



Lou Ann Texeira  
*Executive Officer*

**MEMBERS**

Candace Andersen <i>County Member</i>	Michael R. McGill <i>Special District Member</i>
Donald A. Blubaugh <i>Public Member</i>	Rob Schroder <i>City Member</i>
Federal Glover <i>County Member</i>	Igor Skaredoff <i>Special District Member</i>
	Don Tatz in <i>City Member</i>

**ALTERNATE MEMBERS**

Diane Burgis <i>County Member</i>
Tom Butt <i>City Member</i>
Stanley Caldwell <i>Special District Member</i>
Charles R. Lewis, IV <i>Public Member</i>

December 12, 2018  
Agenda Item 9

December 12, 2018 (Agenda)

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

**County Service Area M-9 – Inactive District**

Dear Members of the Commission:

**SYNOPSIS**

In November 2018, Contra Costa LAFCO received a letter from the California State Controller’s Office (SCO) informing LAFCO of an inactive district in Contra Costa County – County Service Area (CSA) M-9, and the requirements to dissolve inactive districts pursuant to Government Code section 56879 (see Attachment 1). In 2017, the County received a similar letter from the SCO regarding CSA M-9.

LAFCO staff consulted with the County Assessor’s Office, Auditor’s Office and County Public Works, and we agree that CSA M-9 is inactive based on Government Code sections 56042 and 56879 (see Attachment 2), and that the district should be dissolved.

**DISCUSSION**

CSA M-9 (see Attachment 3) was formed in 1969 and was authorized to provide the following services: street lighting facilities and services; street sweeping services; and parkway maintenance services to territory in what was then unincorporated Orinda.

When the City of Orinda incorporated in 1985, the City assumed the services previously provided by CSA M-9. According to County records, CSA M-9 has been active since June 30, 1990. However, given the district was never officially dissolved, it continues to show up on the State’s reporting list.

In 2017, Senate Bill 448 was enacted. This legislation defines “inactive districts” and requires the SCO to publish a list of inactive special districts and notify LAFCOs of inactive districts in their

county. The bill requires LAFCO to initiate dissolution of inactive districts by resolution within 90 days of receiving notification from the SCO, unless LAFCO determines that the district does not meet the criteria for "inactive district." SB 448 also establishes an expedited process for LAFCOs to dissolve inactive districts. The Commission recently employed this process to dissolve Reclamation District (RD) 2121.

Typically, when LAFCO dissolves a district, it names a successor agency (e.g., county, city). However, as noted above, the City of Orinda became the successor agency when it incorporated in 1985 and assumed the services previously provided by CSA M-9. Further, CSA M-9 has no assets, liabilities, outstanding debts, judgments, contracts, or claims; nor does CSA M-9 receive a tax increment. Therefore, as with RD 2121, there is no need to designate a successor agency to CSA M-9.

**ALTERNATIVES FOR COMMISSION ACTION:** After consideration of this report and any additional information, the Commission should consider taking one of the following actions:

- Option 1**      Adopt a resolution initiating dissolution of CSA M-9 (see Attachment 4) and direct staff to proceed with the dissolution proceedings.
- Option 2**      Do not adopt a resolution initiating dissolution of CSA M-9.
- Option 3**      If the Commission needs more information, CONTINUE this matter to a future meeting.

**RECOMMENDED ACTION: Option 1.**

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachments:

- 1 – November 6, 2018 Letter to Contra Costa LAFCO from the State Controller's Office
- 2 – Government Code Sections 56042 and 56879
- 3 – Map of CSA M-9
- 4 – Draft Resolution Initiating Dissolution of CSA M-9

c:      Contra Costa County Assessor's Office  
         Contra Costa County Auditor-Controller's office  
         Contra Costa County Public Works Department



**BETTY T. YEE**  
California State Controller



November 6, 2018

Lou Ann Texeira  
651 Pine Street, 6th Floor  
Martinez, CA, 94553

**SUBJECT: Amended Notification of Inactive Special Districts in County**

Dear Ms. Texeira:

This is a follow-up to the letter we sent you dated October 31, 2018 (see enclosed). The State Controller's Office (SCO) discovered that some special districts were not included in the original notice sent to you on October 31, 2018 due to a coding error in our database. The enclosed document provides an amended list of the special districts within your jurisdiction that are inactive, based on financial data in each special district's fiscal year 2016-17 Financial Transactions Report. The complete list of California inactive special districts may be found here: [https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html).

Pursuant to Government Code (GC) 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. The Commission is required to notify the SCO if it determines that a district does not meet the criteria for dissolution in GC 56042. Once the dissolution process is complete, please notify SCO using the contact information below.

Please accept our apologies for this error. If you have questions or need to notify us of a district's status, please contact Derek Miller by phone at (916) 322-5579, or email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,

**PHILLIP PANGILINAN**  
Manager  
Local Government Reporting Section

Enclosures: October 31, 2018 letter  
2016-17 County Inactive Districts List (amended)



**BETTY T. YEE**  
California State Controller

October 31, 2018

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

**SUBJECT: Notification of Inactive Special Districts in County.**

Dear Ms. Texeira:

Chapter 334, Statutes of 2017 (Senate Bill 448) added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. SB 448 requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Reports (FTR), publish the list of inactive special districts on its website annually, and notify a local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" meets all of the following:

- (a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) The special district has no outstanding debts, judgments, litigation, contracts, liens, or claims.

Within 90 days of receiving this notice, the commission is required to initiate dissolution of inactive special district(s), unless you determine that the district(s) does not meet the criteria set forth in GC section 56042. The commission shall also notify the SCO if you determine that the district(s) does not meet the criteria set forth in GC section 56042.

The enclosed document lists the special districts within your jurisdiction that are inactive, based on financial data in the special district's fiscal year 2016-17 FTR. The complete list of inactive special districts is found here: [https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html)

Lou Ann Texeira  
October 31, 2018  
Page 2

If you have any questions or need assistance, please contact Derek Miller by telephone at (916) 322-5579, or by email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Phillip Pangilinan", with a long horizontal flourish extending to the right.

PHILLIP PANGILINAN  
Manager  
Local Government Reporting Section

Enclosure: 2016-17 County Inactive Districts List

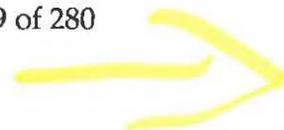
**State Controller's Office**  
**2016-17 Inactive Districts for Contra Costa County**

County Name	District Name	District Type	Email Address	Street Address 1	Street Address 2	P.O. Box	City	Zip
Contra Costa	County Service Area M-9 (Contra Costa)	Dependent		Auditor-Controller	Finance Building, 625 Court Street		Martinez	94553-1282

Note: Email Address belongs to the Financial Transactions Report preparer; in some cases this may be an outside consultant.

## District Book for county: 07 Contra Costa

Roll Year	Change No	Effective Date	Action Type	Name or Number of Action	Ord/Res	Location
<b>D Code: 0254</b>						
				AREA NO. LIB-13, YGNACIO VALLEY AREA	COUNTY SERVICE	<input type="checkbox"/> Has the district been canceled?
1971	476B	12/1 /1970	09	FORMATION	70/812	63,73A,B,C,
1977	555D	6 /22/1976	01	LIME RIDGE AREA BOUNDARY REORG.	76/519	45
1980	606D	7 /24/1979	01	ANNEXATION AREA ALREADY IN (0229)	3851	35,45
<b>D Code: 9263</b>						
				AREA NO. LIB-4	COUNTY SERVICE	<input checked="" type="checkbox"/> Has the district been canceled?
1959	249A	7 /8 /1958	09	FORMATION LEVY 3 GOVT. 25210		
1968	427D	10/31/1967	08	DISSOLVED	67-811	
<b>D Code: 9264</b>						
				AREA NO. LIB-5	COUNTY SERVICE	<input checked="" type="checkbox"/> Has the district been canceled?
1959	2551	11/18/1959	09	FORMATION LEVY 3 GOVT 25210		DET. 34,35,
1962	327F	1 /23/1962	01	ANNEXATION MOST OF CITY OF PLEASANT HILL	576	
1963	354B	1 /22/1963	01	ANNEXATION	1599	DET. 34,35,
1964	365A		01	ANNEXATION		
1965	384E	12/15/1964	01	WHITE FRONT AREA ANNEXATION	3588	63
1969	443A		03	BOUNDARY REVISION		63C
1971	483B	2 /6 /1970	01	RANCHO VIEW KNOLLS	70-38	72,73A
1973	505E	11/30/1972	08	DISSOLVED	72/790	62,63,63C,7
<b>D Code: 9265</b>						
				AREA NO. LIB-6	COUNTY SERVICE	<input checked="" type="checkbox"/> Has the district been canceled?
1961	288	8 /30/1960	09	FORMATION LEVY 3 GOVT. 25210		2,9
1970	462E	12/17/1969	08	DISSOLVED	69/847	DET. 71
<b>D Code: 9266</b>						
				AREA NO. LIB-7	COUNTY SERVICE	<input checked="" type="checkbox"/> Has the district been canceled?
1964	364F	11/5 /1963	09	FORMATION GOVT. 25210	2429	CO. MAP, D
1968	431E	12/29/1967	08	DISSOLVED	67/974	CO. MAP, D
<b>D Code: 9267</b>						
				AREA NO. LIB-9	COUNTY SERVICE	<input checked="" type="checkbox"/> Has the district been canceled?
1967	418D	12/27/1966	09	FORMATION GOVT 25210	5832	54,55
1968	431F	12/29/1967	08	DISSOLUTION	67/975	54,55,64
<b>D Code: 0255</b>						
				AREA NO. M-01	COUNTY SERVICE	<input type="checkbox"/> Has the district been canceled?
1960	278E	1 /5 /1960	09	FORMATION LEVY 3 GOVT 25210		CP. MAP
<b>D Code: 0257</b>						
				AREA NO. M-09	COUNTY SERVICE	<input type="checkbox"/> Has the district been canceled?



## District Book for county: 07 Contra Costa

Roll Year	Change No	Effective Date	Action Type	Name or Number of Action	Ord/Res	Location
1970	450E	3 /4 /1969	09	FORMATION LEVY 3 GOVT 25210 (ORINDA AREA)	69/157	DET. 72
1975	522A		03	BOUNDARY REVISION		43
<b>D Code: 9278</b>						
AREA NO. M-10			COUNTY SERVICE		<input checked="" type="checkbox"/> <b>Has the district been canceled?</b>	
1970	450F	3 /4 /1969	09	FORMATION LEVY 3 GOVT 25210 (WEST PITTSBURG AREA)	69/158	DET. 54
1974	514D	6 /20/1973	08	DISSOLVED	73/413	DET. 54
<b>D Code: 9279</b>						
AREA NO. M-11			COUNTY SERVICE		<input checked="" type="checkbox"/> <b>Has the district been canceled?</b>	
1970	454D	4 /29/1969	09	FORMATION	69/290	DET. 82
1983	635D	4 /20/1982	01	ANNEXATION DP 3068-7814 (0121)	82-314	53
1985	668B	8 /10/1984	01	L-42/M-11 BOUNDARY REORG. (PAR. 2) (0133)	84/327	52
1997	97-029	10/28/1996	08	DISSOLVED	96-383	
<b>D Code: 9282</b>						
AREA NO. M-13			COUNTY SERVICE		<input checked="" type="checkbox"/> <b>Has the district been canceled?</b>	
1971	478A	4 /14/1970	11	NAME CHANGED FROM NO. RD-2	70/213	CO. MAP, S
1973	503E	10/27/1972	01	ANNEXATION MINOR SUBDIVISION 5-71, BETHEL ISLAND AREA	72/655	CO. MAP, S
1988	683F	4 /16/1987	08	TERRITORY TO CSA L-100 (0113)	87-80	
<b>D Code: 9283</b>						
AREA NO. M-14			COUNTY SERVICE		<input checked="" type="checkbox"/> <b>Has the district been canceled?</b>	
1971	478B	5 /26/1970	09	FORMATION	70/304	DET. 74
1972	489C	8 /23/1971	01	ANNEXATION SUBDIVISION 4012 (CLAYTON AREA)	71/499	74
1972	489C	2 /19/1971	01	ANNEXATION SUBDIVISION 4011 (CLAYTON AREA)	71/52	74
1973	501D	7 /17/1972	01	ANNEXATION SUBDIVISION 4013 (CLAYTON AREA)	72/440	74
1974	519E	11/7 /1973	01	ANNEXATION SUBDIVISION 4015 (CLAYTON AREA)	73/794	74
1975	526A	1 /2 /1974	01	ANNEXATION SUBDIVISION 4504 (CLAYTON AREA)	73948	45
1976	538B	7 /10/1975	01	ANNEXATION SUBDIVISION 4014	75/486	46
1977	555B	4 /30/1976	01	ANNEXATION SUBDIVISION 4016	76/344	46
1977	565I	12/27/1976	01	ANNEXATION SUBDIVISION 4017	76/1116	46
1988	683F	4 /16/1987	08	TERRITORY TO CSA L-100 (0113)	87-80	
<b>D Code: 9284</b>						
AREA NO. M-15			COUNTY SERVICE		<input checked="" type="checkbox"/> <b>Has the district been canceled?</b>	
1972	489D	9 /7 /1971	09	FORMATION YGNACIO VALLEY AREA	71/596	73A
1973	501C	3 /7 /1972	01	ANNEXATION SUBDIVISION 4269 YGNACIO VALLEY AREA	72/132	73A,73B

**"Inactive district"**

**56042.** "Inactive district" means a special district that meets all of the following:

- (a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) litigation, contracts, liens, or claims.

**Inactive special district list**

**56879.** (a) On or before November 1, 2018, and every year thereafter, the Controller shall create a list of special districts that are inactive, as defined in Section 56042, based upon the financial reports received by the Controller pursuant to Section 53891. The Controller shall publish the list of inactive districts on the Controller's Internet Web site. The Controller shall also notify the commission in the county or counties in which the district is located if the Controller has included the district in this list.

**Inactive special district:  
Dissolution**

(b) The commission shall initiate dissolution of inactive districts by resolution within 90 days of receiving notification from the Controller pursuant to subdivision (a), unless the commission determines that the district does not meet the criteria set forth in Section 56042. The commission shall notify the Controller if the commission determines that a district does not meet the criteria set forth in Section 56042.

(c) The commission shall dissolve inactive districts. The commission shall hold one public hearing on the dissolution of an inactive district pursuant to this section no more than 90 days following the adoption of the resolution initiating dissolution. The dissolution of an inactive district shall not be subject to any of the following:

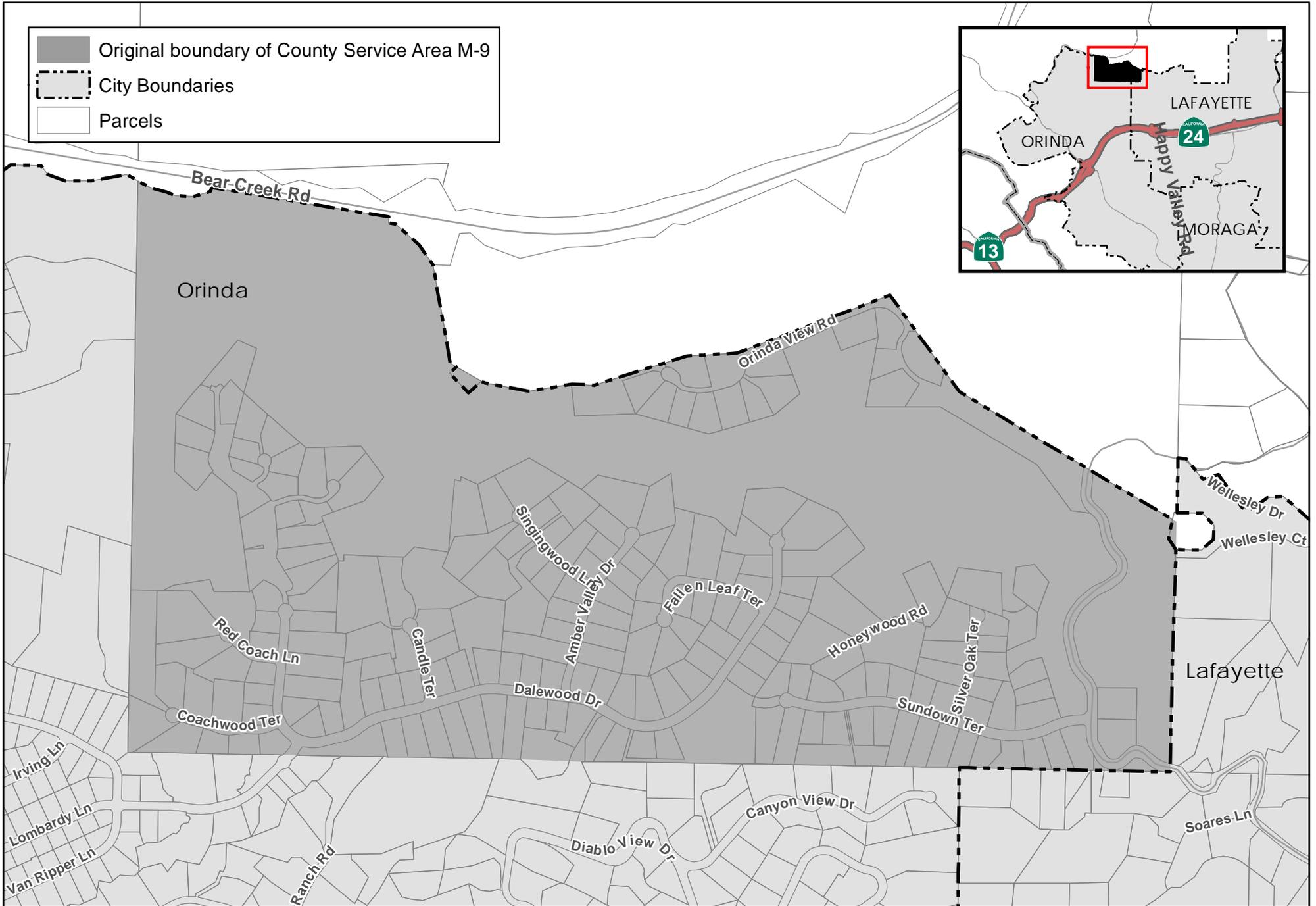
- (1) Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57176), inclusive, of Part 4.
- (2) Determinations pursuant to subdivision (b) of Section 56881.
- (3) Requirements for commission-initiated changes of organization described in paragraph (3) of subdivision (a) of Section 56375.

**\*\*\*56879.5.** This article shall not apply to a special district formed by special legislation that is required by its enabling statute to obtain funding within a specified period of time or be dissolved.

That district shall not be subject to this article during that specified period of time.

**(Amended by Stats. 2018, Ch. 86)**

# LAFCO No 18-15 - Dissolution of County Service Area M-9.



- Original boundary of County Service Area M-9
- City Boundaries
- Parcels

Map created 11/29/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37:59:41.791N 122:07:03.756W

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

Miles

Attachment 3

0      0.125      0.25      0.5



**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
TO INITIATE PROCEEDINGS FOR DISSOLUTION OF  
COUNTY SERVICE AREA M-9 (LAFCO 18-15)**

**WHEREAS**, the Commission desires to initiate a proposal pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 (CKH Act), commencing with section 56000 of the California Government Code, for the dissolution of County Service Area (CSA) M-9; and

**WHEREAS**, in accordance with Government Code §56375(a)(2)(G), LAFCO may initiate a dissolution of an inactive district pursuant to section 56879; and

**WHEREAS**, in 2017, Contra Costa County received a letter from the State Controller’s Office (SCO), and in November 2018, Contra Costa LAFCO received a similar letter from the SCO informing the County and LAFCO that CSA M-9 appears to be an inactive district and should be dissolved; and

**WHEREAS**, Government Code section 56042 defines “inactive” district and CSA M-9 meets the criteria in section 56042; and

**WHEREAS**, CSA M-9 currently has no assets, liabilities, outstanding debts, judgments, contracts, or claims and can be dissolved through an expedited process pursuant to Government Code §56879; and

**WHEREAS** a map of the affected territory is set forth in Exhibit A, attached hereto and by reference incorporated herein; and

**WHEREAS**, the LAFCO Executive Officer shall be designated as the contact person for this proposal; and

**WHEREAS**, the Commission determined, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the proposed dissolution is exempt under §15320 of the CEQA Guidelines, and directs staff to file a Notice of Exemption.

**NOW, THEREFORE**, this resolution is hereby adopted by Contra Costa LAFCO to initiate proceedings for dissolution of CSA M-9 in the manner provided by the CKH Act.

PASSED AND ADOPTED this 12<sup>th</sup> day of December 2018

AYES:

NOES:

ABSTENTIONS:

ABSENT:

\_\_\_\_\_  
Michael R. McGill, CHAIR, CONTRA COSTA LAFCO

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

Dated: December 12, 2018

\_\_\_\_\_  
Lou Ann Texeira, Executive Officer