to message, that's for sure," she said.

Tracy Quinn, a policy analyst with <u>Natural Resources Defense Council</u>, said the easing of the rules had come amid evidence that people were recognizing the severity of the situation and changing their habits. And some changes — such as replacing lawns with drought-tolerant plants — produced permanent reductions in water use.

"You had people willing to change their behavior altogether," she said. "Watering their lawns less often. Taking shorter showers. I think people were making a lot of strides, and conservation was truly becoming a way of life."

"We had one normal, average precipitation year among five," she said. "We certainly don't know what the next few years will bring."

But Jeffrey Kightlinger, the general manager of the Metropolitan Water District of Southern California, which provides water for about 19 million people, said the state would have undercut its credibility if it had left the rule in place. He said that while conservation was down in his area, the agency had been able to build up its reserves by bringing water down from the north.

"If you tell people it's an emergency and you had an average water year, people get cynical and say you are only playing with numbers," he said. "The tension is: Do you continue to push an emergency message when it's really not an emergency?"

Ms. Marcus said she had been encouraged by the way the public had rallied during the worst months of the drought and was confident that people would step up again if conditions grew worse. If not, under the original drought order issued by Mr. Brown, the state can reimpose mandatory conservation with 10 days' notice, though Ms. Marcus said the board would probably hold hearings to give the public a chance to comment. "We're not planning on surprising anyone," she said.

David L. Sedlak, a director of the Berkeley Water Center at the University of California, Berkeley, said that in lifting the rules, the state risked having people return to old habits.

"But we have to balance that risk against the risk of crying wolf," he said. "If we make the drought restrictions permanent, what do we do the next time the drought becomes severe? There will be no more buttons to push."

Martinez officials left in the dark about rumored Shell refinery sale



Doug Duran/Staff

The Shell oil refinery in Martinez, seen from across the Carquinez Strait in Benicia.

By Sam Richards | srichards@bayareanewsgroup.com

PUBLISHED: October 19, 2016 at 1:15 pm | UPDATED: October 20, 2016 at 4:47 am

MARTINEZ — A new published report said this week that Royal Dutch Shell has enlisted a German company to help find a buyer for its Martinez Refinery.

Local officials in Martinez, where Shell has operated for more than a century, say they've heard next to nothing about a possible sale since an initial report in June. But as news of a possible sale advances, they say they have concerns about whether a new operator would be as good a corporate citizen as Shell has been.

"The relationship the city has had with Shell has been a close one; it's not just 'the refinery,' it's a part of the city's cultural fabric," said Mayor Rob Schroder, whose father-in-law worked at Shell for 40 years. He and other council members say they've heard the scuttlebutt around town, based largely on news reports, but have heard nothing official from Shell managers. "Any change is concerning."

Shell spokesman Ray Fisher in Houston said the company wouldn't have any comment on Tuesday's Reuters News Service report, or on any aspect of a possible sale.

The Reuters story said Royal Dutch Shell has enlisted Deutsche Bank, a German global banking and financial services company, to find a buyer for the Martinez refinery. The Martinez refinery and its 700 employees produce gasoline, jet fuel, diesel fuel, petroleum coke, industrial fuel oils, liquefied petroleum gas, asphalt and sulfur.

That report cited one interested company, New Jersey-based PBF Energy, which recently bought a similarly sized refinery in Torrence from Exxon Mobil for a reported \$537 million.

A June report by Reuters about a possible sale of the Martinez refinery said the move was part of an effort among the big oil companies to shed some lower-profit operations before crude oil prices rise much further from low 2015 levels.

Area officials aren't concerned about the refinery closing — it is the fifth-largest in California as measured by barrels per day processed (more than 150,000). Approximately 40 percent of the refinery is within Martinez city limits, and the city collects about \$400,000 a year in property tax revenue from the refinery, said Cindy Mosser, the city's finance manager. (Contra Costa County gets the rest, and most of the sales tax revenue from the refinery).

But the replacement of a known solid corporate citizen with an unfamiliar operator gives local leaders pause. They've seen first-hand that not all cities that host large refineries have similar relationships.

"You just don't know what philosophy a new company would come in with," said Councilwoman Anamarie Avila Farias. "Shell has been a good neighbor, and has worked really well with the city."

"They've set a high bar in that regard," added Councilman Mark Ross. "Their people are out in the community. What the new owners would allow those local people to do is yet to be seen."

Shell has had some problems over the years, including explosions and an April 1988 oil spill that killed hundreds of water birds and resulted in a \$19.75 million legal settlement. But Contra Costa Health Services records show the Martinez refinery has had fewer incidents than other Contra Costa refineries over the past 30 years.

In 2014, Shell officials announced plans for the Martinez refinery to seek approval to process a lighter mix of crude oils and permanently shut down one of two coker units — moves to both increase refinery efficiency and make its operations more environmentally friendly. The changes would take several years to complete.

West County Healthcare District files bankruptcy

The owner of the shuttered Doctors Medical Center had accepted an offer in January from Davis-based Royal Guest Hotels to buy 8.3 acres containing the hospital for \$13.5 million, but the hotel company recently pulled out of the deal.

By Tom Lochner | tlochner@bayareanewsgroup.com

PUBLISHED: October 22, 2016 at 12:20 pm | UPDATED: October 24, 2016 at 5:22 am

SAN PABLO — The special district that owns the shuttered Doctors Medical Center filed for Chapter 9 bankruptcy protection this week after a hotel operator pulled out of a deal to buy what remains of the hospital's campus.

The board of the West Contra Costa Healthcare District, which owns the hospital, had accepted an offer in January from Davis-based Royal Guest Hotels to buy the remaining 8.3 acres containing the hospital for \$13.5 million.

But Royal Guest decided to cancel the agreement, said Healthcare district board chairman Eric Zell.

"With no chance to bring in revenue in the short term to cover existing district expenses, such as worker compensation claims and medical record storage, the district board voted unanimously to file for bankruptcy to allow for the orderly disposition of remaining financial obligations, including those owed to past district employees and vendors," Zell said.

Doctors Medical Center, at 2000 Vale Road, San Pablo, closed in April 2015 after years of financial struggles that officials blamed largely on low reimbursement rates for Medi-Cal and Medicare patients, who constituted about 80 percent of DMC's patient mix. It had opened in 1954 as Brookside Hospital.

In March, the district sold to San Pablo a 2.5-acre slice of the campus that is being used by the adjacent Lytton Rancheria casino for parking. In 2014, the Lytton Rancheria had paid \$4.6 million upfront for a 20-year easement on the property, which remains in effect.

Royal Guest Hotels did not respond to an email Friday.

Check back for updates.

Multiple fire district measures on ballot in Contra Costa

By Rowena Coetsee | rcoetsee@bayareanewsgroup.com

PUBLISHED: October 25, 2016 at 6:00 am | UPDATED: October 30, 2016 at 1:21 pm

Voters in far East Contra Costa and parts of West County will decide next month whether they will pay more to restore the fire services they have lost over the past few years.

Among the communities served by the financially strapped East Contra Costa Fire District, Brentwood and Oakley have placed similar proposed utility user taxes on the ballot that would generate the millions needed to reopen fire stations that have closed as well as build new ones.

And in Rodeo and Hercules, residents are being asked whether they are willing to shell out \$216 more each year to keep both fire stations open.

If it receives a majority vote, Brentwood's Measure Z would phase in an ongoing tax on residents' and businesses' telephone, electricity, gas and cable television bills over two years — 3 percent starting in January and 6 percent one year later.

The tax would not apply to low-income residents, whose eligibility will be determined by whether they qualify for utilities companies' discounted rates.

By the second year, the tax would be producing an estimated \$6.1 million annually for the city's general fund.

An independent, third party would include Measure Z revenue in its annual audits of the city's finances, monitoring how the money has been spent and publicizing that information.

Although the revenue is not earmarked for fire and emergency medical services, voters can express their wish that the city spend the money in this way by approving Measure A, a non-binding directive.

Brentwood's approximately 60,000 residents currently have one fire station that has only three firefighters on duty at a time. The goal is to open two more with the additional tax revenue.

Oakley's version of the proposed levy is Measure E, which would establish a 3.5 percent tax on not only electricity, gas and cable television but water and sewer use as well.

Schools, special districts and households that the city deems low-income will be exempt.

If it receives a majority vote, the tax is expected to drum up approximately \$2 million per year, which, like Measure Z, would flow into the city's general fund.

And Measure E comes with a companion proposal as well — Measure G — that asks Oakley residents whether they want the funds spent on fire and medical calls. If they do, the money would go toward staffing a second firehouse.

Measure E also would require the City Council to appoint a committee of residents to recommend how the tax revenue should be spent and oversee its use.

In addition, it would instruct the fire district to reimburse residents of the Summer Lake South development for the additional fees they already are paying to receive its services.

The 612 property owners in the not-quite-finished 625-home community at Bethel Island and East Cypress roads are contributing about \$150,000 annually.

The two measures are yet another attempt to shore up East Contra Costa Fire after voters rejected both a parcel tax in 2012 and a benefit assessment last year.

The district long has struggled to make ends meet, but money has become critically short since 2010 when it had an all-time high of eight stations.

East Contra Costa Fire closed two of them that year and three more following the defeat of the parcel tax.

The district's precarious finances have placed it in a state of flux, with stations closing, reopening and then closing again.

The agency currently has four stations serving about 110,000 residents — one in Discovery Bay, Oakley and Brentwood as well as another in Knightsen that is scheduled to close at the end of June 2017.

If both proposed utility taxes fail, far East County will return to three stations on July 1, 2017. If they succeed, the fire district will build or reopen several more — one in Oakley, two in Brentwood — for a total of six.

That still falls short of the nine stations that a consulting firm recommended in June, however.

Area residents also will be voting on Measure N, which offers the choice of electing the fire district board's nine members directly or continuing to allow the Brentwood and Oakley city councils along with the county Board of Supervisors to appoint representatives.

Another fire agency in Contra Costa County that has a proposal on the ballot to ease its financial stress is the Rodeo-Hercules Fire District.

The two-station district is asking residents to approve a \$216 annual parcel tax by voting for Measure O, which will require a two-thirds approval to pass.

Measure O is ongoing and expected to generate \$2.5 million annually once it takes effect July 1, 2017.

The tax would increase each year by no more than 3 percent. Seniors 65 and older are exempt.

The district has been in financial straits in recent years as its tax base shrunk and pension obligations increased.

The measure would replace a benefit assessment that was generating about \$940,000 annually—and that the district will rescind next year as the result of a lawsuit. The assessment helped reopen the Rodeo fire station, which closed in 2012 for lack of money.

If Measure O fails, that facility likely would close again at the end of 2017, according to then-Fire Chief Charles Hanley.

Closed Pittsburg fire station to reopen



Susan Tripp Pollard/Staff archives

Contra Costa Fire Protection District Station 13, which closed in July 2013, is now set to reopen by Jan. 1

By Sam Richards | srichards@bayareanewsgroup.com

PUBLISHED: October 25, 2016 at 4:31 pm | UPDATED: October 25, 2016 at 4:35 pm

PITTSBURG — A fire station that closed in 2013 is set to reopen by Jan. 1, thanks to an improving economy, better-than-expected performance of employee retirement investments and a city fee designed to help pay for fire protection, county officials said Tuesday.

Contra Costa Fire Station 87, on West Leland Road near John Henry Johnson Park and the Delta View Golf Course, closed in July 2013 amid fire budget problems stemming from a downfall in property tax revenues.

Contra Costa Fire District Chief Jeff Carman told the Contra Costa County Board of Supervisors that the general economic recovery has helped revive property values, which in turn drives up property tax revenue, a major source of funding for the district. He also credited what he said has been a better-than expected performance of employee investments through the Contra Costa County Employees' Retirement Association.

Station 87 had first opened in 2000, serving western Pittsburg and parts of Bay Point. It closed after Measure Q, a parcel tax measure on the November 2012 ballot, was defeated by voters.

"It's never an easy decision about what fire station to reopen and when," Carman told county supervisors. But the Pittsburg-Antioch-Bay Point area has a high volume of calls, he said, which makes reopening a station there — in its Battalion 8 area — a sensible move.

Also getting credit for helping Station 87 reopen is a new Community Facilities District through which the city of Pittsburg will collect a fee for every new structure built in the city. The money will pay for fire protection and other emergency services. Pittsburg spokeswoman Jill Hecht said it's too early to know how much money these building fees will bring in.

Carman said Pittsburg is the first city in the district to help pay for fire protection in this way, and hopes other Contra Costa cities adopt the same strategy.

Since Station 13 closed, Carman said, ConFire has made other cost-saving changes, including partnering with a private contractor for ambulance service.

County Supervisor Federal Glover of Pittsburg lauded the planned station reopening, and said that area has special fire needs. "Because of Highway 4 and its congestion, and with all the petrochemical companies in the area, it makes sense" to reopen a local fire station, he said.

The ConFire station in Clayton, Station 11, reopened in January 2015, after being closed for three years.

Santa Maria Sun - Volume 17, Issue 34

Cuyama to host groundwater sustainability agency formation workshop Oct. 27

By DAVID MINSKY

On Oct. 27, the Cuyama Community Services District will host a public workshop regarding the Sustainable Groundwater Management Act (SGMA) and the formation of the Cuyama Basin Water District.

The workshop will take place from 6 to 8 p.m. at the Cuyama Elementary School cafeteria located at 2300 Highway 166 in Cuyama and will include representatives from Santa Barbara, San Luis Obispo, Kern, and Ventura counties.

Growers and cattle ranchers from all four counties will be included in the Cuyama Basin Water District, which was approved by the Santa Barbara County Local Agency Formation Commission (LAFCO) and is described by LAFCO Executive Director Paul Hood as the "largest ever" in the agency's history—encompassing more than 83,000 acres.

The district, which was approved by LAFCO on Sept. 1, will be a part of a larger groundwater sustainability agency that's mandated by SGMA.

The formation of the Cuyama Basin Water District came as a result of SGMA, which was passed by Gov. Jerry Brown in September 2014 and is intended to protect California's groundwater.

The new district drew controversy among some residents who said they were being excluded from the formation process and that the new district—which they say benefits only farmers—will take all of their water.

A depleting aquifer directly underneath the Cuyama Valley is the area's only source of water for residents and farmers.

"No individual owns water on a lifeboat," John Coats, manager of the Cuyama Community Services District, said at a LAFCO meeting in August.

Ernest Conant, a Bakersfield attorney, is leading the effort for the formation of the district, whose members include larger growers like Bolthouse Farms, a subsidiary of the Campbell Soup Company.

Representatives from the California Department of Water Resources and the State Water Resources Control Board will also be present at the workshop.

Contra Costa: Urban limit line battle coming to head in Tassajara Valley



Undeveloped land is seen in Contra Costa County near Danville on Oct. 20. The Contra Costa Board of Supervisors may soon decide whether to approve a new housing project in the Tassajara Valley that would breach the county's urban limit line. (Kristopher Skinner/Bay Area News Group)

By Sam Richards | srichards@bayareanewsgroup.com

PUBLISHED: October 26, 2016 at 6:00 am | UPDATED: October 26, 2016 at 9:35 am

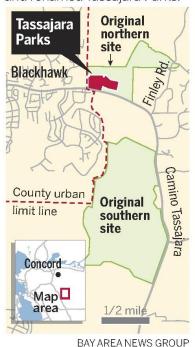
TASSAJARA VALLEY — Amid the open spaces of this rural area east of Danville, a developer wants to build houses on a relatively small parcel of land — 30 acres — and has scaled back his proposal over several years to appease neighbors.

Nevertheless, the project continues to generate a fierce backlash among some environmentalists and residents who fear it will cross a sacrosanct boundary — Contra Costa County's urban limit line — that has not been breached since its creation in 1990.

The 125-home project site is outside that line, an established outer boundary of commercial and residential development approved by voters.

TASSAJARA VALLEY PLAN

A 2007 development plan in the unincorporated area between San Ramon and Danville that drew the ire of environmentalists and residents has been scaled back and renamed Tassajara Parks.



Opponents say approval of Tassajara Parks, which could happen by year's end, might open the floodgates to development, in a worst-case scenario triggering a prospective domino effect replacing brown grazing lands and dry-ranching prairie with yet more houses. As many as 964 parcels could be affected, they say.

"I fear that developers could just march right down the (Tassajara) valley, and if they could do it in 30-acre increments, a bit here and a bit there, it all works," said Donna Gerber, who as a county supervisor in 2000 worked with fellow former supervisor Joe Canciamilla and others to give 14,000 acres of open space and agricultural land urban limit line protection.

Tassajara Parks' backers say this won't happen near their project. "There is hardly any private land touching the urban limit line," said David Bowlby, a consultant and spokesman for the project proposed by Samir F. Kawar. "There aren't more than two or three parcels where that could happen."

While voters must approve any move of the urban limit line involving more than 30 acres, the Contra Costa County Board of Supervisors can unilaterally decide to move parcels of 30 acres or fewer outside (or inside) that line by a four-fifths vote, if certain findings are made.

Contra Costa is the only Bay Area county to have such an urban limit line, and San Ramon its only city to have one. Seven Santa Clara County cities, including San Jose, have set urban growth boundaries; they've also been adopted by Livermore, Pleasanton and Hayward and more than 100 other city and county governments around the United States.

The Tassajara Parks proposal is from FT Land LLC, whose principal is Kawar, a former Jordanian transportation minister who owns the land. The public face of what began in 2007 as the 187-house New Farm project initially was East Bay consultant-power broker Tom Koch, but Bowlby last week adamantly denied that Koch — the lead consultant on Brentwood's failed 2010 Measure F to move the limit line near that city — has any involvement with Tassajara Parks now.

Gerber said she believes otherwise, and expects Koch will push for a supervisors' vote on the project before the end of December.

Developer touts 'green wall'

Bowlby said the plan to deed 616 acres south of the proposed houses to the East Bay Regional Park District as open space for recreational use would create a "green wall" that would protect

most of the urban limit line in the Tassajara Valley. But Gerber said the green wall won't protect anything. "It's a flim-flam proposal, and I find it offensive," she said.

As of late October, Contra Costa County planners were evaluating comments on Tassajara Parks' recirculated draft environmental impact report, one changed significantly by 25 recent comments, most of them about water. The last day to comment is Nov. 14. The next Tassajara Parks hearing, by the county's zoning administrators, is scheduled for Nov. 7 in Martinez.

To justify moving the urban limit line, supervisors must make at least one finding from a list of seven. One involves whether the project has public benefits.

Kim McKnight, a volunteer traffic guide at Diablo Vista Middle School near where the houses would be, said school parking lot and drop-off improvements the project would bring are a considerable benefit. "It's poorly designed, and I'm surprised no child has been hit so far," McKnight said.

Another "finding" is presence of a thorough preservation agreement supported by neighboring cities. Gerber asserts an existing proposed "memorandum of understanding" doesn't qualify as a preservation agreement or, by extension, as a condition for moving the urban limit line.

Opposition to a change

Steve Barr and Diane Burgis, the two county supervisor candidates competing in the Nov. 8 election to represent District 3, which covers most of Tassajara Valley, have not taken a public position, saying that could compromise a vote they may be asked to make if elected. That district contains 51 percent of the land protected by the urban limit line.

Gretchen Logue, co-founder of the Tassajara Valley Preservation Association, whose primary mission is to defend adherence to the urban limit line, said Tassajara Parks would mean more traffic, more stress on wildlife, further crowding of area schools and, perhaps most important, added pressure on the area's already-depleted underground water table.

While the group Greenbelt Alliance opposes Tassajara Parks, Save Mount Diablo has been working with FT Land LLC to make this a more tolerable project than the original New Farm, said Seth Adams, the group's land conservation director. Save Mount Diablo is withholding final judgment on the Tassajara Parks project pending a final version of the memo of understanding, he said. But he said his group, unlike Greenbelt Alliance, is "impressed by the conservation aspect" of the 616 acres.

Logue and Richard Fischer, the other Tassajara Valley Preservation Association co-founder, plan to talk to each supervisor about preserving the limit line; the first such meeting, with District 5 Supervisor Federal Glover, went well, Fischer said last week. Gerber and Canciamilla plan similar meetings after the election but before one incumbent, possibly two, leave office.

"We're trying to give the supervisors a reason to say 'no," Gerber said.

Kensington board names interim general manager/police chief

Kevin Kyle, the former police chief of Santa Clara, has been selected as Kensington's interim general manager/police chief.

By Rick Radin

PUBLISHED: October 27, 2016 at 1:46 pm | UPDATED: October 28, 2016 at 5:25 am

KENSINGTON — Kevin Kyle, the former police chief of Santa Clara, has been selected as the interim general manager/police chief to replace the current interim Chief Kevin Hart, who is retiring on Nov. 1.

The 3-2 decision came at a special Kensington police protection district board meeting Wednesday, where the board also voted to appoint former Walnut Creek assistant City Attorney Amara Morrison as its general counsel.

The board will wait until its next regular meeting on Nov. 10 to confirm Kyle's appointment and pay package, but under the rules of the California Public Employees Retirement System a retired official can only receive an hourly rate, exclusive of vacation and benefits.

Board financial management consultant Adam Benson said Kyle will receive a flat rate of \$70 per hour working 20 to 30 hours per week on average.

Board members Chuck Toombs, Pat Gillette and board President Len Welsh voted for the appointment, with Rachelle Sherris-Watt and Vanessa Cordova, on a telephone line from Europe, voting against.

Sherris-Watt told about the 40 to 50 residents attending the meeting that she favored Kyle's appointment, but wanted to wait until the board's next regular meeting on Nov. 10 to confirm the commitment.

Welsh said that Kyle will be an "at will" employee, meaning that a new board could replace him at any time.

He added that the board chose to move ahead now to avoid leaving the position vacant until a new board is in place.

"We're not going to leave the position unfilled," Welsh said.

Still, several speakers opposed the move saying that a "lame duck" board should not be making such a significant move ahead of the Nov. 8 election.

"I don't see what the rush is," said resident David Bergen. "The new board might have to start out by firing someone."

The district has been wracked by dissension over a variety of issues in recent years, with opponents of what some refer to as the "board majority" of Toombs, Gillette and Welsh favoring splitting the police chief and general manager roles to increase police department oversight.

Former Police Chief/General Manager Greg Harman came under fire and was dismissed for delays in investigating a scandal in which a police officer's gun was stolen by a prostitute and later used in a robbery attempt.

The board replaced Harman with Hart as an interim appointment in August 2015.

Gillette is retiring from the board after the Nov. 8 election, but Toombs is running for a third term, along with newcomers David Spath, Eileen Nottoli and Sylvia Hacaj.

Point Reyes Light

Nicasio comes closer to greater water security

By Samantha Kimmey 10/27/2016

Nicasio landowners seeking trucked water from Marin Municipal Water District cleared a first hurdle this month, when a Marin commission that oversees local agencies approved a resolution to help them. The vote by the Marin Local Agency Formation Commission, or LAFCO, was paired with a decision to study the water district's "sphere of influence," or probable future boundaries. That study, conducted over the next five years, would examine whether 2,300 acres of Nicasio should be included in the district's boundaries. Nicasio has no municipal water service and some landowners struggle with insufficient wells, particularly during drought conditions. A letter to LAFCO from the Nicasio Landowners Association attributes the problem of insufficient water supply in part to subpar testing criteria for wells in the past, which led to the approval of homes that didn't always have an adequate water supply. "[S]ome Nicasio homeowners carry the legacy of these prior inadequate standards. Today, we have homes that are forced to truck in potable water to meet their basic water needs even during years of normal precipitation, and we also have a larger group of homes that routinely need water deliveries in dry years," the association's letter states. Since some Nicasio residents also want a short-term solution, LAFCO approved the new policy statement that would allow it to approve limited trucked water service. That decision doesn't mean that the water district will agree to truck water, but rather that LAFCO doesn't want to stand in the way. "What we're trying to do is at least signal that, 'Hey, if you and the landowners get together on this, don't view LAFCO as a hurdle...' We are trying to help," said LAFCO's executive director, Keene Simonds.

Supporters rally for Eden Health District as opponents question operations

Alameda County commission begins study on special district's future

By Darin Moriki | dmoriki@bayareanewsgroup.com

PUBLISHED: October 27, 2016 at 6:00 pm | UPDATED: October 28, 2016 at 5:13 am

CASTRO VALLEY — Views on whether to keep or dissolve the Eden Health District were mixed during the first public meeting on a special study commissioned to determine its future and financial viability.

Cherryland Elementary School Principal Itoco Garcia says his school is in an area where some health statistics such as childhood poverty and accidental deaths are among the worst in Alameda County.

There, Eden Health District and its grant-funded organizations, including the Oakland-based East Bay Agency for Children, often step in to fill those gaps by connecting students and their families with direct health care services, Garcia said.

But he worries that could change if the Alameda County Local Agency Formation Commission that oversees changes to special districts recommends dissolving the Eden Health District.

"Eden Health Care District's support of our school in unincorporated Alameda County region that often cannot access resources or partnerships with cities has been transformative and instrumental in turning around a very low-performing school ... specifically in support of our community school model that leveraged an initial annual health fair into a very strong network of partnerships that connect members of our community who have no other way to connect with health care to direct services and information," Garcia told Local Agency Formation commissioners at an Oct. 17 meeting at the Castro Valley Library.

Garcia was one of eight residents and health district administrators who spoke in favor of saving the Eden Health District, the subject of a special study that will analyze its financial viability and future options, including dissolution.

Castro Valley resident Phyllis Moroney said she sees things differently and believes Eden Health District has become obsolete and should be dissolved. She pointed to an Alameda County grand jury report, released in June, which said 88 percent of the district's budget is spent on real estate, administration, legal and consulting fees.

Only the remaining 12 percent, totaling \$528,000, is set aside for grants, scholarships and health care services.

"That's not enough of the money that is spent on people," Moroney said.

Excess funds from the health district's dissolution should be invested in mental health and post-acute care services rather than given to either the Alameda Health System or St. Rose Hospital in Hayward, she said.

Fairview resident Chris Higgins said he is split on whether to keep or dissolve the health district and was troubled by mistakes made by past board members. He also recognized the positive benefits from Eden Health District-funded services in communities such as Cherryland and Ashland.

"If you're going to do away with this district, maybe you should consider giving the money back to us, the people who funded it, rather than give it to some place where it's going to dissolve," Higgins said.

The special study process began in June after former Hayward City Manager Fran David sent a letter to commissioners requesting a comprehensive review of the health district.

The letter cited a "lack of a thorough and in-depth study of the district's finances and decision-making abilities by an independent entity; whether or not district resources are being and have been used appropriately to facilitate the delivery of critical healthcare services to those in desperate need within the voter-approved mission of the district; and the lack of an inclusive, informed and transparent community conversation on the topic."

The Local Agency Formation Commission approved Hayward's request in July and set aside up to \$30,000 for Bay Area-based Berkson Associates to conduct the special study.

The healthcare district covers Hayward, San Leandro and western unincorporated Alameda County, including San Lorenzo and Castro Valley.

A 2013 Local Agency Formation Commission review of the district explored possible dissolution but concluded the district should remain in its current form.

The Eden Health District was formed in 1948 to finance, construct and operate Eden Hospital in Castro Valley but no longer owns or operates it.

The health district now awards community grants to nonprofit groups and organizations that provide healthcare services. It owns three medical office buildings.

"I'm kind of disappointed that we got to this position because we did conduct all of these studies ... but we didn't really have anyone come up and tell us how good or bad the district was and what it was doing," Local Agency Formation Commissioner Georgean Vonheeder-Leopold said.

"It sounds like it's doing some remarkable things, so I'll be really interested to see what the study says," she said.

A draft report should be available for public review and comment in mid- to late- November said Richard Berkson of Berkson Associates. A final meeting on the study will be held at 5:30 p.m. Nov. 7 in the San Leandro City Hall council chambers, 835 E. 14th St.

Contact Darin Moriki at 510-293-2480 or follow him at Twitter.com/darinmoriki.

Planned closure of Alta Bates raises concerns of a health care desert

A drop in the number of people hospitalized spurs Alta Bates closure, although ER visits are up



Donald Goldmacher, of Berkeley, is photographed near the Alta Bates Summit Medical Center in Berkeley, Calif., on Monday, Oct. 24, 2016. Goldmacher, 75, has had a number of emergency situations that have required treatment at Alta Bates, and is concerned about the hospital's impending closure. (Jane Tyska/Bay Area News Group)

By Karina Ioffee | kioffee@bayareanewsgroup.com

PUBLISHED: October 30, 2016 at 8:00 am | UPDATED: October 31, 2016 at 8:34 am

BERKELEY — The announcement earlier this year that Alta Bates Summit Medical Center would close its campus here, possibly as early as 2018 but certainly by 2030, sent shock waves through the East Bay. Cities issued resolutions calling for the hospital to stay open, and "Save Our Hospital" signs popped up on lawns and in store windows.

Coming just a year after Doctors Medical Center in San Pablo closed following a long struggle to stay solvent, Alta Bates' plans to shutter have stoked fears that a large swath of the East Bay is turning into a health care desert that will result in delays in care for those facing life-threatening conditions and longer waits for inpatient procedures.

Others, however, see it as the inevitable result of changes in health care over the past decade, as outpatient services become more common, hospital stays shorten and consolidation increasingly becomes the solution to rein in out-of-control costs.

Data show the overall need for hospital beds is falling even as emergency rooms become more crowded. But for residents who have spent their lives relying on Alta Bates for care, its anticipated demise is wrenching no matter how the decision is spun.

"I know for certain that this hospital has saved my life, on numerous occasions," said Donald Goldmacher, 75, a Berkeley resident who has received three emergency angioplasties at Alta Bates since 1988.

Rather than cutting services, Alta Bates' owner, Sutter Health, says it is consolidating care at its sister campus, Summit Medical Center, three miles away in Oakland. The hospital chain has also said that Alta Bates' Ashby Avenue campus, built in phases starting in 1959, does not meet new seismic safety requirements that all California hospitals must adopt by 2030.

"If we are to remain viable as an organization and affordable to our patients, we cannot operate two full-service hospitals less than three miles apart," said Carolyn Kemp, a spokeswoman for Alta Bates Summit Medical Center, in an email.

Since 2005, the rate of hospitalizations, measured by total days patients spent in the hospital, has decreased by 23 percent at Alta Bates, according to an analysis of state health care data by this newspaper. But emergency room visits shot up by 15 percent during the same period, according to the Office of Statewide Health Planning and Development.

Without Alta Bates, there would be only one ER along a 25-mile stretch of Interstate 80 from Vallejo to Oakland, a thoroughfare prone to nightmarish traffic jams.

Under the new plan, Sutter will open an urgent care center in Berkeley and transfer all hospital operations to Summit. It has also said that it will double the number of beds at Summit and the emergency room there.

But with few details available yet, many are worried that the closure would leave a significant number of East Bay residents without close access to a hospital.

"People have a right to decent health care, and the lack of it in their community will lead to death," said Margy Wilkinson, 73, and a Berkeley resident. "Summit's decision does not take the community's needs into account."



Alta Bates emergency department opened in 2005 and has seen a steady increase in traffic. Despite that, hospital officials earlier this year have said they would close the hospital and move all ER services to Oakland.

Last spring, Doctors Medical Center, which recorded an estimated 33,000 visits a year, <u>closed after more than a decade of financial losses</u>. Today, the only hospital between Vallejo and Berkeley — an area that is home to more than 250,000 people — is Kaiser Permanente in Richmond, which has just 50 beds.

Since 2014, hospital admissions at Kaiser Richmond have tripled, forcing the hospital to operate above capacity on most days, said spokesman Jonathan Bair. Emergency room visits are up 29 percent this year.

Already, some observers have taken to describing West Contra Costa as a "health care desert," even as medical clinics have sprung up to fill in the gaps.

<u>Sutter Health</u> contends that at least a third of those now seeking care in its emergency rooms can be better served on an outpatient basis, saving both the hospital and patients money. About half of a hospital's expenses are for staffing due to staff-to-patient ratios mandated by the state.

At least some of the plans are the result of changes to the way health care is delivered. A decade ago, a patient could be guaranteed a stay in the hospital for bariatric surgery, total knee repair or a hernia repair. Today, these patients are increasingly operated on and released the same day, reducing the demand for hospital beds.

But the <u>California Nurses Association</u>, the union that represents 100,000 nurses in the state, including 1,800 at Alta Bates, and some local politicians have sought to portray Sutter's decision as financially motivated. Sutter Health, a nonprofit chain of 22 hospitals, <u>earned \$400 million in total income</u> in 2014, and paid its recently retired CEO, Patrick Fry, \$3.6 million a year in base compensation, <u>according to tax records</u>.

"They clearly have the money to make that (seismic) investment, but they seem to be making a decision to not do so," said Contra Costa County Supervisor John Gioia of Richmond.

Nurses say the wait times at Summit are already long and may get longer once Alta Bates closes.

"If there are no beds up in the hospital, it all backs up through the emergency room," said Mike Hill, a nurse at Summit.

The Berkeley Fire Department estimates that since Alta Bates' Cath Lab, a specialized department that treats cardiac cases, relocated to Summit in 2014, it takes an additional 12 minutes to transport a patient.

"Right now, city resources are being used by a private company to save money at the expense of Berkeley taxpayers," said Assistant Berkeley Fire Chief Dave Brannigan.

Once Alta Bates closes, ambulances will have to drive all patients the extra distance.

Others believe that Sutter is right to shift focus amid a changing health care industry in order to provide good care.

"I think it's important that Alta Bates remain in the community, especially the birthing center, but we're in a changing environment, so we will have to re-purpose," said Berkeley Mayor Tom Bates.

That may be hard to accept for those who see Alta Bates, which was founded in 1905, as a pillar of the community — a place where people are born and die, not to mention a major local employer.

"Cities feel like they're not a real city without a hospital because there are all these civic ties that create a connection," said Wanda Jones, co-founder of the New Century Healthcare Institute in San Francisco and an expert on hospital consolidation. "It's people who are closest to it who often cannot grasp the external factors that make closure necessary."

In California, a \$350 million social experiment over lawns



AP Photo/Eric Risberg

In this photo taken Tuesday, Aug. 23, 2016, city water resources specialist Randy Barron looks over a garden made to use less amount of water outside a Lomita Heights home in Santa Rosa, Calif. California water agencies that spent more than \$350 million in the last two years of drought to pay property owners to rip out water-slurping lawns are now trying to answer whether the nation's biggest lawn removal experiment was all worth the cost.

By ELLEN KNICKMEYER, Associated Press

PUBLISHED: October 31, 2016 at 7:05 am | UPDATED: October 31, 2016 at 7:23 am

SANTA ROSA, Calif. — California water agencies that spent more than \$350 million in the last two years of drought to pay property owners to rip out water-slurping lawns are now trying to answer whether the nation's biggest lawn removal experiment was all worth the cost.

Around the state, water experts and water-district employees are employing satellite images, infrared aerial photos, neighborhood drive-bys and complex algorithms to gauge just how much grassy turf was removed. They also want to know whether the fortune in rebates helped turn California tastes lastingly away from emerald-green turf.

"How well did it work? That's really key when we're working on historic investments," said Patrick Atwater, a project manager at the California Data Collaborative, a coalition of utilities and other water-related entities grappling with the question.

Removing lawns may sound like a small, wonky step, compared to building dams. But the green turf in American yards actually stands as a worthy target for water savings, a public enemy in the eyes of many during a drought such as California's five-year-old one.

The U.S. Environmental Protection Agency estimates one-third of all water used by American households goes to watering lawns and gardens. That's 9 billion gallons of water each day — enough to supply drinking water daily for nine cities the size of New York.

In 2015, after a devastatingly dry winter, Gov. Jerry Brown ordered 25-percent water conservation by cities and towns. He mandated \$25 million in state-government spending to help cover the costs of low-income California families in particular removing their grass, and putting less-thirsty, climate-suitable plants in their yards instead.

Brown set a goal of eliminating 50 million square feet of lawn. That breaks down to less than two square miles of greenery, out of what the Public Policy Institute of California think-tank has estimated at around 1,000 square miles of watered yards statewide.

But state spending proved a drop in the bucket compared to the money local water districts put into lawn rebates.

Metropolitan Water District of Southern California, a giant water wholesaler providing water to Los Angeles and more than two dozen other cities, counties and water districts, poured just over \$300 million into lawn rebates from 2014 on, removing five square miles of lawn.

MWD doubled its rebate offer to \$2 for each square feet of lawn removed, and the lawn rebates quickly became the district's most popular program ever. Workers processed as much as \$10 million in rebate applications a week at peak. In July 2015 alone, Southern Californians applied for rebates to remove the equivalent of 1,665 front lawns.

Santa Clara Valley Water District, serving Silicon Valley, provided more than \$30 million in rebates. Dozens of other water districts put a few hundred thousand dollars to several million dollars into dead-lawn bounties. Rebates ranged from 50 cents a square foot of lawn to \$4 and up.

Water districts revised rebate rules and amounts on the fly, after controversies erupted over golf courses and other properties that got millions of dollars each in rebates. Water boards imposed caps on rebates. Some districts dictated that homeowners put in California-suitable plants. Other water agencies faced criticism for allowing artificial turf, and swathes of gravel.

Now some water-district managers are nervous over political fallout if the benefits don't measure up to the rebate costs, said Chelsea Minton of OmniEarth, a Virginia-based analytics firm that is using before-and-after satellite images to help tally the effectiveness of the lawn-removal program.

Privately, some worried water officials were "saying, 'Let's wait a year or two" to study it, Minton said.

Figuring out whether California's experiment made sense economically is more involved than just totaling how much turf residents have ripped out.

Two key questions are whether households leave the lawns off for a generation or two, and whether each rebate helps turn Californian tastes away from lawns, independent of future rebates.

At Southern California's Claremont Graduate University, assistant professor Andrew Marx is drawing on infrared imagery from airplanes, normally used by farmers, to help figure out whether the rebates are changing Californians' tastes.

The state will go deeper still into the number-crunching, tallying not just water savings but spinoff savings. They range from lower energy costs for piping less water to households to reduced climate-changing pollution from lawn mowers, said Ken Frame, a project manager at California's Department of Water Resources.

In Southern California's Irvine Ranch Water District, which spent \$638,403 on lawn rebates since 2014, workers sent surveys and drove block to block to nail down just how many homeowners joined the lawn-less trend.

Irvine's pilot study found that for every three homeowners who took the rebate, at least four others converted their lawns to less water-hungry plants. Water experts say other factors besides the rebates played a part, including news reports about turf removal programs and the governor's drought-messaging.

Rebates aren't about trying "to buy up all the turf in California — that wouldn't be cost-effective," said Ellen Hanak, director of the water-policy center at the Public Policy Institute of California.

Instead, the rebates have built awareness that water-thrifty landscapes also look good, Hanak said.

In Santa Rosa, a city of about 170,000 in Northern California wine country, homeowner Trudi Schindler took the rebate to replace deep-green grass with flagstone pavers and a silvery-green groundcover with yellow flowers. Schindler wouldn't go back to grass.

"It looks beautiful and sophisticated. And just more lovely than a lawn," she said.



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Published November 2nd, 2016

Confire Not Rattled by \$75 Million Pension Bond Downgrade

By Nick Marnell

Moody's Investor Services recently downgraded \$75 million in Contra Costa County Fire Protection District pension obligation bonds but district officials, while conceding that pension costs remain high, said the action poses no immediate threat to district finances or operations.

The credit rating company lowered the district bond rating from A1 to A2 based in part because of "the long-term challenge the district faces in addressing its rising pension costs, which are an unusually large portion of the district's operations." Indicating that the growth in short-term property tax receipts will mitigate the risk of ConFire's pension expense, the New York firm removed its negative outlook on the bond rating.

"Pension related costs are a significant portion of ConFire's operating budget and will continue to be through fiscal year 2022-23 when the district's pension obligation bonds will be paid off," said county administrator David Twa, but he added that even the recently confirmed \$2 million increase in the pension payment to the Contra Costa County Employees' Retirement Association should have no negative impact on the district.

According to Jackie Lorrekovich, district chief of administrative services, the ConFire pension obligation bonds cannot be called by the issuer nor can the interest rate be increased because of the lowered rating. She emphasized that the bonds are secured by a unique tax-intercept feature requiring the county to set aside the first annual apportionment of property taxes collected in order to cover debt service payments before ConFire receives any property tax revenue for its operations. "This, in my opinion, makes the bonds very secure from an investor perspective," Lorrekovich said.

District officials stressed that the rating drop will have no effect on district operations. The rebuild of station 16 in Lafayette will not be impeded and ConFire should have no problem financing additional apparatus. Were the district to try to issue a second pension obligation bond, the lowered rating on the current bonds would hypothetically impact the interest rates available to the district, Lorrekovich said, but ConFire has no plans to issue more pension obligation bonds.

"I think we are in better financial shape than we have been in a long, long time. That is why the rating drop is perplexing to me," Fire Chief Jeff Carman said. "We have sufficient reserve, more than is required by the board." Not only does ConFire recognize more than \$30 million in available reserves but in 2016, determined to add a new revenue source, the district assumed the bulk of the Contra Costa County ambulance transport contract, projected to net an additional \$2 million to the district in its first year. In part because of improved district finances, ConFire announced Oct. 25 that it will reopen fire station 87 in Pittsburg, closed since the middle of 2013.

"Barring a catastrophic economic collapse I think we are very stable where we are," Carman said.

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Published November 2nd, 2016

MOFD Fails to Dampen Frustration of Orinda Citizens' Group Regarding Tax Differences

By Nick Marnell

Orindans dissatisfied with the allocation of resources by the Moraga-Orinda Fire District will have to wait another day for relief as the district tabled indefinitely any discussion of tax inequity and community service modifications.

In June, Orindans unhappy with the perceived inequities between taxes paid and services received by the residents of Orinda and Moraga presented their case to the MOFD board. The board set aside a portion of its Oct. 19 meeting to hear additional detail of the residents' complaints.

"It's not about tax equity or about fairness," said Steve Cohn, spokesman for the grassroots Orinda Citizens Emergency Services Task Force, which has long demanded additional district services for what it believes are shortchanged Orinda residents. "It's about carrying through a contract between the city of Orinda and the residents of Orinda." Cohn produced no such written contract, pointing only to statements printed in a voter's pamphlet for the 1997 election in which citizens voted to form the fire district; specifically, statements made by the Orinda City Council assuring that fire protection dollars paid by Orindans will stay in Orinda.

Board president Steve Anderson of Orinda likened the discussion to the perpetuity of the undead: "It keeps arising and re-rising. We need to put a stake in it," he said.

The Orindans' demand for service equal to taxes paid has been outlined numerous times to various public agencies over the years but has yet to effect any changes in the fire district. "It's the same old argument, offered again and again, just repackaged," said Moraga resident and past MOFD director Dick Olsen, who presented the analogy of the Orinda police patrolling neighborhoods of Orinda only in proportion to the amount of taxes that each neighborhood pays.

Orinda directors Alex Evans and Brad Barber did not agree with "putting a stake in it," as Barber insisted that the board be prepared for the inequity topic to come back again and again. "Equity problems kill partnerships," Evans explained to the two dozen or so in attendance. "We're not going to solve this problem, but we should not ignore it."

Director Fred Weil, whom Cohn urged to resign in 2015 over Weil's role in improperly funding a retiring fire chief's pension, has always relied on the level of service as the true measure of district performance and has continually refuted Cohn's argument, once referring to it as a flawed polemic. "Stop this discussion now," Weil demanded.

"This is not going to go away," warned Cohn, though despite his presentation and a task force petition signed by 129 people insisting that MOFD and the city of Orinda deal with the perceived taxation-service inequity, the board gave no direction to its staff to further analyze the Orindans' complaints and set no date for revisiting the discussion.

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Water Education Foundation

Blog post November 2, 2016 Susan Lauer

Farming in the Delta with Less Water



Photo by DWR

If there is a positive outcome of five years of drought in California, it's the lessons learned about how to manage water during a shortage in the Sacramento-San Joaquin Delta. On the upside, farmers got creative to cut back their water diversions by 32 percent through a volunteer program. On the learning-curve side, complex water rights confound who gets water during shortage.

In the throes of the drought in 2014, growers concerned they were facing potential mandatory cutbacks in water proposed that they would reduce their water diversions by 25 percent from June through September. In return, the State Water Resources Control Board (State Water Board) agreed to refrain from enforcing stricter curtailments.

The growers developed individual plans – 217 in all – detailing ways they could reduce water use in their fields. The plans covered two-thirds of the Central and South Delta (and a portion of Contra Costa County) totaling 180,000 irrigated acres. Overall, they exceeded their 25 percent reduction target, reducing surface water diversions by 32 percent.



Delta Watermaster Michael George

"It was amazing to me the various ways which farmers could very creatively reduce their diversions," said Delta Watermaster Michael George during the "<u>Drought and the Delta</u>" briefing cosponsored by the Water Education Foundation and the Sacramento–San Joaquin River Delta Conservancy on Oct. 25 in Stockton.

While initial expectations were that growers would fallow fields, George said, "we got much more creativity. People changed crops. They changed the way they were growing their crops. They took advantage of new irrigation systems – not just investment in drip irrigation but actual changes in the way they wet their fields."

George noted the program achieved results without waiving water rights, going to court or triggering regulation. "What it unleashed was incentivized farmers to do the best they could."

While growers were finding ways to reduce water use, the State Water Board was on a learning-curve to figure out complex water rights and who gets water during shortage.

In the Delta, landowners possess appropriative and riparian water rights, each with a different set of rules that makes it difficult to administer in times of shortage. For example, the growers in the diversion reduction program all had <u>riparian rights</u>, meaning their crops border waterways in the Delta.

Other landowners with property away from waterways have <u>appropriative rights</u>. Under that system during water shortage conditions, growers with senior rights get water, while those with junior rights are cut off. Under the riparian system, water users share the shortage, so all feel the pain yet still receive some water.

As Watermaster appointed by the State Water Board, George is responsible for overseeing day-to-day administration of water rights in the Delta.

"My view is we must work really hard to administer the priority system intelligently, predictably, transparently and honestly so we can keep a system that can work for allocating all the water we get when we need it or when we get it and know how to cut back when we don't get it," he said.