



Lou Ann Teixeira
 Executive Officer

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January 13, 2021 (Agenda)

Contra Costa Local Agency Formation Commission
 40 Muir Road, First Floor
 Martinez, CA 94553

**January 14, 2021
 Agenda Item 10**

Fiscal Year 2021-22 Budget Schedule and Work Plan Preview

Dear Members of the Commission:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) establishes a specific process for preparing and adopting LAFCO’s budget. Government Code §56381 provides that the Commission shall annually adopt a proposed budget by May 1 and final budget by June 15, following noticed public hearings.

LAFCO staff anticipates bringing a proposed budget to the Commission in March 2021 and a final budget to the Commission in May 2021. In conjunction with the proposed budget, the Commission receives an annual work plan which includes a summary of recent activities and accomplishments along upcoming projects and activities as summarized below.

Every few years, the Commission holds a strategic planning session to discuss accomplishments, priorities, and goals. The last strategic planning session was in September 2017, at which time the Commission identified Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) updates, island annexations, terms and conditions, and policies and procedures as focus areas. A strategic planning session was tentatively scheduled for September 2020 but was cancelled due to COVID-19.

ACCOMPLISHMENTS

MSRs/SOI Updates - LAFCO law provides that every five years the Commission shall, as necessary, review and update each SOI [Gov. Code §56425(g)]. The statute also provides that in order to prepare and update a SOI, the Commission shall conduct an MSR.

In 2013, the Commission completed its inaugural round of MSRs/SOI updates and initiated 2nd round MSRs. To date, the following 2nd round MSRs/SOI updates are complete:

- June 2014 - Water/wastewater covering eight cities, 19 special districts, and private water companies
- November 2015 - Reclamation services covering 14 special districts
- October 2016 – Fire/EMS covering three cities and eight special districts
- January 2018 – Healthcare covering three special districts and Contra Costa County health services
- June 2019 – “City Services” covering all 19 cities and four community services districts (CSDs)

As part of the FY 2020-21 work plan and budget, the Commission approved preparing a 2nd round MSR covering “*Parks & Recreation Services*” (i.e., all 19 cities, four CSDs, three parks & rec districts, eight county services areas (CSAs), one regional park district). The “*Parks & Recreation*” MSR is in progress and we expect to release the Public Review Draft in early 2021. This MSR was delayed due to COVID-19 and the cities’ request for additional time to compile the requested data.

The FY 2020-21 budget also includes funding to initiate another 2nd round MSR to be determined by the Commission. In October 2020, LAFCO initiated a 2nd round MSR covering *Cemetery Services*. This MSR is underway and we expect to release the Public Review Draft in May 2021.

Policies and Procedures Updates – In the past several years, the Commission made progress updating its policies and procedures, including revisions to the island annexation provisions and to the following sections: *Rules and Procedures*, *CALAFCO*, *Roster of Cities and Special Districts*, *City Annexations and Detachments*, and *District Annexations and Detachments*. Further, the Commission updates its Legislative policies annually to coincide with CALAFCO’s Legislative Platform.

Staffing - In 2020, the Commission bade a final farewell to retiring Executive Assistant (EA)/Clerk Kate Sibley and welcomed new EA/Clerk Sherrie Weis. In accordance with the FY 2020-21 reduced budget, LAFCO deferred hiring an Analyst. LAFCO is currently staffed with 1.5 employees.

LAFCO supplements its staff with consultants and contract service providers. In June 2020, LAFCO issued a Request for Proposals for environmental planning services and hired SWALE Inc. and Baracco Associates to provide these services. In addition, LAFCO contracts for GIS/mapping, legal, webmaster, and financial auditing services.

Other activities and accomplishments to date during FY 2020-21 include the following:

- Welcomed returning Commissioners Blubaugh, Burgis, Butt, Lewis, and McGill; and bade farewell to Commissioner Wright.
- Processed 11 applications.
- Tracked and provided comment letters on legislation affecting LAFCOs.
- Provided comments on 10 local agency environmental documents.
- Monitored ongoing litigation (Los Medanos Community Healthcare District).
- Completed three GASB Alternative Measurement Method reports (actuarial valuations).
- Completed FY 2018-19 financial audit.

FY 2021-22 WORKPLAN PREVIEW

In addition to the day-to-day administration, proposal processing, coordination of Commission meetings, budget and contract administration, the 2021-22 work plan includes the following:

1. Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) Updates

Complete 2nd round “*Cemetery Services*” MSRs/SOI updates and initiate another 2nd round MSR/SOI update to be determined by the Commission. Potential candidates for a 2nd round MSR include county service areas (CSAs), mosquito & vector control, and resource conservation – see attached MSR status report.

2. Special Projects/Assignments

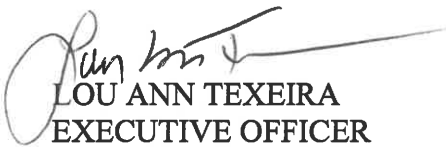
- Continue to explore ways to assist local agencies with the recovery process in light of the pandemic.

- Continue to work with the County, cities, and districts on boundary clean-ups/islands.
- Update the LAFCO Directory of Local Agencies.
- Work with the LAFCO webmaster and LAFCO EA/Clerk on updates to the LAFCO website.
- Work with Policies & Procedures Committee on developing/updating policies and procedures as determined by the Commission.
- Continue to participate in and support CALAFCO.
- Continue to monitor ongoing litigation (LMCHD).

It would be beneficial to hear from the Commission as to priorities and other items of interest in anticipation of preparing the FY 2021-22 LAFCO budget.

RECOMMENDATION: Provide input regarding 2nd round MSR's and other workplan goals as desired.

Sincerely,



LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment A - Contra Costa LAFCO MSR/SOI Status Report

- c: All Contra Costa County Cities
All Contra Costa County Special Districts
Contra Costa County Administrator
Contra Costa County Auditor-Controller

CONTRA COSTA LAFCO

Status of Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) Updates January 2021

Local Agency	Prior MSR/SOI Update	Next MSR/SOI UPDATE
<i>Cities</i>		
*City of Antioch	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Brentwood	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Clayton	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Concord	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*Town of Danville	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of El Cerrito	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Hercules	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Lafayette	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Martinez	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*Town of Moraga	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Oakley	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Orinda	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Pinole	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Pittsburg	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Pleasant Hill	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Richmond	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of San Pablo	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of San Ramon	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*City of Walnut Creek	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
<i>Cemetery Districts</i>		
Alamo-Lafayette Cemetery District	MSR/SOI <i>retained</i> (2010);	Underway
Byron-Brentwood-Knightsen-Union Cemetery District	MSR/SOI <i>retained</i> (2010);	Underway
<i>Community Services Districts</i>		
*Crockett CSD	MSR/SOI <i>retained</i> SOI (2019)	Parks & Rec MSR underway
*Diablo CSD	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*Dublin San Ramon CSD	MSR (2014)	TBD
*Kensington Police Protection and CSD	MSR/SOI <i>retained</i> (2019)	Parks & Rec MSR underway
*Town of Discovery Bay CSD	MSR/SOI <i>retained</i> SOI (2019)	Parks & Rec MSR underway
*Town of Knightsen CSD	MSR/SOI <i>retained</i> SOI (June 2014)	TBD
<i>County Service Areas</i>		
CSA D-2 (Drainage - Walnut Creek)	MSR/ <i>retained</i> SOI (2013)	TBD
*CSA EM-1 (Countywide – Emergency Medical)	MSR (2016); SOI <i>retained</i> SOI (2016)	TBD
CSA L-100 (Countywide - Streetlighting)	MSR/SOI "zero" (2013)	TBD
CSA LIB-2 (Library - Rancho El Sobrante)	MSR/SOI <i>retained</i> SOI (2013)	TBD
CSA LIB-10 (Library - City of Pinole)	MSR/SOI <i>retained</i> SOI (2013)	TBD
CSA LIB-12 (Library - Town of Moraga)	MSR/SOI <i>retained</i> SOI (2013)	TBD
CSA LIB-13 (Library - cities of Concord and Walnut Creek)	MSR/SOI <i>expanded</i> SOI (2013)	TBD

LOCAL AGENCY	PRIOR MSR/SOI UPDATE	NEXT MSR/SOI UPDATE
CSA M-1 (Misc Services - Delta Ferry)	MSR/ <i>retained</i> SOI (2013)	TBD
CSA M-16 (Misc Services – Community of Clyde)	MSR/SOI <i>retained</i> (2010)	Parks & Rec MSR underway
CSA M-17 (Misc Services - Tara Hills, Montlavin Manor, West Contra Costa)	MSR/SOI <i>retained</i> (2010)	Parks & Rec MSR underway
CSA M-20 (Misc Services - View Pointe Subdivision)	MSR/SOI <i>retained</i> (2013)	TBD
CSA M-23 (Misc Services - San Ramon, Blackhawk, Danville)	MSR/SOI <i>retained</i> (2013)	TBD
CSA M-28 (Misc Services – Bethel Island)	MSR/SOI “zero” SOI (2014)	TBD
*CSA M-29 (Misc Services – San Ramon, Dougherty Valley)	MSR/SOI <i>retained</i> (2010); MSR (2011)	Parks & Rec MSR underway
*CSA M-30 (Misc Services – Alamo)	MSR/SOI <i>affirmed</i> SOI (2010)	Parks & Rec MSR underway
CSA M-31 (TDM Services – Pleasant Hill)	MSR/SOI <i>expanded</i> SOI (2013)	TBD
CSA P-2 (Police – Zone A – Blackhawk, Zone B - Alamo)	MSR/SOI (2011); SOI update pending	TBD
CSA P-5 (Police Protection – Roundhill)	MSR/SOI (2011); SOI update pending	TBD
CSA P-6 (Police Protection – Unincorporated Area)	MSR/SOI (2011); SOI update pending	TBD
CSA R-4 (Recreation – Moraga)	MSR/SOI (2010); <i>retained</i> SOI (2013)	Parks & Rec MSR underway
CSA R-7A (Recreation – Alamo)	MSR/SOI (2010); SOI update/expansion (2012)	Parks & Rec MSR underway
CSA R-9A (Recreation - El Sobrante)	MSR/SOI <i>retained</i> (2010)	Parks & Rec MSR underway
CSA R-10 (Recreation – Rodeo)	MSR/SOI <i>retained</i> (2010)	Parks & Rec MSR underway
CSA RD-4 (Roads - Bethel Island)	MSR/SOI <i>retained</i> (2008)	TBD
CSA T-1 (Transit – San Ramon) (formed 2006)	MSR/SOI <i>provisional</i> SOI (2013)	TBD
<i>Fire/EMS</i>		TBD
*Contra Costa County Fire Protection District	MSR/SOI (2016); SOI update pending	
*Crockett-Carquinez Fire Protection District	MSR/SOI (2016); SOI update pending	TBD
*East Contra Costa Fire Protection District	MSR/SOI (2016); <i>provisional</i> (2016)	TBD
*Kensington Fire Protection District	MSR/SOI (2016); SOI update pending	TBD
*Moraga-Orinda Fire Protection District	MSR/SOI (2016); <i>retained</i>	TBD
*Rodeo-Hercules Fire Protection District	MSR/SOI (2016); <i>provisional</i>	TBD
*San Ramon Valley Fire Protection District	MSR/SOI (2016); <i>retained</i> (2016)	TBD
<i>Health Care Districts (HCDs)</i>		
*Los Medanos Community HCD	MSR/SOI <i>retained</i> (2018)	TBD
*Concord-Pleasant Hill HCD (formerly Mt. Diablo HCD)	MSR/SOI <i>retained</i> (2018)	TBD
*West Contra Costa HCD	MSR/SOI <i>retained</i> (2018)	TBD
<i>Irrigation</i>		
Byron-Bethany Irrigation District	MSR (2014)	TBD

East Contra Costa Irrigation District	MSR/SOI <i>retained</i> (May 2014)	TBD
LOCAL AGENCY	PRIOR MSR/SOI UPDATE	NEXT MSR/SOI UPDATE
<i>Mosquito Abatement</i> Contra Costa Mosquito and Vector Control District	MSR/SOI <i>retained</i> (2010); SOI	TBD
<i>Municipal Improvement</i> *Bethel Island Municipal Improvement District	MSR/SOI <i>retained</i> (2015)	TBD
<i>Municipal Utility</i> East Bay MUD	MSR (2014)	TBD
<i>Reclamation Districts (RD)</i> *RD 799 (Hotchkiss Tract)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 800 (Byron Tract)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 830 (Jersey Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2024 (Orwood and Palm Tracts)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2025 (Holland Tract)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2026 (Webb Tract)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2059 (Bradford Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2065 (Veale Tract)	Adopted coterminous SOI (2015)	TBD
*RD 2090 (Quimby Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2117 (Coney Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2122 (Winter Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2137	MSR/SOI <i>retained</i> (2015)	TBD
<i>Park & Recreation</i> Ambrose Rec & Park District	MSR/SOI <i>retained</i> (2010)	Parks & Rec MSR underway
*East Bay Regional Park District	MSR (2010)	Parks & Rec MSR underway
Green Valley Rec & Park District	MSR/SOI <i>reduced</i> (2009)	Parks & Rec MSR underway
Pleasant Hill Rec & Park District	MSR/SOI <i>expanded/reduced</i> (2010)	Parks & Rec MSR underway
<i>Resource Conservation</i> Contra Costa Resource Conservation District	MSR/SOI <i>retained</i> (2010)	TBD
<i>Wastewater</i> *Byron Sanitary District	MSR/SOI <i>expanded</i> (2014)	TBD
*Central Contra Costa Sanitary District	MSR/SOI <i>expanded</i> (2014)	TBD
*County Sanitation District 6 (Alhambra Valley)	MSR/SOI "zero" (2014)	TBD
*Delta Diablo Sanitary District	MSR/SOI <i>reduced</i> (2014);	TBD
*Ironhouse Sanitary District	MSR/SOI <i>expanded</i> (2014)	TBD
*Mt. View Sanitary District	MSR/SOI <i>retained</i> (2014)	TBD
*Rodeo Sanitary District	MSR/SOI <i>retained</i> (2014)	TBD
*Stege Sanitary District	MSR/SOI <i>retained</i> (2014)	TBD
*West County Wastewater District	MSR/SOI <i>retained</i> (2014)	TBD
<i>Water</i> Castle Rock County Water District	MSR/SOI "zero" (2014)	TBD
*Contra Costa Water District	MSR/SOI <i>reduced/ expanded</i> (2014)	TBD
*Diablo Water District	MSR/SOI <i>expanded</i> (2014)	TBD

* Indicates the agency was reviewed in more than one MSR (e.g., 1st and 2nd round, subregional, service specific, etc.)