

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

October 11, 2017

Board of Supervisors Chambers
Martinez, CA

November 8, 2017
Agenda Item 5

1. Chair Don Blubaugh called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Roll was called. A quorum was present of the following Commissioners:

County Member Candace Andersen.

Special District Members Mike McGill and Igor Skaredoff (arrived at 1:37 p.m.) and Alternate Stanley Caldwell.

City Members Don Tatzin and Alternate Tom Butt.

Public Member Don Blubaugh and Alternate Sharon Burke.

Present were Executive Officer Lou Ann Texeira and Clerk Kate Sibley.

4. Approval of the Agenda

Upon motion of Tatzin, second by Andersen, Commissioners, by a vote of 6-0, adopted the agenda.

AYES: Andersen, Blubaugh, Butt (A), McGill, Skaredoff, Tatzin

NOES: none

ABSENT: Glover (M), Schroder (M)

ABSTAIN: none

5. Public Comments

Godfrey Wilson, Executive Director, Los Medanos Community Healthcare District (LMCHD), introduced himself, provided some professional background, and noted that the District serves 103,000 residents in Pittsburg, Bay Point, and small portions of Clayton, Concord, and Antioch. He stated that he wants to keep an open and transparent communication with LAFCO and with the community.

Commissioners Tatzin and McGill thanked Mr. Wilson for attending the meeting and encouraged him to return when LAFCO presents the public review draft of the municipal services review (MSR) of healthcare districts, which is currently being prepared by Berkson Associates.

Salvatore Evola, resident of Pittsburg, spoke on his own and fellow resident **Nancy Parent's** behalf regarding LMCHD and their concern about recent news reports about the District. They have also heard from others who do not feel the District is serving them. Mr. Evola noted that the District spends 50% of its \$1.1 budget on administration; and as a staunch advocate for the wise use of taxpayers' money, he will be watching the MSR process closely. Commissioner Tatzin urged him, and everyone else, to comment on the public review draft MSR and participate in the process.

6. Approval of August 9, 2017 and September 13, 2017 Meeting Minutes

Upon motion of Andersen, second by Tatzin, the minutes of both meetings were approved by a vote of 6-0.

AYES: Andersen, Blubaugh, Butt (A), McGill, Skaredoff, Tatzin

NOES: none

ABSENT: Glover (M), Schroder (M)

ABSTAIN: none

DRAFT

7. Reclamation District (RD) 2121 (Bixler Tract) Update

The Executive Officer provided background, noting that in May, the Commission received an update on the status of RD 2121. At that meeting, the Commission requested a subsequent update in the fall on issues relating to infrastructure, finances and transparency.

The district submitted a response, which in sum, indicates that they have no board, thus no board actions or activities; they have no assessments or taxes, as the Bloomfield family carries the financial burden of maintaining the levees; they have never applied for state or federal funding. The district has no finances, budget revenues, audits or SCO reports. They have no CIP and no formal levee inspection procedures. They acknowledge that their levees do not meet the state or federal standards, and that they are working to improve their levees. They object to being dissolved and wish to remain an inactive district. They wish to remain a district in the event they decide to apply for state or federal funding in the future.

Staff noted that this district has been the subject of three MSRs, a recent Contra Costa County Grand Jury report, a letter from the State Controller, all raising concerns about the district's inactivity. Additionally, in August of this year the Little Hoover Commission issued a report that focused on special district oversight and transparency. All of these reports point to the fact that RD 2121 cannot remain inactive; if it wishes to remain a district, it must comply with State law, which requires governance, financial disclosure and audits, and the provision of services.

Commissioner Tatzin noted that an "inactive" status is not an option once SB 448 goes into effect in January 2018. However, there may be no benefit in asking the district to provide retrospective documents.

Commissioner Skaredoff reported on a conversation he had with Tom Bloomfield, who represents the single family that owns all the land within the district. The family has funded levee work on its own, and Mr. Bloomfield states that the levees are higher than the minimum required, are of a higher quality soil (clay) than required, and that the entire base is riprap. Mr. Bloomfield also feels that they should not have to do all of the things a district is required to do, and reiterated the family's position that they wish to remain an inactive district. However, Commissioner Skaredoff added, Mr. Bloomfield feels that if LAFCO needs to dissolve the district, that's okay.

Following further discussion, the Chair suggested that something might be gained by sending a subcommittee of Commissioners to have a direct discussion with Mr. Bloomfield. Such a subcommittee could determine levee conditions (without specific engineer input) and the absolute minimum of tasks that would be required of the district to make it active.

Commissioner McGill expressed concern over the safety of the levees and protection of the delta. He asked if the district is willing to do the things required to become an active district.

Commissioner Andersen suggested that LAFCO provide the district with a simple checklist in order to keep them operating and to phase in compliance with State law.

Further discussion ensued on LAFCO's obligation under existing law and changes that will occur in 2018 (SB 448); how the Commission can assist the district in assessing whether it can or will become active and avoid dissolution; whether there are firms that could help the district in the process;

Upon motion of Tatzin, second by Andersen, the Commissioners, by a 6-0 vote, continued the item to the January 10, 2018; appointed a subcommittee composed of Commissioners Skaredoff, McGill, and Burgis; directed the subcommittee to meet with the Bloomfield family, explain the LAFCO concerns and parameters and determine the minimum requirements for the district to become active if they wish to remain a district; and report back to the full Commission on the district's response and subsequent actions.

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

8. Fire & Emergency Medical Services Update

The Executive Officer reported that Paige Meyer, on behalf of the fire chiefs association, requested a continuation of this item to the November 8, 2017 meeting, as all fire protection districts are providing support to fighting the fires in Napa, Sonoma, and Solano counties and beyond.

Upon motion of Andersen, second by Tatzin, the Commissioners, by a 6-0 vote, continued the Fire and Emergency Medical Services update to November 8, 2017.

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

9. FY 2017-18 First Quarter Budget Report

The Executive Officer reported that total revenues are at approximately 95% of projected revenues; expenditures at this time are at 15% of projected expenses. First quarter application activity exceeds FY 2016-17 activity, with four new applications received in the 1st quarter of this fiscal year, compared to one application received in the 1st quarter of FY 2016-17. Further, that no budget adjustments are needed at this time, and staff will continue to keep the Commission apprised of any budget issues.

The report was received.

10. 2018 LAFCO Meeting Schedule

The Executive Director presented the 2018 meeting schedule, noting that the schedule proposes one modification - to hold the April 2018 meeting on the third instead of the second Wednesday of the month to accommodate the 2018 annual CALAFCO staff workshop (April 11 - 13).

Commissioners unanimously approved the schedule as proposed.

11. Legislative Report - Update and Position Letters

The Executive Officer provided an update on the three bills **AB 1725** (annual omnibus), **AB 464** (allowing for annexations following OAS), and **AB 979** (seating of special districts on LAFCO) that CALAFCO sponsored this year: All have been signed by the Governor.

CALAFCO was tracking a number of bills including **SB 448** (inactive districts), **AB 1728** (healthcare districts) and **AB 1361** (water to tribal lands without annexation) all of which were signed by the Governor.

Contra Costa LAFCO is also following **SB 522**, introduced on Sept 12th by Senator Glazer. This bill would change the governance of WCCHD from an elected board to a board appointed by the Contra Costa County Board of Supervisors. In August, at the request of the County and the WCCHD bankruptcy attorneys, LAFCO sent a letter supporting the County's effort to seek this special legislation. LAFCO's 2016 special study of WCCHD identified such special legislation as a governance option, as it would enable the continuation of the WCCHD and of critical healthcare services to West Contra Costa County, which Contra Costa LAFCO supports.

Staff also noted that, for those attending the annual CALAFCO conference, there will be a full legislative briefing at the annual CALAFCO conference on October 27th.

The report was received.

12. Correspondence – CCCERA and SDRMA Award

Chair Blubaugh acknowledged the SRDMA award.

13. Commissioner Comments and Announcements

Commissioner McGill reported that the CALAFCO Board has proposed that refunds be issued to those who registered for the annual conference but will be unable to attend due to the impact the fires have had on their homes and lives.

Commissioner McGill also reported that the CALAFCO Board has put together a committee to look at the dues structure, which is complicated. He will be serving on this committee.

Commissioner McGill reported that he attended a CALAFCO Legislative Committee meeting in August, a board meeting in September, and participated in a conference call regarding the Little Hoover Commission.

14. Staff Announcements

The Executive Officer reported that the 2018 CALAFCO Legislative Committee will convene, and that she will serve as the Vice Chair of the committee for a second year. Also, she participated in the September 26 Richmond City Council meeting where it addressed the possibility of annexing North Richmond, and will participate in the October 17 of the same body for the same reason. She also convened a meeting with Martinez and County planning staff to discuss water service issues, and will meet with the new General Manager of West County Wastewater District to discuss islands in the district.

The meeting adjourned at 2:25 p.m.

Final Minutes Approved by the Commission November 8, 2017.

AYES:

NOES:

ABSTAIN:

ABSENT:

By _____
Executive Officer