



Lou Ann Teixeira
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
40 Muir Road, 1st Floor • Martinez, CA 94553
e-mail: LouAnn.Teixeira@lafco.cccounty.us
(925) 313-7133

NOTICE AND AGENDA FOR REGULAR MEETING

Wednesday, September 8, 2021, 1:30 PM
***** BY TELECONFERENCE ONLY *****

Consistent with the California Governor's Executive Order N-29-20 this meeting will be held by Zoom and teleconference. No physical location will be available for this meeting.

PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS

To join the meeting click: <https://cccounty-us.zoom.us/j/95768795211>

Or call in at the number below. **As a courtesy to the other participants, please mute your device when not speaking.**

USA 214-765-0478

USA 888-278-0254 (US Toll Free)

Conference code: **525510**

LAFCO meetings are audio recorded and posted online at <http://contracostalafco.org/meetings-and-public-hearings/>. Audio recordings are available the day following the LAFCO meeting. LAFCO meeting materials and staff reports are available online at <http://contracostalafco.org/meetings-and-public-hearings/>.

PUBLIC COMMENT: The Commission will consider all verbal and written comments received. Comments may be emailed to LouAnn.Teixeira@lafco.cccounty.us or by U.S. mail to Contra Costa LAFCO at 40 Muir Road 1st Floor, Martinez, CA 94553. Please indicate the agenda item number, if any. If you want your comments read into the record, please indicate so in the subject line. For public hearings, the Chair will announce the opening and closing of the public hearing. The Chair will call for verbal public comments.

NOTICE TO THE PUBLIC

Disclosable public records for a regular meeting agenda distributed to a majority of the members of the Commission less than 72 hours prior to that meeting will be made available on <http://contracostalafco.org/meetings>

Campaign Contribution Disclosure

If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

Notice of Intent to Waive Protest Proceedings

In the case of a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

American Disabilities Act Compliance

LAFCO will provide reasonable accommodations for persons with disabilities planning to join the meeting. Please contact the LAFCO office at least 48 hours before the meeting at 925-313-7133.

SEPTEMBER 8, 2021 CONTRA COSTA LAFCO AGENDA

1. Call to Order
2. Roll Call
3. Adoption of Agenda
4. Approval of Minutes for the August 11, 2021 regular LAFCO meeting
5. Public Comment Period (please observe a three-minute time limit):
Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.

SPHERE OF INFLUENCE AMENDMENTS/CHANGES OF ORGANIZATION

6. ***LAFCO 21-04 – Beacon West & Willow Mobile Home Park - Annexations to Contra Costa Water District (CCWD) and Diablo Water District (DWD)*** - consider approving annexations to CCWD (37.58± acres) and DWD (30.1± acres) (numerous parcels) located in unincorporated Bethel Island; and consider related actions per the California Environmental Quality Act (CEQA) ***Public Hearing***

BUSINESS ITEMS

7. ***Municipal Service Reviews (MSRs)*** – authorize staff to execute a contract with Economic & Planning Systems to prepare second round MSRs/SOIs updates covering resource conservation services and mosquito & vector control services
8. ***2022 LAFCO Meeting Schedule*** – consider approving the 2022 LAFCO meeting schedule
9. ***FY 2019-20 Financial Audit*** – receive and file audit report

INFORMATIONAL ITEMS

10. ***Pending Applications*** - receive an update on pending proposals – information only
11. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)
12. Commissioner Comments and Announcements
13. Staff Announcements/CALAFCO Updates/Newspaper Articles

ADJOURNMENT

Next regular LAFCO meeting October 13, 2021 at 1:30 pm.

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting_archive.htm

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
DRAFT MEETING MINUTES
August 11, 2021

September 8, 2021
Agenda Item 4

1. Welcome and Call to Order; Roll Call (Agenda Items 1&2)

Chair Skaredoff called the regular meeting of August 11, 2021, to order at 1:32 p.m.
The following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Igor Skaredoff, Chair	Edi Birsan	Lou Ann Texeira, Executive Officer
Rob Schroder, Vice Chair	Diane Burgis (<i>Seated for Glover</i>)	Tom Geiger, Commission Counsel
Candace Andersen	Stan Caldwell	Sherrie Weis, LAFCO Clerk
Don Blubaugh	Chuck Lewis	
Tom Butt		
Mike McGill		
Federal Glover (<i>Absent</i>)		

Announcement: Pursuant to Governor Newsom's Executive Order and local county health orders issued to address the COVID 19 pandemic, the Commission meeting is being held via Zoom videoconference. The public may listen to the meeting telephonically and comment by calling in to the teleconference meeting per the instructions on page 1 of the agenda. As required by the Brown Act, all votes taken this afternoon will be done by a roll call vote of the attending Commissioners participating via teleconference.

3. Adoption of Agenda

Upon motion by Commissioner McGill and second by Commissioner Andersen, the Commission unanimously, by a 7-0 vote, adopted the agenda

VOTE:

AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff

NOES: NONE

ABSENT: Glover

ABSTAIN: NONE

4. Approval of Minutes

Commissioner McGill asked for one correction in the minutes, Informational Items, Item 14 Commissioner Comments and Announcements, June 18, 2021 CA Special Districts Association Legislative Days – corrected to CALAFACO Legislative Committee. With this correction accepted and upon motion by Commissioner McGill and second by Commissioner Blubaugh, the Commission unanimously, by a 7-0 vote approved the June 9, 2021 meeting minutes

VOTE:

AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff

NOES: NONE

ABSENT: Glover

ABSTAIN: NONE

5. Public Comments

Chair Skaredoff invited members of the audience to provide public comment. There were no speakers.

SPHERE OF INFLUENCE AMENDMENTS/CHANGES OF ORGANIZATION

6. ***LAFCO 21-02– Byron Bethany Irrigation District (BBID) Annexation – Lawrence Property*** – consider approving an annexation to BBID and related actions per the California Environmental Quality Act (CEQA). The subject area comprises 92.8± acres and includes four parcels (APNs 003-070-015/-017/-019/-021) located at 2043 Camino Diablo in unincorporated Byron
Public Hearing

Chair Skaredoff open and closed the public hearing, there were no public speakers.

Following Commissioner comments and questions, and upon a motion by Commissioner Blubaugh and a second by Commissioner Andersen, the Commission, unanimously, by a 7-0 vote, approved Option 1 approve annexation to BBID, and related actions per CEQA

VOTE:

AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff

NOES: NONE

ABSENT: Glover

ABSTAIN: NONE

7. ***LAFCO 21-03 – Beacon West & Willow Mobile Home Park - Sphere of Influence (SOI) Expansions Contra Costa Water District (CCWD) and Diablo Water District (DWD)*** - consider approving SOI expansions for CCWD (37.58± acres) and DWD (30.1± acres) (numerous parcels) located in unincorporated Bethel Island; and consider related actions per CEQA ***Public Hearing***

Chair Skaredoff open and closed the public hearing, there were no public speakers.

Upon motion by Commissioner Schroder and second by Commissioner Blubaugh, the Commission, unanimously, by a 7-0 vote, approved Option 1 SOI expansions for CCWD (37.58± acres) and DWD (30.1± acres) (numerous parcels) located in unincorporated Bethel Island and related actions per CEQA.

VOTE:

AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff

NOES: NONE

ABSENT: Glover

ABSTAIN: NONE

MUNICIPAL SERVICE REVIEWS (MSRs)/SPHERE OF INFLUENCE (SOI) UPDATES

8. ***Parks & Recreation Services MSR/SOI Updates*** –accept the Final Parks & Recreation MSR report with amendments and adopt a resolution making MSR/SOI determinations and updating the SOI for the Pleasant Hill Recreation & Park District

Following Commissioner comments and questions, and upon a motion by Commissioner Blubaugh and a second by Commissioner Butt, the Commission unanimously, by a 7-0 vote, accepted the Final Parks & Recreation MSR report with amendments and adopt a resolution making MSR/SOI determinations and updating the SOI for the Pleasant Hill Recreation & Park District.

VOTE:
AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: Glover
ABSTAIN: NONE

9. ***Cemetery Services – MSR/SOI Updates (2nd Round)*** – consider accepting the Final MSR report, making the required MSR and SOI determinations, updating SOIs for the cemetery districts covered in the MSR report, and taking related actions per CEQA ***Public Hearing***

Chair Skaredoff open and closed the public hearing, there were no public speakers

Following Commissioner comments and questions, and upon a motion by Commissioner Blubaugh second by Commissioner Andersen, the Commission unanimously, by a 7-0 vote, received staff report; provided direction and comments; made the required determinations, updated the SOIs, and took related actions per CEQA.

VOTE:
AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: Glover
ABSTAIN: NONE

BUSINESS ITEMS

10. ***CALAFCO 2021 Annual Conference - Call for Board of Directors Candidates and Achievement Award Nominations*** – receive the annual CALAFCO conference information, appoint voting delegate(s), provide direction regarding Achievement Award nomination and other matters as desired

Upon a motion by Commissioner McGill second by Commissioner Andersen, the Commission unanimously, by a 7-0 vote, authorized Commissioner Skaedoff to sign Commissioner Birsan's application as a candidate for the CALAFCO Board of Directors 2021-2022 - Coastal Region – City Member; directed Executive Officer Texeira to submit Achievement Award nominating Contra Costa Water District and Diablo Water District for their continued efforts to extend municipal water to disadvantages communities; appointed Commissioner Andersen as the voting delegate and Commissioner McGill as the alternate voting delegate at the CALAFCO Annual Conference and directed staff to forward the information to CALAFCO.

VOTE
AYES: Andersen, Blubaugh, Burgis, Butt, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: Glover
ABSTAIN: NONE

11. ***Legislative Update and Position Letter*** – information only
No action required – informational items only. Executive Officer Texeira gave updates on the CALAFCO Legislative Report, Support of AB 1581 Assembly Local Government Committee Omnibus Bill, and the Los Medanos Community Healthcare District.

INFORMATIONAL ITEMS

- 12. Pending Applications** – receive an update on pending proposals –informational update – no action required by the Commission.

CORRESPONDENCE

13. Correspondence from Contra Costa County Employee's Retirement Association (CCCERA)

14. Commissioner Comments and Announcements

Commissioner McGill updated the Commission on CALAFCO's activities:

- Ms. Miller, Executive Director of CALAFCO has reaffirmed her retirement at end of the year. The CALAFCO board has initiated a recruitment for her successor.
- June 18, 2021 CALAFCO Legislative Committee Meeting
- June 23, 2021 CALAFCO Board of Directors Special Meeting
- July 15, 2021 CALAFCO Executive Meeting
- July 30, 2021 CALAFCO Full Board Meeting
- September 10, 2021 CALAFCO Legislative Committee Meeting

15. Staff Announcements

Executive Officer updates:

- CALAFCO Update
- Overview of East County Fire District annexation to Con Fire
- Newspaper Articles

The meeting adjourned at 2:22 p.m.

Final Minutes Approved by the Commission September 8, 2021

	<u>VOTE:</u>
AYES:	<u>Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff</u>
NOES:	<u>NONE</u>
ABSENT:	<u>NONE</u>
ABSTAIN:	<u>NONE</u>

ADJOURNMENT

The next regular LAFCO meeting is September 8, 2021, at 1:30 pm.

By _____
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

September 8, 2021
Agenda Item 6

September 8, 2021 (Agenda)

LAFCO 21-04

Beacon West & Willow Mobile Home Park – Annexations to Contra Costa Water District (CCWD) and Diablo Water District (DWD)

APPLICANT

Contra Costa Water District – Resolution 20-02, December 16, 2020

SYNOPSIS

The applicant proposes to annex 37.58± acres to CCWD which includes 14.27± acres (Beacon West) and 23.31± acres (Willow Mobile Home Park (WMHP) (Exhibit A); and annexation of 30.1± acres to DWD which includes 6.79± acres (portion of Beacon West) and 23.31± acres (WMHP) (Exhibit B). The subject areas are located on Bethel Island in East Contra Costa County and are within the Contra Costa County Urban Limit Line (ULL). The entirety of Bethel Island is a Disadvantaged Unincorporated Community (DUC).

Annexation will bring the subject areas into the service boundaries of CCWD and DWD and will allow for the extension of municipal water service to approximately 23 single family homes and 172 mobile homes. As proposed, CCWD will provide wholesale water and DWD will provide treated water to the subject areas.

Regarding Beacon West, the groundwater system that previously served this area exceeded the primary drinking water standard for arsenic and was abandoned in 2019. Regarding WMHP, Contra Costa County manages the ground water system through County Service Area M-28. The mobile homes are connected to an aging well and reverse osmosis system that fails to meet secondary drinking water standards for manganese and specific conductance. Also, the mobile home park has a fire flow deficiency as there is insufficient water storage at the site. DWD is evaluating State Water Resources Control Board grant funding to fund design and construction of the water line extension. Mark Brading with *The Willows at Bethel Island* submitted a letter expressing concerns with the existing water source and supports extension of municipal water service to the WMHP (Attachment 1). The County Board of Supervisors also submitted a letter supporting annexation of these areas to CCWD and DWD (Attachment 2).

DISCUSSION

Government Code §56668 sets forth factors that the Commission must consider in evaluating a proposed boundary change as discussed below. In the Commission's review, no single factor is determinative. In reaching a decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence (SOI) of Any Local Agency:

The subject areas are within the SOIs of CCWD and DWD as approved by the Commission on August 11, 2021; and are within the Contra Costa County ULL.

2. Land Use, Planning and Zoning - Present and Future:

The land uses in the subject areas include 23 single family homes and 172 mobile homes. General Plan and Zoning designations are as follows:

✚ **Beacon West Area** - County *General Plan* (GP) designations in this area include Single Family Residential – High (SH); SH with a Flood Hazard (FH) Combining District overlay; Agricultural (AL); and Open Space (OS). *Zoning* designations include SH, FH, General Agriculture (A-2), and Solar Energy Generation Combining District (SG).

✚ **WMHP** - County *GP* designation is Mobile Home (MO). County *Zoning* designations include Mobile Home/Manufactured Home Park (T-1) and FH.

The proposed annexations will have no effect on the land uses.

3. The Effect on Maintaining the Physical and Economic Integrity of Agricultural Lands and Open Space Lands:

There are no proposed land use changes or impacts to agricultural/open space lands associated with the proposed annexation areas. No portion of the annexation area is subject to a Williamson Act contract.

Land uses surrounding the Beacon West area include water to the east and north and open space to the west and south. Land uses surrounding the WMHP include residential to the east and north and agricultural and open space to the west and south.

4. Topography, Natural Features and Drainage Basins:

The subject areas are generally flat, adjacent to the Delta with elevations ranging from 0 to 5 feet above sea level. Beacon West is located adjacent to Little Frank's Tract, and the WMHP is located south and east of Beacon West, directly adjacent to Frank's Tract.

5. Population:

No development is proposed in conjunction with the proposed annexations, and no population increase will result from this proposal. The population of the subject area is 425-475 people.

6. Fair Share of Regional Housing:

In its review of a proposal, LAFCO must consider the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. No new residential development is proposed; thus, the proposed annexations will have no effect on regional housing needs.

7. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

Whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall also submit a plan for providing services within the affected territory (Gov. Code §56653). The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The subject areas are within the boundaries of various municipal agencies including Contra Costa County, Bethel Island Municipal Improvement District, Contra Costa Resource Conservation District, East Bay Regional Park District, East Contra Costa Fire Protection District, and Ironhouse Sanitary District.

The proposed annexations will bring the subject areas into the service boundaries of CCWD and DWD and allow for extension of municipal water service to approximately 425-475 people. As proposed, CCWD will provide wholesale water and DWD will provide treated water to the subject areas. The extension of municipal water will eliminate reliance on the aging well and reverse osmosis system and improve water quality and fire flow.

8. Timely Availability of Water and Related Issues:

Pursuant to the CKH, LAFCO must consider the timely and available supply of water in conjunction with boundary change proposals. Contra Costa LAFCO policies state that any proposal for a change of organization that includes the provision of water service shall include information relating to water supply,

storage, treatment, distribution, and waste recovery; as well as adequacy of services, facilities, and improvements to be provided and financed by the agency responsible for the provision of such services, facilities and improvements.

The proposal before the Commission includes annexation of the subject property to CCWD for wholesale water. CCWD's boundary encompasses 220± square miles in central and eastern Contra Costa County. CCWD's untreated water service area includes Antioch, Bay Point, Oakley, Pittsburg, and portions of Brentwood and Martinez. The District's treated water service area includes Clayton, Clyde, Concord, Pacheco, Port Costa, and parts of Martinez, Pleasant Hill, and Walnut Creek. CCWD also treats and delivers water to the City of Brentwood, Golden State Water Company (Bay Point), Diablo Water District (Oakley), and the City of Antioch. CCWD provides treated water service to approximately 250,000 residents and untreated water service that supports approximately 250,000 residents for a total population of approximately 500,000 (61,858 treated and 346 untreated water connections). The primary sources of water are the United States Bureau of Reclamation (USBR) Central Valley Project (CVP) and delta diversions. One of CCWD's prerequisites for service, including future annexation, is inclusion in the CVP service area. The CVP inclusion review is a separate process and requires specific environmental documents. Subsequent to LAFCO's annexations, CCWD will proceed with the CVP inclusion review. CCWD is using "Proposition 1 Disadvantaged Community Involvement Grant Funding", which is managed by the Department of Water Resources, in conjunction with this proposal.

Regarding retail water, DWD encompasses 21± square miles serving Oakley (including East Cypress Corridor Specific Plan Area and the Summer Lakes development on Hotchkiss Tract), downtown Knightsen, parts of Bethel Island including Delta Coves, and unincorporated areas within the Hotchkiss Tract. DWD collects, treats and supplies municipal water to over 42,000 residents. The District's primary sources of water include CVP (purchased from CCWD) and groundwater extracted from the East Contra Costa Subbasin. DWD is the local water service provider that will permanently serve these two areas following annexation and inclusion. In 2019, DWD completed a 6-inch emergency water line extension to serve Beacon West. Each of the Beacon West parcels have a water meter. The WMHP parcels will have a single water meter once the new treated line is designed and constructed to serve the 172 mobile homes.

Based on their recent future water supply studies and urban water management plans, both CCWD and DWD indicate they have the capacity to serve the project. The districts and landowners will work together to complete the CVP inclusion process.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation areas are within tax rate areas 82006, 82007 and 82234. The assessed value for the annexation areas is \$15,975,612 (2020-21 roll). The territory being annexed shall be liable for all authorized or existing taxes and bonded debt comparable to properties presently within the annexing agencies.

10. Environmental Impact of the Proposal:

CCWD, as Lead Agency, found the project exempt pursuant to CEQA Guidelines section 15303 – *New Construction or Conversion of Small Structures* and section 15319 *Annexations of Existing Facilities and Lots for Exempt Facilities*.

11. Landowner Consent and Consent by Annexing Agency:

All landowners and registered voters within the proposal area and within 300 feet of the subject area received notice of the LAFCO hearing. County Elections reports there are more than 12 registered voters in the subject area; therefore, the subject area is considered inhabited. Thus, if the Commission receives objection from any registered voter residing with the subject area, LAFCO must conduct a protest hearing. Absent any objection received before the conclusion of the commission hearing on September 8, 2021, the Commission will waive the protest proceedings.

12. Boundaries and Lines of Assessment:

Maps and legal descriptions to implement the proposed annexations have been received and are subject to final approval by the County Surveyor.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals will promote environmental justice. As defined by statute, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The subject area is located on Bethel Island, which is, in its entirety, a disadvantaged community. Thus, the proposed annexation will promote the fair treatment of minority or economically disadvantaged groups by supplying reliable, quality water to the subject area.

14. Disadvantaged Communities:

Pursuant to SB 244, local agencies and LAFCOs are required to plan for DUCs. Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/amendments, and annexations must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County’s Department of Conservation and Development, the annexation areas meet the criteria of a DUC. The extension of municipal water to the Beacon West and WMHP areas will better serve these communities.

15. Comments from Affected Agencies/Other Interested Parties:

To date, LAFCO has received no comments from affected agencies or other interested parties.

16. Regional Transportation and Regional Growth Plans:

In its review of a proposal, LAFCO shall consider a regional transportation plan adopted pursuant to Section 65080 [Gov. Code section 56668(g)]. Further, the commission may consider the regional growth goals and policies established by a collaboration of elected officials only, formally representing their local jurisdictions in an official capacity on a regional or subregional basis (Gov. Code section 56668.5).

Regarding these sections, LAFCO looks at consistency of the proposal with the regional transportation and other regional plans affecting the Bay Area.

SB 375, a landmark state law, requires California’s regions to adopt plans and policies to reduce the generation of greenhouse gases (GHG), primarily from transportation. To implement SB 375, in July 2013, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) adopted Plan Bay Area. In 2017, ABAG/MTC released Plan Bay Area 2040, which updated the 2013 Plan Bay Area. In May 2021, *Plan Bay Area 2050* was released. The 30-year plan charts a course for the 9-county Bay Area through 2050 and beyond. Thirty-five strategies comprise the heart of the plan to improve housing, the economy, transportation and the environment.

The subject areas are not designated as a “Priority Conservation Area” or a “Priority Development Area” and the proposed annexations will have no impact on the regional plan.

CCWD has delivered an executed indemnification agreement providing for the District to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony and additional materials submitted, the Commission is asked to take one of the following actions:

Option 1 Approve the annexation as proposed.

- A. Find that, as a Responsible Agency under the California Environment Quality Act (CEQA), that the project is exempt pursuant to CEQA Guidelines section 15303 – *New Construction or Conversion of Small Structures* and section 15319 - *Annexations of Existing Facilities and Lots for Exempt Facilities*.
- B. Accept this report and adopt Resolution 21-04 (Attachment 3) approving annexations to Contra Costa Water District and Diablo Water District as described herein and shown on the attached maps subject to the following terms and conditions:
 1. This annexation will allow the delivery of treated water for use at the subject areas (Beacon West and Willow Mobile Home Park).
 2. The territory being annexed shall be liable for any authorized or existing special taxes, assessments and charges currently being levied on comparable properties presently within the annexing agencies.
 3. Water service is conditional upon CCWD receiving acceptance for inclusion of the annexed area from the USBR, pursuant to the requirements in CCWD's contract with USBR for supplemental water supply from the CVP.
 4. Find that the subject territory is inhabited. Should the Commission receive any objection(s) from any registered voter(s) or landowner(s) within the subject area, LAFCO will conduct a protest hearing. If no objection is received before the conclusion of these commission proceedings on September 8, 2021, the Commission waives the protest proceedings.

Option 2 Accept this report and DENY the proposal.

Option 3 If the Commission needs more information, CONTINUE this matter to a future meeting.

RECOMMENDED ACTION:

Option 1 – Approve the annexations to CCWD and DWD as proposed.

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Exhibits

Exhibit A - Map – Proposed CCWD SOI Expansion

Exhibit B - Map – Proposed DWD SOI Expansion

Attachments

Attachment 1 - Letter from Mark Brading – The Willows at Bethel Island

Attachment 2 – Letter from Contra Costa County Board of Supervisors

Attachment 3 - Draft LAFCO Resolution – Annexations to CCWD and DWD

c: Mark A. Seedall, Principal Planner, Contra Costa Water District
 Dan Muelrath, General Manager, Diablo Water District
 Carl Roner, Contra Costa County Public Works



THE WILLOWS AT BETHEL ISLAND

3656 Willow Road
Mailing Address
P. O. Box 428 • Bethel Island, CA 94511
(925) 684-3536

RECEIVED

June 21, 2021

JUN 24 2021

CCWD
BOARD OF DIRECTORS

Lisa M. Borba, President
Board of Directors
Contra Costa Water District
1331 Concord Avenue
Concord, CA 94520

RE: Letter of Support for Expansion of Contra Costa Water District / Diablo Water District (CCWD/DWD) to The Willows at Bethel Island mobilehome park.

Dear President Borba:

I am writing to express the support of The Willows at Bethel Island (Park) for the expansion of the CCWD/DWD water service to our Park. The extension of water service to the Park will provide our homeowners with a reliable source of quality water while also improving the reliability and capability of our fire hydrants.

Over the years the County has done their best to maintain a reverse osmosis water filtration system for our Park residents. However, due to the cost of maintenance, the cost of replacement components, and the constant monitoring requirements, this filtration system became too expensive to operate and as a result our Park residents are receiving unfiltered well water for their domestic water supply.

Since the 172 mobilehomes in our Park are reliant on a single well source for domestic water, this is a constant concern for our homeowners. What happens if the well becomes contaminated? What happens if the well dries up or is not capable of supplying sufficient water? When the power is out, so is the water supply for our homeowners. Even though our Park has fire hydrants located throughout, these hydrants are dependent on electricity to the well pump and are also limited by the capacity of the storage tank.

The CCWD/DWD domestic water supply extension to The Willows at Bethel Island will provide our homeowners with a reliable, quality, sustainable, and affordable water source while also improving the fire suppression capabilities within the Park. For all of these reasons, The Willows at Bethel Island is in favor of expanding the CCWD/DWD water service to our Park.

Sincerely,

Mark Brading
The Willows at Bethel Island

cc: File



Attachment 2

County Supervisor Diane Burgis, District 3

Chair, Contra Costa County Board of Supervisors

February 18, 2021

COMMITTEES:

Airports Committee, Chair

Legislation Committee, Chair

Open Space/Parks & East Bay Regional
Park District Liaison Committee, Chair

Family & Human Services Committee,
Vice Chair

Internal Operations Cmte., Vice Chair

Transportation, Water & Infrastructure
Committee, Vice Chair

Medical Services Joint Conference
Committee, Vice Chair

California Identification System
Remote Access Network Board

Contra Costa Family Justice Alliance

Contra Costa Countywide
Redevelopment Successor Agency
Oversight Board

Contra Costa Health Plan Joint
Conference Committee

Delta Protection Commission

Dougherty Valley Oversight Cmte.

East Contra Costa County Habitat
Conservancy, Governing Board

East Contra Costa Regional Fee &
Finance Authority

East County Water Mgmt. Assn.

eBART (Bay Area Rapid Transit)
Partnership Policy Advisory Cmte.

Northern Waterfront Economic
Development Ad Hoc Committee

State Route 4 Bypass Authority

TRANSPAN

Tri Delta Transit Authority, Board of
Directors

Serving as Alternate:

ABAG Executive Board

ABAG General Assembly

Bay Area Counties Caucus

Contra Costa Transportation Authority
Board of Commissioners

First 5 Children and Families Comm.

Local Agency Formation Comm.

Mental Health Commission

Sacramento-San Joaquin Delta
Conservancy Board

Lisa M. Borba, President
Board of Directors
Contra Costa Water District
1331 Concord Avenue
Concord, CA 94520

RE: Letter of Support for Beacon West and Willow Mobile Home Park Water
System Consolidation, Bethel Island

Dear President Borba,

I am writing to express the Contra Costa County Board of Supervisors' support for the expansion of the Contra Costa Water District/Diablo Water District (CCWD/DWD) water service to Beacon West and Willow Mobile Home Park on Bethel Island. We believe that the expansion of water service on Bethel Island will help improve water quality and fire flow capacity while reducing the demand on groundwater supplies and lowering the costs of potable water service to the residents.

Bethel Island has a population of approximately 2,300 residents and is classified as a Severely Disadvantaged Community (DAC) under California Department of Water Resources guidelines and census-based data. Most residents on the island use groundwater as their primary source of domestic water that is often of poor quality and insufficient quantity. The 2018 implementation of the Delta Coves Development helped bring DWD water service onto the island. We now welcome the opportunity to expand the municipal water service to other residential communities on the island where it is needed.

The Willows Mobile Home Park (WMHP) currently uses groundwater provided through the County Service Area (CSA) M-28 for its 172 mobile home residences. Most residents of WMHP are on fixed incomes. While the water provided meets the minimum applicable health standards, it is high in salt, hardness, and manganese. Most residences use bottled water for drinking, which is an expensive alternative to those on a limited income. The well and treatment system is operationally marginal and subject to disruption when the local electrical power grid goes down during wind events. High winds have knocked out the power to the well several times over the last year, making the water supply unreliable when it is

3361 Walnut Boulevard, Suite 140, Brentwood, California 94513

Phone: 925.252.4500 • Fax: 925.240.7261

Email: Supervisor_Burgis@bos.cccounty.us • www.CCCounty.us/SupervisorBurgis

most needed for fire protection. WHMP is just one of many small groundwater systems on Bethel Island. Most of these systems have similar issues.

Expansion of the DWD water system would bring high quality water at a lower cost to WMHP's doorstep, providing a low-income community with the most fundamental necessities, clean water for drinking, bathing, and fire protection. Providing treated water from a municipal source such as DWD is a superior long-term solution to resolve these outstanding quality and quantity issues.

The County supports the use of Proposition 1 DAC Funding through the California Department of Water Resources and the San Joaquin River Funding Area for CCWD to obtain a CCWD/DWD Sphere of Influence Change, Annexation and Central Valley Plan Inclusion review as soon as possible, consistent with the grant funding agreement. County will also participate in seeking additional funding opportunities for construction, and would provide its share of funding for the design, construction, and connection fees.

CSA M-28 will continue supplying groundwater service to the WMHP following the SOI change, annexation, and CVP Inclusion approval until such time when the treated water pipeline is constructed, and the existing well infrastructure decommissioned. At that point County staff will recommend to the Board of Supervisors to initiate dissolution of CSA M-28.

The County strongly supports the CCWD's and DWD's efforts in expanding access to municipal water for the residents of Bethel Island.

Sincerely,

A handwritten signature in dark ink, appearing to read "Diane Burgis". The signature is fluid and cursive, with the first name "Diane" and last name "Burgis" clearly distinguishable.

DIANE BURGIS, Chair
County Supervisor, District 3

DRAFT RESOLUTION NO. 21-04

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
ANNEXATIONS TO CONTRA COSTA WATER DISTRICT AND DIABLO WATER
DISTRICT – BEACON WEST AND WILLOW MOBILE HOME PARK**

WHEREAS, the above-referenced proposal was filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (§56000 et seq. of the Government Code); and

WHEREAS, the Executive Officer examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; and

WHEREAS, at the time and in the manner required by law, the Executive Officer gave notice of the Commission's consideration of the proposal; and

WHEREAS, the Executive Officer reviewed available information and prepared a report including her recommendations therein, and the report and related information have been presented to and considered by the Commission; and

WHEREAS, at a public hearing held on September 8, 2021, the Commission heard, discussed, and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendations, the environmental document and determination, applicable General and Specific Plans, consistency with the spheres of influence, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission has been presented that no affected landowners/registered voters within the subject areas object to the proposal; and

WHEREAS, the Local Agency Formation Commission determines the proposal to be in the best interest of the affected areas and the organization of local governmental agencies within Contra Costa County; and

WHEREAS, the applicant has delivered to LAFCO an executed indemnification agreement providing for the applicant to indemnify LAFCO against any expenses arising from any legal actions to challenge the annexation.

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

1. As a Responsible Agency under CEQA, the Commission determines that CCWD, as Lead Agency, found the project exempt pursuant to CEQA Guidelines section 15303 – *New Construction or Conversion of Small Structures* and section 15319 Annexations of Existing Facilities and Lots for Exempt Facilities.
2. Annexations to CCWD of 37.53± acres and to DWD of 30.1± acres are hereby approved.
3. The subject proposal is assigned the following distinctive short-form designation:

**BEACON WEST AND WILLOW MOBILE HOME PARK - ANNEXATIONS TO
CONTRA COSTA WATER DISTRICT AND DIABLO WATER DISTRICT**

4. The boundaries of the subject areas are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
5. The subject areas shall be liable for any authorized or existing taxes, charges, and assessments currently being levied on comparable properties within the annexing agencies.
6. Water service is conditional on CCWD receiving acceptance for inclusion of the annexed areas from the U.S. Bureau of Reclamation (USBR), pursuant to the requirements in CCWD's contract with USBR for supplemental water supply from the Central Valley Project.
7. The subject areas are inhabited.
8. No affected landowners or registered voters within the subject areas object to the proposal, and the conducting authority (protest) proceedings are hereby waived.
9. All subsequent proceedings in connection with these annexations shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 8th day of September 2021, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

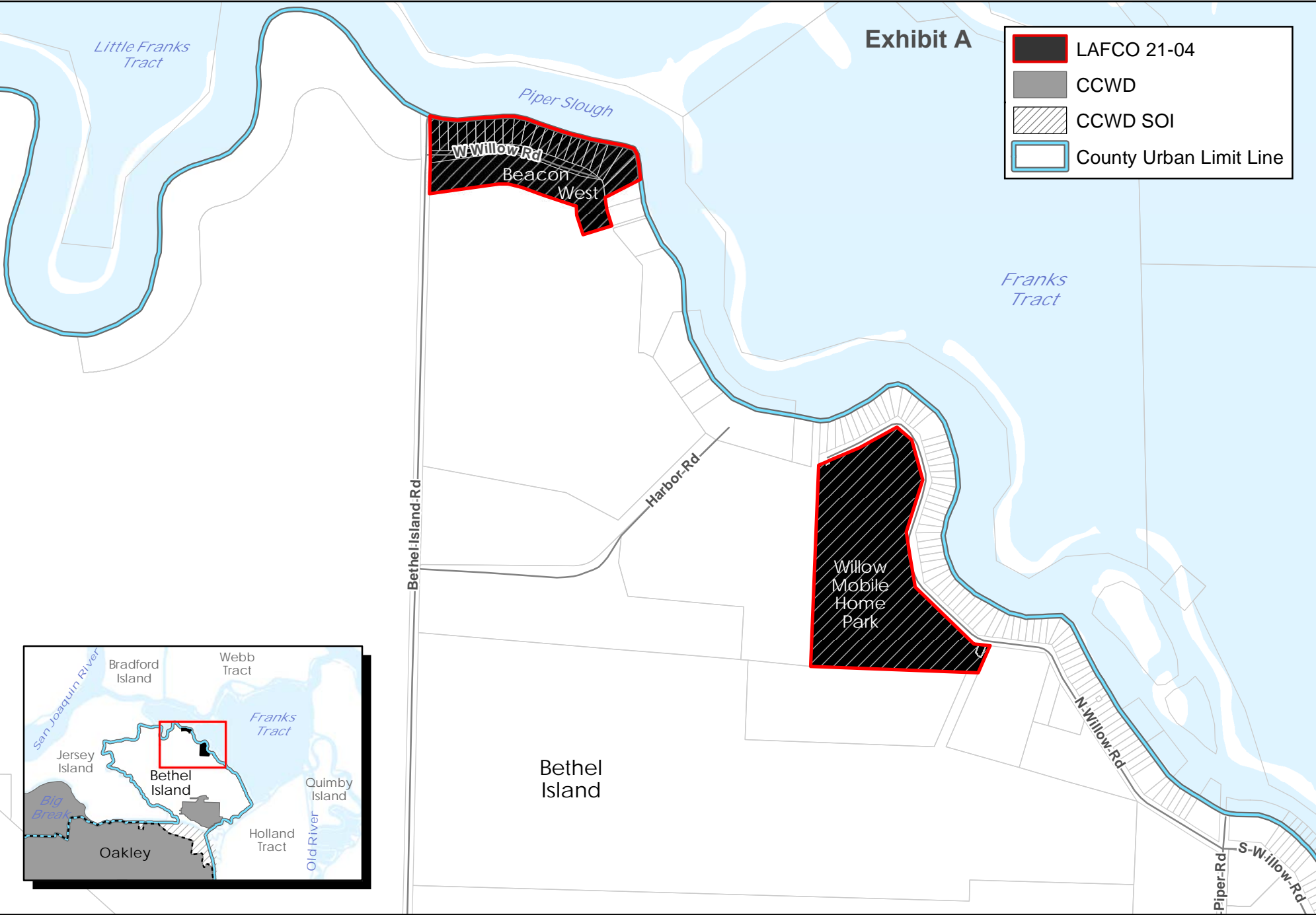
IGOR SKAREDOFF, CHAIR, CONTRA COSTA LAFCO

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

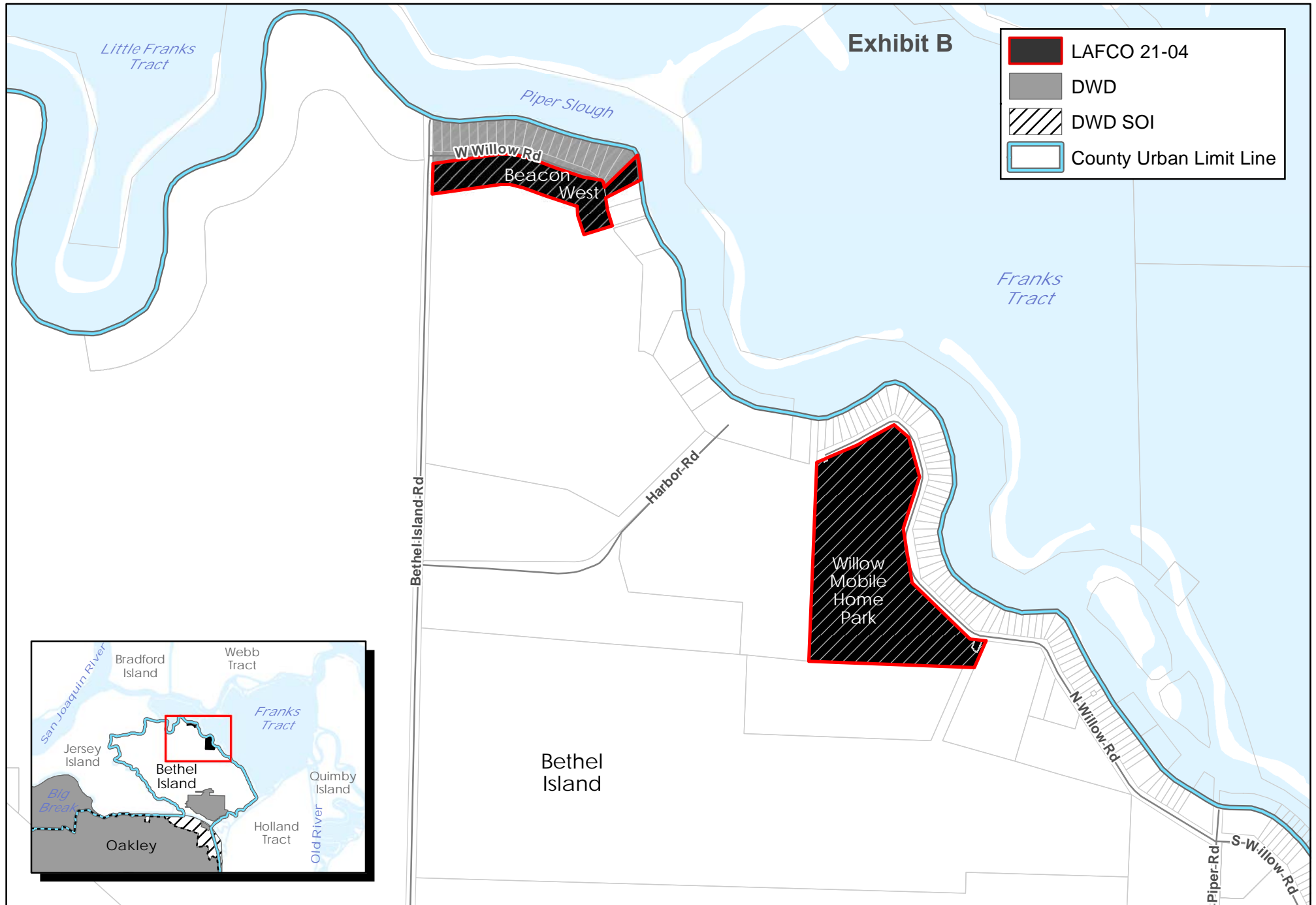
Dated: September 8, 2021

Lou Ann Texeira, Executive Officer

LAFCO No. 21-04: Annexation to Contra Costa Water District (CCWD) - Beacon West and Willow Mobile Home Park



LAFCO No. 21-04: Annexation to Diablo Water District (DWD) - Beacon West and Willow Mobile Home Park





CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 313-7133

Lou Ann Texeira
Executive Officer

MEMBERS

Candace Andersen
County Member

Donald A. Blubaugh
Public Member

Tom Butt
City Member

Igor Skaredoff
Special District Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Rob Schroder
City Member

ALTERNATE MEMBERS

Diane Burgis
County Member

Stanley Caldwell
Special District Member

Charles R. Lewis, IV
Public Member

Edi Birsan
City Member

September 8, 2021 (Agenda)

Contra Costa Local Agency Formation Commission
40 Muir Road, 1st Floor
Martinez, CA 94553

September 8, 2021
Agenda Item 7

**2nd Round Municipal Service Reviews/Sphere of Influence Updates
Contract for Services**

Dear Members of the Commission:

The Commission annually adopts proposed and final budgets and a workplan. The FY 2021-22 workplan includes funding for Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) Updates.

Contra Costa LAFCO recently completed its 2nd round *Parks & Recreation Services* MSR/SOI updates and its 2nd round *Cemetery Services* MSR/SOI updates. The FY 2021-22 workplan identifies potential candidates for a 2nd round MSR, including resource conservation and mosquito and vector control services. The 1st round MSRs prepared for these districts were completed in 2010. It is timely to move forward with 2nd round MSR for these districts.

In January 2020, the Commission approved an “on-call” list of prequalified MSR/special study consultants. LAFCO staff contacted two firms to discuss the resource conservation and mosquito and vector control MSRs, and subsequently obtained a proposal from Economic & Planning Systems. (“EPS”). EPS has prepared numerous MSRs and special studies for various LAFCOs throughout California, and recently completed the 2nd round *Park & Recreation MSR* for Contra Costa LAFCO.

RECOMMENDATION – It is recommended that the Commission authorize LAFCO staff to execute a contract with EPS to prepare the 2nd round resource conservation and mosquito and vector control services MSRs/SOI updates, with a project budget not to exceed \$35,000.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Ashleigh Kanat, Principal, Economic & Planning Systems
Christopher Lim, Executive Director
Paula Macedo, General Manager



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Teixeira@lafco.cccounty.us

(925) 313-7133

Lou Ann Teixeira
Executive Officer

MEMBERS

Candace Andersen
County Member

Donald A. Blubaugh
Public Member

Tom Butt
City Member

Igor Skaredoff
Special District Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Rob Schroder
City Member

ALTERNATE MEMBERS

Diane Burgis
County Member

Stanley Caldwell
Special District Member

Charles R. Lewis, IV
Public Member

Edi Birsan
City Member

September 8, 2021 (Agenda)

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

**September 8, 2021
Agenda Item 8**

2022 LAFCO Meeting Schedule

Dear Commissioners:

The Commissioner's Handbook states that regular meetings of the Commission are held on the second Wednesday of each month commencing at 1:30 p.m.

The proposed 2022 meeting schedule is as follows. Following approval, the meeting schedule will be posted on the LAFCO website.

January 12

February 9

March 9

April 13

May 11

June 8

July 13

August 10

September 14

October 12

November 9

December 14

RECOMMENDATION

It is recommended the Commission approve the 2022 LAFCO meeting schedule as proposed.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 313-7133

Lou Ann Texeira
Executive Officer

MEMBERS

Candace Andersen
County Member
Donald A. Blubaugh
Public Member
Tom Butt
City Member

Igor Skaredoff
Special District Member

Federal Glover
County Member
Michael R. McGill
Special District Member
Rob Schroder
City Member

ALTERNATE MEMBERS

Diane Burgis
County Member
Stanley Caldwell
Special District Member
Charles R. Lewis, IV
Public Member
Edi Birsan
City Member

September 8, 2021 (Agenda)

September 8, 2021
Agenda Item 9

Contra Costa Local Agency Formation Commission
40 Muir Road, 1st Floor
Martinez, CA 94553

Financial Audit for Fiscal Year 2019-20

Dear Members of the Commission:

Each year, LAFCO conducts an audit of the LAFCO finances. The independent auditing firm of R.J. Ricciardi, Inc. prepared the LAFCO financial audit for FY 2019-20 (see attachments). Per the Commission's request, the auditing firm periodically rotates staff auditors assigned to the LAFCO audit, and a different auditor prepares the LAFCO audit each year.

The audit was conducted in accordance with the generally accepted auditing standards as specified in the report. The FY 2019-20 audit is attached and includes additional information in accordance with the Governmental Accounting Standards Board (GASB).

The auditors found LAFCO's financial statements present fairly, in all material respects, the respective position of the governmental activities and major fund of Contra Costa LAFCO as of June 30, 2020. Further, the auditors found that the economic condition of Contra Costa LAFCO, as it appears on the Statement of Net Position, reflects financial stability and the potential for organizational growth.

We extend special thanks to the County Auditor-Controller's Office staff, including Analiza Pinlac and Carrie Zhang; and CCCERA staff Henry Gudino and Lori Epstein for their assistance with the FY 2019-20 audit.

Recommendation - It is recommended that the Commission receive and file the audit report for fiscal year ending June 30, 2020.

Sincerely,


LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachments

- 1 - FY 2019-20 Financial Audit – Management Report
- 2 - FY 2019-20 Financial Audit – Audit Report

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
COMMISSIONERS & MANAGEMENT REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2020**

TABLE OF CONTENTS

	<u>PAGE</u>
Report on Internal Controls	1
Required Communications	2-3
Management Observations	4

R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

In planning and performing our audit of the basic financial statements of Contra Costa Local Agency Formation Commission for the fiscal year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Contra Costa Local Agency Formation Commission's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management and the Commissioners and should not be used by anyone other than these specified parties.

We thank Contra Costa Local Agency Formation Commission's staff for its cooperation during our audit.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
July 12, 2021

R. J. RICCIARDI, INC.

CERTIFIED PUBLIC ACCOUNTANTS

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

We have audited the basic financial statements of Contra Costa Local Agency Formation Commission (the Commission) for the year ended June 30, 2020. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 17, 2021, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of the Commission. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Commission are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. There were no sensitive estimates affecting the basic financial statements that came to our attention.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such adjustments. Most of the six audit adjustments that were detected as a result of audit procedures, either individually or in the aggregate, were material to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 12, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Commission’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Commission’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management’s Discussion and Analysis and the Budgetary Comparison Schedule for the General Fund, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of management and Commissioners of the Contra Costa Local Agency Formation Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Contra Costa Local Agency Formation Commission
COMMISSIONERS & MANAGEMENT REPORT
For the Year Ended June 30, 2020

Current Year Observations

There were no current year observations.

Prior Year Observations

There were no prior year observations.

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MARTINEZ, CALIFORNIA**

BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-6
Basic Financial Statements:	
Statement of Net Position and Governmental Funds Balance Sheet	7
Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances	8
Notes to Basic Financial Statements	9-21
Auditors' Information	22
Required Supplemental Information:	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	23
Schedule of Proportionate Share of Net Pension Liability (Asset)	24
Schedule of Contributions – Pension	25
Schedule of Contributions – OPEB	26
Schedule of Changes in the Net OPEB Liability and Related Ratios	27

INDEPENDENT AUDITORS' REPORT

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission (CCLAFCO), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Contra Costa Local Agency Formation Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-6), budgetary comparison information (page 23) and other Required Supplementary Information (pages 24-27) related tables be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California

July 12, 2021

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020

This section of Contra Costa Local Agency Formation Commission's (CCLAFCO's) basic financial statements presents management's overview and analysis of the financial activities of the agency for the fiscal year ended June 30, 2020. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

Introduction to the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to CCLAFCO's audited financial statements, which are composed of the basic financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for States and Local Governments*. The Single Governmental Program for Special Purpose Governments reporting model is used, which best represents the activities of CCLAFCO.

The required financial statements include the Statement of Net Position and Governmental Funds Balance Sheet; and the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.

These statements are supported by notes to the basic financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of CCLAFCO.

The Basic Financial Statements

The Basic Financial Statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of CCLAFCO's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of CCLAFCO's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of CCLAFCO as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of CCLAFCO's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of CCLAFCO's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of CCLAFCO's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report CCLAFCO's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of CCLAFCO's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of CCLAFCO and are presented individually. Major Funds are explained below.

The Government-wide Financial Statements

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of CCLAFCO as a whole.

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020

The Statement of Net Position and the Statement of Activities present information about the following: *Governmental Activities* – CCLAFCO's basic services are considered to be governmental activities. These services are supported by specific general revenues from local agencies.

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of CCLAFCO's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of CCLAFCO for the year, and may change from year-to-year as a result of changes in the pattern of CCLAFCO's activities.

In CCLAFCO's case, there is only one Major Governmental Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

Analyses of Major Funds

Governmental Funds

General Fund actual revenues increased this fiscal year compared to the prior year by \$117,058 due to an increase in the CCLAFCO budget and a corresponding increase in agency contributions. Actual revenues were greater than budgeted amounts by \$43,873.

General Fund actual expenditures were \$631,575, a decrease of \$111,146. Expenditures were \$298,918 less than budgeted.

Governmental Activities

Table 1
Governmental Net Position

	2020 Governmental Activities	2019 Governmental Activities
Current assets	\$ 1,194,169	\$ 621,337
Total assets	<u>1,194,169</u>	<u>621,337</u>
Deferred outflows of resources (Note 7B)	<u>172,553</u>	<u>283,918</u>
Current liabilities	59,058	47,177
Noncurrent liabilities	<u>242,810</u>	<u>667,178</u>
Total liabilities	<u>301,868</u>	<u>714,355</u>
Deferred inflows of resources (Note 7B)	<u>46,001</u>	<u>27,776</u>
Net position:		
Restricted	283,868	-
Unrestricted	<u>734,985</u>	<u>163,124</u>
Total net position	<u>\$ 1,018,853</u>	<u>\$ 163,124</u>

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020

CCLAFCO's governmental net position amounted to \$1,018,853 as of June 30, 2020, an increase of \$855,729 from 2019. This increase is the Change in Net Position reflected in the Statement of Activities and the prior period adjustment shown in Table 2. CCLAFCO's net position as of June 30, 2020 comprised the following:

- Cash and investments comprised \$845,764 of cash on deposit with the Contra Costa County Treasury, and \$283,868 on deposit with the Public Agency Retirement Services Trust.
- Prepaid items totaling \$64,537.
- Accounts payable totaling \$28,684.
- Due to other government agencies totaling \$30,374.
- Net pension liability of \$132,109 (Note 7B) and retiree health liability of \$110,701 (Note 8C).
- Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. CCLAFCO had \$734,985 of unrestricted net position as of June 30, 2020.
- Restricted net position of \$238,868 that is restricted for other post-employment benefits.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

Table 2
Changes in Governmental Net Position

	2020 Governmental Activities	2019 Governmental Activities
<u>Expenses</u>		
Salaries and benefits	\$ 98,810	\$ 400,640
Services and supplies	<u>237,987</u>	<u>256,411</u>
Total expenses	<u>336,797</u>	<u>657,051</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	<u>63,152</u>	<u>40,908</u>
Total program revenues	<u>63,152</u>	<u>40,908</u>
General revenues:		
Intergovernmental and investment income	<u>891,214</u>	<u>796,400</u>
Total general revenues	<u>891,214</u>	<u>796,400</u>
Total revenues	<u>954,366</u>	<u>837,308</u>
<u>Change in net position</u>	<u>\$ 617,569</u>	<u>\$ 180,257</u>

As Table 2 above shows, \$63,152 or 7% of CCLAFCO's fiscal year 2020 governmental revenue, came from program revenues and \$891,214, or 93%, came from general revenues (i.e. contributions from local agencies). Furthermore, CCLAFCO had budgeted \$170,000 of its fund balance reserves to cover the budgeted excess expenditures over revenues.

Program revenues were composed of Boundary Proposal and related fees of \$63,152.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs. Application fees do not fully cover their costs.

Salaries and benefits costs include adjustments for other post-employment benefits as discussed in Note 8.

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020

Capital Assets

CCLAFCO has no capital assets.

Debt Administration

CCLAFCO does not utilize long-term debt to fund operations or growth.

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various agencies served by CCLAFCO.

The economic condition of CCLAFCO as it appears on the Statement of Net Position reflects financial stability and the potential for organizational growth. CCLAFCO will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the community.

Contacting CCLAFCO's Financial Management

The basic financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of CCLAFCO's finances. Questions about this report should be directed to Contra Costa Local Agency Formation Commission, 40 Muir Road, 1st Floor, Martinez, California 94553.

Contra Costa Local Agency Formation Commission
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
June 30, 2020

	General	Adjustments (Note 9)	Statement of Net Position
<u>ASSETS</u>			
Cash and investments	\$ 845,764	\$ -	\$ 845,764
OPEB Trust restricted cash and investments	283,868	-	283,868
Prepaid items	64,537	-	64,537
Accounts receivable	-	-	-
Total assets	<u>\$ 1,194,169</u>	<u>-</u>	<u>1,194,169</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows of resources-pension (Notes 2F, 7 & 8)		130,677	130,677
Deferred outflows of resources-OPEB		<u>41,876</u>	<u>41,876</u>
Total deferred outflows		<u>172,553</u>	<u>172,553</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 28,684	-	28,684
Due to other governments	30,374	-	30,374
Long-term liabilities:			
Other post-employment benefits liability (Note 8)	-	110,701	110,701
Net pension liability (Note 7)	<u>-</u>	<u>132,109</u>	<u>132,109</u>
Total liabilities	<u>59,058</u>	<u>242,810</u>	<u>301,868</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources-pension (Notes 2F, 7 & 8)		40,743	40,743
Deferred inflows of resources-OPEB		<u>5,258</u>	<u>5,258</u>
Total deferred inflows		<u>46,001</u>	<u>46,001</u>
<u>FUND BALANCES/NET POSITION</u>			
Fund balances:			
Unassigned fund balance	<u>1,135,111</u>	<u>(1,135,111)</u>	<u>-</u>
Total fund balances	<u>1,135,111</u>	<u>(1,135,111)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,194,169</u>		
Net position:			
Restricted OPEB Trust		-	283,868
Unrestricted		<u>1,018,853</u>	<u>734,985</u>
Total net position		<u>\$ 1,018,853</u>	<u>\$ 1,018,853</u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Period Ended June 30, 2020

	General	Adjustments (Note 10)	Statement of Activities
Expenditures/expenses:			
Salaries and benefits	\$ 393,588	\$ (294,778)	\$ 98,810
Services and supplies	237,987	-	237,987
Total expenditures/expenses	<u>631,575</u>	<u>(294,778)</u>	<u>336,797</u>
Program revenues:			
Charges for services	<u>63,152</u>	-	<u>63,152</u>
Total program revenues	<u>63,152</u>	-	<u>63,152</u>
Net program expenses			<u>(273,645)</u>
General revenues:			
Intergovernmental	885,492	-	885,492
Investment income	<u>5,722</u>	-	<u>5,722</u>
Total general revenues	<u>891,214</u>	-	<u>891,214</u>
Excess of revenues over (under) expenditures	322,791	(322,791)	-
Change in net position	<u>-</u>	<u>617,569</u>	<u>617,569</u>
Fund balance/Net position, beginning of period	574,160	(411,036)	163,124
Prior period adjustment	<u>238,160</u>	-	<u>238,160</u>
Fund balance/Net position, beginning of period restated	<u>812,320</u>	<u>(411,036)</u>	<u>401,284</u>
Fund balance/Net position, end of period	<u><u>\$ 1,135,111</u></u>	<u><u>\$ (116,258)</u></u>	<u><u>\$ 1,018,853</u></u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - REPORTING ENTITY

A. Organization of CCLAFCO

Contra Costa Local Agency Formation Commission (CCLAFCO) was formed in 1963. CCLAFCO is responsible for coordinating logical and timely changes in local government boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each city and special district within its county. CCLAFCO's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. CCLAFCO also conducts service reviews to evaluate the provision of municipal services within its county.

B. Principles that Determine the Scope of Reporting Entity

CCLAFCO consists of seven voting members and exercises the powers allowed by state statutes. This follows section 56325 of the Government Code. The basic financial statements of CCLAFCO consist only of the funds of CCLAFCO. CCLAFCO has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by, or dependent on, CCLAFCO.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

CCLAFCO's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

CCLAFCO has chosen to present its basic financial statements using the reporting model for special purpose governments engaged in a single government program.

This model allows the fund financial statements and the government-wide statements to be combined using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements rather than at the bottom of the statements or in an accompanying schedule.

Government-wide Financial Statements

CCLAFCO's financial statements reflect only its own activities; it has no component units. The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through intergovernmental revenues and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of CCLAFCO's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods and services offered by the program. Revenues that are not classified as program revenues, including all intergovernmental revenues, are presented as general revenues.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (concluded)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. General Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (or expenses) as appropriate. CCLAFCO's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of CCLAFCO or meets the following criteria: Total assets, liabilities, revenues or expenditures (or expenses) of the individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type. The General Fund is always a major fund.

Governmental Funds

General Fund: This is the operating fund of CCLAFCO. The major revenue source for this fund is intergovernmental revenues. Expenditures are made for intergovernmental revenues projects and administration.

B. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Under this method, revenues are recognized when "measurable and available." CCLAFCO considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are intergovernmental, certain charges for services and interest revenue. Charges for services are not susceptible to accrual because they are not measurable until received in cash.

CCLAFCO may fund programs with a combination of charges for services and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. CCLAFCO's policy is to first apply restricted resources to such programs, followed by general revenues if necessary.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

C. CCLAFCO Budget

Pursuant to Section 56381, et seq of the Government Code, CCLAFCO adopts a preliminary budget by May 1 and a final budget by June 15 of each year. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Budget/actual comparisons in this report use this budgetary basis. These budgeted amounts are as originally adopted or as amended by CCLAFCO. Individual amendments were not material in relation to the original appropriations that were amended.

D. Property, Plant and Equipment

CCLAFCO currently has no fixed assets.

E. Compensated Absences

Compensated absences comprise unpaid vacation. Vacation and sick time are accrued as earned.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

G. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the CCLAFCO's Contra Costa County Employees' Retirement Association (CCCERA) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 3 - CASH AND INVESTMENTS

CCLAFCO's cash is maintained with the Contra Costa County Treasury in a non-interest-bearing account. CCLAFCO's cash on deposit with the Contra Costa County Treasury at June 30, 2020 was \$845,764.

Credit Risk, Carrying Amount and Market Value of Investments

CCLAFCO maintains specific cash deposits with Contra Costa County. Contra Costa County is restricted by state code in the types of investments it can make. Furthermore, the Contra Costa County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 3 - CASH AND INVESTMENTS (concluded)

Also, Contra Costa County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27130. In addition, CCLAFCO has its own investment policy as well.

Contra Costa County's investment policy authorizes Contra Costa County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2020, CCLAFCO's cash with the Contra Costa County Treasurer was maintained in a non-interest-bearing account.

Fair Value Measurements - CCLAFCO categorizes its fair value measurements within the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and Level 3 inputs are other significant unobservable inputs. CCLAFCO's investments in the OPEB Trust Fund and County Treasurers Pool were an uncategorized input and not defined as a Level 1-3 input.

NOTE 4 - USE OF ESTIMATES

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

NOTE 5 - CONTINGENCIES

CCLAFCO is involved in various claims and litigation arising in the ordinary course of business. CCLAFCO management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters should not have a materially adverse effect on CCLAFCO's financial position or results of operations.

Coronavirus Pandemic - In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) began to spread among various countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S., including California, declared a state of emergency and issued shelter-in-place orders in response to the outbreak. Since all LAFCO staff are considered "essential", the immediate impact to the LAFCO's operations included new restrictions on employees' work location and planning heightened sanitation awareness requirements on office staff. It is anticipated that the impacts from this pandemic will continue for some time. As of the report date, the financial impact of the coronavirus outbreak cannot be measured.

NOTE 6 - FUND EQUITY

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6 - FUND EQUITY (concluded)

In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Commissioners serve as CCLAFCO's highest level of decision-making authority and have the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by CCLAFCO for specific purposes, subject to change, as established either directly by the Commissioners or by management officials to whom assignment authority has been delegated by the Commissioners.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, CCLAFCO specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, CCLAFCO's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

Net Position

Net Position is the excess of all CCLAFCO's assets over all its liabilities, regardless of fund. Net Position is divided into three captions under GASB Statement No. 34. These captions apply only to Net Position, which is determined only at the government-wide level, and are described below:

Invested in capital assets, net of related debt describes the portion of Net Position that is represented by the current net book value of CCLAFCO's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that CCLAFCO cannot unilaterally alter.

Unrestricted describes the portion of Net Position that is not restricted to use.

All of CCLAFCO's Net Position is unrestricted.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 7 - PENSION PLAN

A. General Information about the Pension Plan

Plan Description - CCLAFCO participates in the Contra Costa County Employees' Retirement Association (CCCERA), a cost-sharing multiple employer defined benefit pension plan. CCCERA is governed by the Board of Retirement (Board) under the County Employee's Retirement Law of 1937, as amended on July 1, 1945. It provides benefits upon retirement, death or disability of members, and covers substantially all of the employees of the County of Contra Costa and eighteen other member agencies.

Benefits Provide - Benefits are based on years of credited service, equal to one year of full-time employment. Members may elect service retirement at age of 50 with 10 years of service credit, age 70 regardless of service, or with thirty years of service, regardless of age.

Benefits are administered by the Board under the provision of the 1937 Act. Annual cost-of-living adjustments (COLA) to retirement benefits may be granted by the Board as provided by State statutes. Services retirements are based on age, length of service and final average salary. Employees may withdraw contributions, plus interest credited, or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

The Plan provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Miscellaneous Plans	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2.5% @ 67
Benefit vesting schedule	10 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensations	0% - 100%	0% - 100%
Required employee contribution rates	6.85% - 8.87%	7.75%
Required employer contribution rates	33.53%-34.39%	28.28%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CCCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. CCLAFCO is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2020, the contributions recognized as part of pension expense for the Plan were as follows:

	Miscellaneous Plans
Employer Contributions	\$ 103,623

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 7 - PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, CCLAFCO reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Plan	\$ 132,109
Total Net Pension Liability	<u>\$ 132,109</u>

CCLAFCO's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of December 31, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019 using standard update procedures.

CCLAFCO's proportion of the net pension liability was based on a projection of CCLAFCO's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. CCLAFCO's proportionate share of the net pension liability for the Plan as of June 30, 2019 was (0.021%) and 2020 (0.015%) which resulted in a decrease of (0.006%).

For the year ended June 30, 2020, CCLAFCO recognized pension expense of \$42,911. At June 30, 2020, CCLAFCO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 103,623	\$ -
Differences between actual and expected experience	18,875	1,971
Changes in assumptions	-	8,014
Net difference between projected and actual earnings on pension plan investments	-	30,644
Change in proportion and differences between employer contributions and proportionate share of contributions	8,179	114
Total	<u>\$ 130,677</u>	<u>\$ 40,743</u>

The \$103,623 reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

The difference between projected and actual investment earnings on pension plan investments is amortized over 5 years on a straight-line basis. One-fifth was recognized in pension expense during the measurement period, and the remaining difference between projected and actual investment earnings on pension plan investments at December 31, 2019, is to be amortized over the remaining periods.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 7 - PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions
(continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2021	\$ (3,423)
2022	(3,422)
2023	(3,422)
2024	(3,422)

Actuarial Assumptions - The total pension liabilities in the December 31, 2018 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	December 31, 2018
Measurement Date	December 31, 2019
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Amortization Method	Level percent of payroll for total unfunded liability
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation Rate	2.75%
Payroll Growth	3.75%
Projected Salary Increase	3.75%-16.25%

A complete copy of the Actuarial Valuation Summary is available in separately issued financial statements of the plan which can be obtained from CCCERA located at 1355 Willow Way, Suite 221, Concord, CA 94520.

Discount Rate - The discount rate used to measure the total pension liability was 7.00% for the Plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2019.

The long-term expected rate of return on pension plan investments was determined in 2013 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 7 - PENSION PLAN (concluded)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions
(concluded)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equity	5.00%	5.44%
Developed International Equity	13.00%	6.54%
Emerging Markets Equity	11.00%	8.73%
Short-Term Govt/Credit	23.00%	0.84%
U.S. Treasury	3.00%	1.05%
Private Equity	8.00%	9.27%
Risk Diversifying Strategies	7.00%	3.53%
Global Infrastructure	3.00%	7.90%
Private Credit	12.00%	5.80%
REIT	1.00%	6.80%
Value Add Real Estate	5.00%	8.80%
Opportunistic Real Estate	4.00%	12.00%
Risk Parity	5.00%	5.80%
Total	<u>100.00%</u>	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents CCLAFCO's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what CCLAFCO's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.00%
Net Pension Liability	\$388,989
Current Discount Rate	7.00%
Net Pension Liability	\$132,109
1% Increase	8.00%
Net Pension Liability	\$(78,407)

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB)

A. Plan Description

CCLAFCO administers a single-employer defined benefit healthcare plan. CCLAFCO currently provides retiree health benefits to retirees and their dependents through Contra Costa County. All retired employees are eligible to receive health and dental benefits for life, with costs shared by CCLAFCO and the retirees.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

A. Plan Description (concluded)

At July 1, 2019, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	2

B. Funding Policy

CCLAFCO currently pays a portion of retiree healthcare benefits on a pay-as-you-go basis.

C. Net OPEB Liability

CCLAFCO's Net OPEB Liability was measured as of June 30, 2019 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2019. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

CCLAFCO participates in the Public Agency Retirement System (PARS), an irrevocable trust established to fund OPEB. CCLAFCO reported the assets as restricted cash and investments in their General Fund.

D. Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Investment rate of return	4.00%, net of OPEB plan investment expense
Medical cost trend rate	6.00% for 2019 decreasing 0.10% each year to an ultimate rate of 5% for 2029 and later years

E. Discount Rate

The discount rate reflects:

- (a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
- (b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

The discount rate used to measure CCLAFCO's Total OPEB liability is based on these requirements and the following information:

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

E. Discount Rate (concluded)

Reporting date	Measurement date	Long-term expected return of plan investments (if any)	Municipal bond 20-year high grade rate index	Discount rate
June 30, 2019	June 30, 2018	4.00%	3.62%	4.00%
June 30, 2020	June 30, 2019	4.00%	3.13%	4.00%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.00%) or 1-percentage-point higher (5.00%) than the current discount rate:

	1.00% Decrease (3.00%)	Discount rate (4.00%)	1.00% Increase (5.00%)
Net OPEB liability (asset)	\$ 142,422	\$ 110,701	\$ 83,590

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.00% decreasing to 4.00%) or 1-percentage-point higher (7.00% decreasing to 6.00%) than the current healthcare cost trend rates:

	1.00% Decrease (5.00% decreasing to 4.00%)	Trend Rate (6.00% decreasing to 5.00%)	1.00% Increase (7.00% decreasing to 6.00%)
Net OPEB liability (asset)	\$ 82,536	\$ 110,701	\$ 143,287

F. Components of the Net OPEB Liability

Total OPEB liability	\$ 345,121
Plan fiduciary net position	234,420
Net OPEB liability (assets)	<u>\$ 110,701</u>
Measurement date	June 30, 2019
Reporting date	June 30, 2020

G. Schedule of Changes in Net OPEB Liability

Total OPEB Liability	
Service costs	\$ 21,950
Interest	22,216
Difference between expected and actual experience	(194,009)
Changes of assumptions	(27,855)
Benefit payment	<u>(21,075)</u>
Net change in total OPEB liability	<u>(198,773)</u>
Total OPEB liability - beginning (a)	543,894
Total OPEB liability - ending (b)	<u>\$ 345,121</u>

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

G. Schedule of Changes in Net OPEB Liability (concluded)

Plan Fiduciary Net Position	
Contributions - employer	\$ 61,075
Net investment income	13,652
Benefit payments	(21,075)
Trustee fees	(143)
Net change in plan fiduciary net position	<u>53,509</u>
Plan fiduciary net position - beginning (c)	<u>180,911</u>
Plan fiduciary net position - ending (d)	<u>234,420</u>
Net OPEB liability - beginning (c) - (a)	<u>362,983</u>
Net OPEB liability - ending (d) - (b)	<u>\$ 110,701</u>

H. Investments

Rate of Return - For the year ended on the measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 6.45%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

I. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Commission recognized an OPEB expense of \$186,557. For the reporting year ended June 30, 2020, CCLAFCO's deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Pension contributions subsequent to measurement date	40,000	-
Changes in assumptions or other inputs	-	-
Difference between projected and actual return investment	<u>1,876</u>	<u>5,258</u>
Total	<u>\$ 41,876</u>	<u>\$ 5,258</u>

The \$40,000 reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2021	\$ 939	\$ (1,411)
2022	937	(1,411)
2023	-	(1,410)
2024	-	(1,026)
2025	-	-

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (concluded)

Additional information relating to the CCLAFCO's Retiree Health Plan and required OPEB disclosures can be obtained from the CCLAFCO's Executive Director at Contra Costa County LAFCO, 40 Muir Road, Martinez, California 94553.

NOTE 9 - RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION

Reconciling adjustments are as follows:

Fund balances - total government funds	\$ 1,135,111
Deferred inflows related to pension	(40,743)
Deferred outflows related to pension	130,677
Deferred inflows related to OPEB	(5,258)
Deferred outflows related to OPEB	41,876
OPEB liability	(110,701)
Net pension liability	<u>(132,109)</u>
Net position of governmental activities	<u>\$ 1,018,853</u>

NOTE 10 - RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES

Reconciling adjustments are as follows:

Net change in fund balance – total governmental funds	\$ 322,791
The amounts below included in the statement of activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):	
Other post-employment benefits liability	247,632
Net pension liability transactions:	
Governmental funds record pension expense as it is paid. However, in the statement of activities those costs are reversed as deferred outflows/ (inflows) and an increase/(decrease) in net pension liability.	
	<u>47,146</u>
Change in net position of governmental activities	<u>\$ 617,569</u>

NOTE 11 - PRIOR PERIOD ADJUSTMENT

The prior period adjustment represents the Retiree Health (OPEB) trust cash and investments of \$238,160 that were not reported as part of the General Fund in the June 30, 2019 basic financial statements.

Contra Costa Local Agency Formation Commission
AUDITORS' INFORMATION
June 30, 2020

Audit Firm:	R.J. Ricciardi, Inc.
Lead Auditor's Name:	Hiep Pham, CPA
Audit Firm's Address:	1101 Fifth Avenue, Suite 360 San Rafael, CA 94901
Telephone number:	(415) 457-1215
Date of Independent Auditors' Report:	July 12, 2021

REQUIRED SUPPLEMENTARY INFORMATION

Contra Costa Local Agency Formation Commission
REQUIRED SUPPLEMENTARY INFORMATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 Budget and Actual
 General Fund (Unaudited)
 For the Period Ended June 30, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 885,493	\$ 885,493	\$ 885,492	\$ (1)
Charges for services	25,000	25,000	63,152	38,152
Investment income	-	-	5,722	5,722
Total revenues	<u>910,493</u>	<u>910,493</u>	<u>954,366</u>	<u>43,873</u>
Expenditures:				
Salaries and benefits	530,435	530,435	393,588	136,847
Services and supplies	<u>400,058</u>	<u>400,058</u>	<u>237,987</u>	<u>162,071</u>
Total expenditures	<u>930,493</u>	<u>930,493</u>	<u>631,575</u>	<u>298,918</u>
Excess of revenues over (under) expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>322,791</u>	<u>\$ 342,791</u>
Fund balance, beginning of period			574,160	
Prior period adjustment			<u>238,160</u>	
Fund balance, beginning of period restated			<u>812,320</u>	
Fund balance, end of period			<u>\$ 1,135,111</u>	
Contingency reserve	(80,000)	(80,000)		
OPEB trust	(40,000)	(40,000)		
CCCERA pre-fund	(30,000)	(30,000)		
Fund balance reserves	<u>170,000</u>	<u>170,000</u>		
Total	<u>\$ -</u>	<u>\$ -</u>		

Contra Costa Local Agency Formation Commission
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
 Last 6 Years*

<u>Measurement Date</u>	2019	2018	2017	2016	2015	2014
Proportion of net pension liability	0.015%	0.021%	0.022%	0.026%	0.027%	0.030%
Proportionate share of the net pension liability	\$ 132,109	\$ 304,195	\$ 181,268	\$ 359,329	\$ 400,173	\$ 364,601
Covered-employee payroll	\$ 227,470	\$ 218,320	\$ 211,319	\$ 205,330	\$ 196,896	\$ 195,072
Proportionate Share of the net pension liability as a percentage of covered employee payroll	58.08%	139.33%	85.78%	175.00%	203.24%	186.91%
Plan fiduciary net position as a percentage of the total pension liability	91.46%	85.09%	91.18%	84.16%	77.84%	79.57%

Notes to Schedule:

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

* Fiscal year 2015 was the first year of implementation, therefore only the first six years were available.

Contra Costa Local Agency Formation Commission
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
 Last 6 Years*

<u>Fiscal Year End</u>	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 103,623	\$ 127,068	\$ 124,683	\$ 93,060	\$ 103,349	\$ 97,935
Contributions in relation to the actuarially determined contributions	<u>(103,623)</u>	<u>(127,068)</u>	<u>(124,683)</u>	<u>(93,060)</u>	<u>(103,349)</u>	<u>(97,935)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered-employee payroll	 \$ 208,785	 \$ 234,670	 \$ 218,320	 \$ 211,319	 \$ 205,330	 \$ 196,896
 Contributions as a percentage of covered-employee payroll	 49.63%	 54.15%	 57.11%	 44.04%	 48.28%	 48.28%

Notes to Schedule:

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

* Fiscal year 2015 was the first year of implementation, therefore only the first six years were available.

Contra Costa Local Agency Formation Commission
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - OPEB
For the Year Ended June 30, 2020

	2020	2019	2018
Actuarially determined contribution	\$ 25,916	\$ 45,385	\$ 43,396
Contributions in relation to the actuarially determined contribution	40,000	45,385	44,033
Contribution deficiency (excess)	<u>\$ (14,084)</u>	<u>\$ -</u>	<u>\$ (637)</u>
 Covered payroll	 \$ 208,785	 \$ 234,670	 \$ 218,320
 Contributions as a percentage of covered payroll	 19.16%	 19.34%	 20.17%

Notes to Schedule:

The schedules present information to illustrate changes in Contra Costa LAFCO's contributions over a ten year period when the information is available.

GASB 75 requires this information for plans funding with OPEB trusts to be reported in the employer's Required Supplemental Information for 10 years or as many years as are available upon implementation. The plan was not funded with an OPEB trust prior to June 30, 2018.

Contra Costa Local Agency Formation Commission
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE IN THE NET OPEB LIABILITY AND RELATED RATIOS
For the Period Ended June 30, 2020

Total OPEB Liability	2020	2019	2018
Service cost	\$ 21,950	\$ 30,249	\$ 29,368
Interest	22,216	20,142	19,004
Benefit payments, included refunds of employee contributions	(21,075)	(19,910)	(19,910)
Difference between expected and actual experience	(194,009)	-	-
Changes of assumptions	(27,855)	-	-
Net change in total OPEB liability	(198,773)	30,481	28,462
Total OPEB liability - beginning of year	543,894	513,413	484,951
Total OPEB liability - end of year	<u>\$ 345,121</u>	<u>\$ 543,894</u>	<u>\$ 513,413</u>
Plan Fiduciary Net Position			
Net investment income	\$ 13,652	\$ 8,488	\$ 594
Contributions			
Employer - explicit subsidy	61,075	58,609	19,910
Employer - implicit subsidy	-	1,301	-
Benefit payments, included refunds of employee contributions	(21,075)	(19,910)	(19,910)
Trustee fees	(143)	(123)	(9)
Administrative expense	-	-	-
Net change in plan fiduciary net position	53,509	48,365	585
Plan fiduciary net position - beginning of year	180,911	132,546	131,961
Plan fiduciary net position - end of year	<u>234,420</u>	<u>180,911</u>	<u>132,546</u>
Commission's net OPEB liability - end of year	<u>\$ 110,701</u>	<u>\$ 362,983</u>	<u>\$ 380,867</u>
Plan fiduciary net position as a percentage of the total OPEB liability	67.92%	33.26%	34.80%
Covered-employee payroll	\$ 234,670	\$ 218,320	\$ 211,319
Net OPEB liability as a percentage of covered-employee payroll	47.17%	166.26%	180.23%

Notes to Schedule:

The schedules present information to illustrate changes in Contra Costa Local Agency Formation Commission's changes in the net OPEB liability over a ten year period when the information is available.



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Teixeira@lafco.cccounty.us

(925) 313-7133

Lou Ann Teixeira
Executive Officer

MEMBERS

Candace Andersen
County Member

Donald A. Blubaugh
Public Member

Tom Butt
City Member

Igor Skaredoff
Special District Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Rob Schroder
City Member

ALTERNATE MEMBERS

Diane Burgis
County Member

Stanley Caldwell
Special District Member

Charles R. Lewis, IV
Public Member

Edi Birsan
City Member

September 8, 2021

Contra Costa Local Agency Formation Commission
40 Muir Road, 1st Floor
Martinez, CA 94553

September 8, 2021
Agenda Item 10

Current and Potential Future LAFCO Applications

Dear Members of the Commission:

SUMMARY

The Commission will receive a report identifying active applications on file with Contra Costa LAFCO. This report also identifies several potential future applications. This report is presented for information only.

DISCUSSION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) delegates LAFCOs with regulatory and planning duties to coordinate the formation and development of local government agencies and their municipal services. This includes approving or disapproving boundary changes, boundary reorganizations, formations, mergers, consolidations, dissolutions, incorporations, sphere of influence (SOI) amendments, and the extension of out of agency services. Applications involving jurisdictional changes filed by landowners or registered voters are placed on the Commission’s agenda as information items before action is considered by LAFCO at a subsequent meeting (Gov. Code §56857).

There are currently two approved proposals awaiting completion, three current applications that are incomplete, and 10 potential future applications.

Current Proposals – Approved and Awaiting Completion

Dissolution of Los Medanos Community Healthcare District (LAFCO 17-13)

The Commission approved the dissolution in September 2018. The dissolution is currently being litigated at the Court of Appeal.

✚ Chang Property Reorganization (LAFCO 18-06)

This is an application filed by the landowner to annex 66.92± acres to the City of San Ramon, Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) and detach the same area from County Service Area (CSA) P-6. The subject area is located at the intersection of Crow Canyon and Bollinger Canyon Roads in unincorporated San Ramon. The Commission approved the boundary reorganization in August 2017 with conditions. One of the conditions has not yet been met. The applicant has requested and received several extensions of time with the current extension to July 9, 2022.

Current Applications – Under Review

✚ LAFCO Tassajara Parks Project – Boundary Reorganization (LAFCO 16-06)

This is an application filed by the landowner to annex 30± acres to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD). The project includes development of 125 single-family homes. The subject area is located east of the City of San Ramon and the Town of Danville. The application is currently incomplete; await updated application.

✚ LAFCO Tassajara Parks Project – Sphere of Influence (SOI) Amendments (LAFCO 16-07)

This is an application filed by the landowner to amend the SOIs for CCCSD and EBMUD by 30± acres in anticipation of corresponding annexations. The application is currently incomplete; await updated application.

✚ Faria Southwest Hills – Boundary Reorganization (LAFCO 21-04)

This is an application filed by the City of Pittsburg to annex 606± to the City of Pittsburg, CCWD and Delta Diablo. The project includes development of up to 1,500 residential units. The application is currently incomplete.

Potential Future Applications

On April 14, 2021, LAFCO approved the extension of out of agency water service by the City of Martinez to the Bay's Edge Subdivision 9065 located in unincorporated Martinez (Mt. View). LAFCO's approval was conditioned on commitment from the City to submit to LAFCO an application to annex the subject parcels to the City of Martinez by August 31, 2022, in the event the entirety of Mt. View is not annexed to the City prior to that date.

On June 9, 2021, LAFCO approved the extension of out of agency wastewater service by the City of Concord to the Akins property located in unincorporated Concord (Ayers Ranch). LAFCO's approval was conditioned on a commitment from the landowners to submit to LAFCO an application to annex the subject parcel to the City of Concord by May 31, 2022.

There are currently eight potential applications that may be submitted to Contra Costa LAFCO in the future. The potential applications include a boundary reorganization (i.e., annexation(s) to Contra Costa County Fire Protection District and corresponding district(s) dissolution); and potential annexations to Byron Bethany Irrigation District, City of Brentwood, City of Concord, East Bay Municipal Utility District, Mt. View Sanitary District, Stege Sanitary District, and West County Wastewater District.

RECOMMENDATION – Informational item – no actions required.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment 1 – Current Applications Table

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
CURRENT APPLICATIONS – September 8, 2021**

File No.	APPLICATION NAME/LOCATION	APPLICATION SUMMARY	STATUS
16-06	Tassajara Parks Project: proposed annexations to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	Application submitted in May 2016 by the landowner to annex 30± acres to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) to support development of 125 residential lots and related improvements. On July 13, 2021, the County Board of Supervisors certified the project EIR, amendment the ULL, executed a land preservation agreement, and acted on various discretionary project approvals.	Application is currently incomplete. Await certified EIR, updated application, and other information.
16-07	Tassajara Parks Project: proposed sphere of influence (SOI) expansions to CCCSD and EBMUD of 30+ acres located east of the City of San Ramon and the Town of Danville	Application submitted in May 2016 by the landowner to amend the SOIs for CCCSD and EBMUD in anticipation of annexation.	Application is currently incomplete. Await certified EIR, updated application, and other information.
17-13	Dissolution of Los Medanos Community Health Care District (LMCHD)	Application submitted in November 2017 by Contra Costa County to dissolve LMCHD.	Dissolution was approved by LAFCO in September 2018 and is currently being litigated at the Court of Appeal.
21-05	Faria Southwest Hills Reorganization: proposed annexations to City of Pittsburg, CCWD and DD of 606± acres located southwest of the City of Pittsburg	Application submitted in June 2021 by City of Pittsburg to annex 606± acres to City of Pittsburg, CCWD and Delta Diablo (DD) to support hillside estate development of up to 1,500 units.	Application is currently incomplete. <i>Notice of Incomplete Application</i> issued on July 21, 2021.



CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

CONTRIBUTION RATE PACKET FOR JULY 1, 2022 through JUNE 30, 2023

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

TABLE OF CONTENTS

<u>Page</u>	<u>Description</u>
i	Memo from CEO
1	Board of Supervisors Resolution
2	Employer Rates & Refundability Discount Factors for Cost Group #1 (Exhibit 1)
3	Employer Rates & Refundability Discount Factors for Cost Group #2 (Exhibit 2)
4	Employer Rates & Refundability Discount Factors for Cost Group #3 (Exhibit 3)
5	Employer Rates & Refundability Discount Factors for Cost Group #4 (Exhibit 4)
6	Employer Rates & Refundability Discount Factors for Cost Group #5 (Exhibit 5)
7	Employer Rates & Refundability Discount Factors for Cost Group #6 (Exhibit 6)
8	Employer Rates & Refundability Discount Factors for Cost Group #7 (Exhibit 7)
9	Employer Rates & Refundability Discount Factors for Cost Group #8 (Exhibit 8)
10	Employer Rates & Refundability Discount Factors for Cost Group #9 (Exhibit 9)
11	Employer Rates & Refundability Discount Factors for Cost Group #10 (Exhibit 10)
12	Employer Rates & Refundability Discount Factors for Cost Group #11 (Exhibit 11)
13	Employer Rates & Refundability Discount Factors for Cost Group #12 (Exhibit 12)
14	Employer Rates & Refundability Discount Factors for Cost Group #13 (Exhibit 13)
15	General Non-PEPRA Cost Group #1 Member Rates (Exhibit A)
16	General Non-PEPRA Cost Group #2 Member Rates (Exhibit B)
17	General Non-PEPRA Cost Group #3 Member Rates (Exhibit C)
18	General Non-PEPRA Cost Group #4 Member Rates (Exhibit D)
19	General Non-PEPRA Cost Group #5 Member Rates (Exhibit E)
20	General Non-PEPRA Cost Group #6 Member Rates (Exhibit F)
21	Safety Non-PEPRA Cost Group #7 Member Rates (Exhibit G)
22	Safety Non-PEPRA Cost Group #8 Member Rates (Exhibit H)
23	Safety Non-PEPRA Cost Group #9 Member Rates (Exhibit I)

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

- 24 Safety Non-PEPRA Cost Group #10 Member Rates (Exhibit J)
- 25 Safety Non-PEPRA Cost Group #11 Member Rates (Exhibit K)
- 26 Safety Non-PEPRA Cost Group #12 Member Rates (Exhibit L)
- 27 Safety Non-PEPRA Cost Group #13 Member Rates (Exhibit M)
- 28 General and Safety PEPRA Member Rates (Exhibit N)
- 29 Examples for Subvention and Employee Cost Sharing
- 30 Prepayment Discount Factor for 2022-23



MEMORANDUM

Date: August 11, 2021

To: Interested Parties and Participating Employers

From: Gail Strohl, Chief Executive Officer

Subject: Contribution Rates Effective July 1, 2022

At its August 11, 2021 meeting, the Retirement Board reviewed the actuary's valuation report for the year ending December 31, 2020 and adopted the recommended employer and employee contribution rates, which will become effective on July 1, 2022. A copy of the December 31, 2020 Actuarial Valuation can be found on CCCERA's website at www.cccera.org under the Actuarial Valuations link.

Enclosed are the employer and employee contribution rates to be used effective July 1, 2022 through June 30, 2023.

Please note the following:

- ✓ **The rates are effective July 1, 2022 through June 30, 2023 and have not yet been adopted by the County Board of Supervisors.**
- ✓ **The rates are BEFORE ANY EMPLOYER SUBVENTION of the employee contribution.**
The rates quoted here are the employer required rates without taking into consideration any employer subvention of employee contributions. A convenient methodology for adding subvention is included for your use on page 29. Note that subvention is not always permitted for PEPRAs members.
- ✓ **The rates are BEFORE ANY INCREASE IN EMPLOYEE RATE to pay a portion of the employer contribution.**
If an employee's rate needs to be increased to pay a portion of the employer contribution, both employee and employer rates would need to be adjusted accordingly. A convenient methodology for adding subvention is included for your use on page 29.

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

Adopted this Order on _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SUBJECT: Approving Contribution Rates to be charged
by the Contra Costa County Employees' Retirement Association.

Resolution No. _____

Pursuant to Government Code Section 31454 and on recommendation of the Board of the Contra Costa County Employees' Retirement Association, BE IT RESOLVED that the following contribution rates are approved to be effective for the period July 1, 2022 through June 30, 2023.

- I. Employer Contribution Rates for Basic and Cost-of-Living Components and Non-refundability Discount Factors
 - A. For General Members (Sec. 31676.11, Sec. 31676.16 and Sec. 7522.20(a)) See attached Exhibits 1 through 6
 - B. For Safety Members (Sec. 31664, Sec. 31664.1 and Sec. 7522.25(d)) See attached Exhibits 7 through 13
- II. Employee Contribution Rates for Basic and Cost-of-Living Components

See attached Exhibits A through N

The Pension Obligation Bonds (POB) issued by the County in March 1994 and April 2003, affected contribution rates for certain County employers. The following non-County employers who participate in the Retirement Association are referred to as "Districts".

Bethel Island Municipal Improvement District	In-Home Supportive Services Authority
Byron, Brentwood Knightsen Union Cemetery District	First 5 - Children & Families Commission
Central Contra Costa Sanitary District	Contra Costa County Fire Protection District
Contra Costa County Employees' Retirement Association	East Contra Costa Fire Protection District
Contra Costa Housing Authority	Moraga-Orinda Fire Protection District
Contra Costa Mosquito and Vector Control District	Rodeo-Hercules Fire Protection District
Local Agency Formation Commission (LAFCO)	San Ramon Valley Fire Protection District
Rodeo Sanitary District	

All other departments/employers are referred to as "County" including the Superior Court of California, Contra Costa County.

Contra Costa County Fire Protection District and Moraga-Orinda Fire Protection District issued Pension Obligation Bonds in 2005 which affected contribution rates for these two employers. Subsequently, Contra Costa County Fire Protection District made additional payments to CCCERA for its UAAL in 2006 and 2007.

First 5 - Children & Families Commission made a UAAL prepayment in 2013 which affected contribution rates for that employer.

Central Contra Costa Sanitary District made a UAAL prepayment in 2013, 2014, 2015 and 2021 which affected contribution rates for that employer.

Local Agency Formation Commission made a UAAL prepayment in 2017, 2019 and 2020 which affected contribution rates for that employer.

San Ramon Valley Fire Protection District made a UAAL prepayment in 2017, 2018, 2019 and 2020 which affected contribution rates for the Safety members of that employer.

Exhibit 1

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #1

Cost Group #1	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
County General Tier 1 w/ Courts	24.91%	24.91%	5.21%	5.21%	0.9693
District General Tier 1 w/o POB	29.76%	29.76%	9.15%	9.15%	0.9693
District General Tier 1 – Moraga	N/A	23.65%	N/A	5.65%	0.9693
District General Tier 1 – First Five	25.07%	N/A	5.54%	N/A	0.9693
District General Tier 1 – LAFCO	26.78%	N/A	8.04%	N/A	0.9693
County General Tier 4 (3% COLA) w/ Courts	20.49%		4.55%		0.9625
District General Tier 4 (3% COLA) w/o POB	25.37%		8.47%		0.9625
District General Tier 4 (3% COLA) – Moraga	19.49%		5.05%		0.9625
District General Tier 4 (3% COLA) – First Five	20.62%		4.87%		0.9625
District General Tier 4 (3% COLA) – LAFCO	22.39%		7.37%		0.9625
County General Tier 4 (2% COLA) w/ Courts	20.23%		3.52%		0.9591

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- County General
- LAFCO
- CC Mosquito & Vector Control District
- Bethel Island Municipal Improvement District
- First 5 - Children and Families Commission
- Contra Costa County Employees' Retirement Association
- Superior Court
- East Contra Costa Fire Protection District
- Moraga-Orinda Fire Protection District
- Rodeo-Hercules Fire Protection District
- San Ramon Valley Fire Protection District

Tiers:

- Tier 1 Enhanced (2% @ 55)
- Tier 4 (2.5% @ 67)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 2

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #2

Cost Group #2	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
County General Tier 3 w/ Courts	23.63%	N/A	4.93%	N/A	0.9570
District General Tier 3 w/o POB	28.57%	28.57%	8.91%	8.91%	0.9570
County General Tier 5 (3%/4% COLA) w/ Courts	19.80%		4.28%		0.9615
District General Tier 5 (3%/4% COLA) w/o POB	24.68%		8.20%		0.9615
County General Tier 5 (2% COLA) w/ Courts	19.63%		3.36%		0.9581
District General Tier 5 (2% COLA) w/o POB	24.51%		7.28%		0.9581

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- County General
- In-Home Supportive Services Authority
- CC Mosquito & Vector Control District
- Superior Court

Tiers:

- Tier 3 Enhanced (2% @ 55)
- Tier 5 (2.5% @ 67)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 3

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #3

Cost Group #3	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
Central Contra Costa Sanitary District General Tier 1	N/A	13.27%	N/A	3.77%	0.9624
Central Contra Costa Sanitary District General Tier 4 (3% COLA)		8.57%		2.89%	0.9678

Basic rates shown include an administrative expense load of 0.65% of payroll.

The above rates reflect a prepayment in the amount of \$70,763,669 that Central Contra Costa Sanitary District made towards their Unfunded Actuarial Accrued Liability (UAAL) on June 25, 2021. This prepayment has been used to reduce Central Contra Costa Sanitary District's UAAL contribution rate.

Employers:

- Central Contra Costa Sanitary District

Tiers:

- Tier 1 Enhanced (2% @ 55)
- Tier 4 (2.5% @ 67)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 4

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #4

Cost Group #4	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
Contra Costa Housing Authority General Tier 1	30.32%	N/A	14.02%	N/A	0.9622
Contra Costa Housing Authority General Tier 4 (3% COLA)	25.35%		13.06%		0.9649

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- Contra Costa Housing Authority

Tiers:

- Tier 1 Enhanced (2% @ 55)
- Tier 4 (2.5% @ 67)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 5

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #5

Cost Group #5	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
Contra Costa County Fire Protection District General Tier 1	N/A	25.81%	N/A	12.66%	0.9787
Contra Costa County Fire Protection District General Tier 4 (3% COLA)		22.26%		12.47%	0.9548
Contra Costa County Fire Protection District General Tier 4 (2% COLA)		21.42%		11.05%	0.9602

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- Contra Costa County Fire Protection District

Tiers:

- Tier 1 Enhanced (2% @ 55)
- Tier 4 (2.5% @ 67)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 6

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #6

Cost Group #6	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
Non-Enhanced District General Tier 1	13.14%	N/A	3.93%	N/A	0.9508
Non-Enhanced District General Tier 4 (3% COLA)	10.03%		3.32%		0.9548

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- Rodeo Sanitary District
- Byron Brentwood Cemetery District

Tiers:

- Tier 1 Non-Enhanced (1.67% @ 55)
- Tier 4 (2.5% @ 67)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 7

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #7

Cost Group #7	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
County Safety Tier A	N/A	44.00%	N/A	27.62%	0.9630
County Safety Tier D		35.71%		26.20%	0.9719

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- County Safety

Tiers:

- Tier A Enhanced (3% @ 50)
- Tier D (2.7% @ 57)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 8

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #8

Cost Group #8	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
Contra Costa County Fire Protection District Safety Tier A	N/A	32.61%	N/A	35.25%	0.9694
Contra Costa County Fire Protection District Safety Tier D		21.92%		32.89%	0.9754
Contra Costa County Fire Protection District Safety Tier E		21.81%		31.19%	0.9719

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- Contra Costa County Fire Protection District

Tiers:

- Tier A Enhanced (3% @ 50)
- Tier D (2.7% @ 57)
- Tier E (2.7% @ 57)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 9

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #9

Cost Group #9	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
County Safety Tier C	N/A	42.30%	N/A	24.92%	0.9626
County Safety Tier E		34.85%		24.11%	0.9696

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- County Safety (Members hired on or after January 1, 2007)

Tiers:

- Tier C Enhanced (3% @ 50)
- Tier E (2.7% @ 57)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 10

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #10

Cost Group #10	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
Moraga-Orinda Fire Protection District Safety Tier A	N/A	32.98%	N/A	37.37%	0.9651
Moraga-Orinda Fire Protection District Safety Tier D		24.06%		35.57%	0.9723

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- Moraga-Orinda Fire Protection District

Tiers:

- Tier A Enhanced (3% @ 50)
- Tier D (2.7% @ 57)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 11

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #11

Cost Group #11	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
San Ramon Valley Fire Protection District Safety Tier A	N/A	52.56%	N/A	28.80%	0.9697
San Ramon Valley Fire Protection District Safety Tier D		40.06%		25.64%	0.9748

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- San Ramon Valley Fire Protection District

Tiers:

- Tier A Enhanced (3% @ 50)
- Tier D (2.7% @ 57)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 12

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #12

Cost Group #12 ¹	Basic		COLA		Non-Refundability Factor
	In Social Security ²	Not In Social Security ³	In Social Security ¹	Not In Social Security ²	
Rodeo-Hercules Fire Protection District Safety Tier A	N/A	57.00%	N/A	36.06%	0.9817
Rodeo-Hercules Fire Protection District Safety Tier D	48.75%		33.62%		0.9769

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- Rodeo-Hercules Fire Protection District

Tiers:

- Tier A Non-Enhanced (2% @ 50)
- Tier D (2.7% @ 57)

¹ Effective with the December 31, 2020 valuation, Rodeo-Hercules FPD's UAAL contribution for Fiscal Year 2022-2023 will be based on the UAAL rate applied to their payroll instead of a fixed dollar monthly contribution amount in prior fiscal years. Therefore, we have displayed the total normal cost and UAAL contribution rates in this table.

² If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

³ For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit 13

Contra Costa County Employees' Retirement Association

Employer Contribution Rates Effective for July 1, 2022 through June 30, 2023 for Cost Group #13

Cost Group #13	Basic		COLA		Non-Refundability Factor
	In Social Security ¹	Not In Social Security ²	In Social Security ¹	Not In Social Security ²	
East Contra Costa Fire Protection District Safety Tier A	N/A	47.75%	N/A	20.93%	0.9598
East Contra Costa Fire Protection District Safety Tier D		37.20%		18.65%	0.9783

Basic rates shown include an administrative expense load of 0.65% of payroll.

Employers:

- East Contra Costa Fire Protection District

Tiers:

- Tier A Enhanced (3% @ 50)
- Tier D (2.7% @ 57)

¹ If employer is in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67. The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² For legacy tier, applies to employer who is not in Social Security and the rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit. For PEPR tier, applies to all employers and the rate should be applied to all compensation up to the applicable annual Gov. Code 7522.10(d) compensation limit.

Exhibit A

General Cost Group #1 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic ²			Total	
	In Social Security	Not In Social Security	COLA	In Social Security	Not In Social Security
15	5.33%	5.32%	2.72%	8.05%	8.04%
16	5.42%	5.41%	2.77%	8.19%	8.18%
17	5.52%	5.51%	2.82%	8.34%	8.33%
18	5.62%	5.61%	2.88%	8.50%	8.49%
19	5.72%	5.71%	2.94%	8.66%	8.65%
20	5.82%	5.81%	2.99%	8.81%	8.80%
21	5.92%	5.91%	3.05%	8.97%	8.96%
22	6.02%	6.01%	3.10%	9.12%	9.11%
23	6.13%	6.12%	3.17%	9.30%	9.29%
24	6.24%	6.23%	3.23%	9.47%	9.46%
25	6.35%	6.34%	3.29%	9.64%	9.63%
26	6.46%	6.45%	3.35%	9.81%	9.80%
27	6.58%	6.57%	3.42%	10.00%	9.99%
28	6.69%	6.68%	3.48%	10.17%	10.16%
29	6.81%	6.80%	3.55%	10.36%	10.35%
30	6.93%	6.92%	3.62%	10.55%	10.54%
31	7.06%	7.05%	3.69%	10.75%	10.74%
32	7.18%	7.17%	3.76%	10.94%	10.93%
33	7.31%	7.30%	3.83%	11.14%	11.13%
34	7.45%	7.44%	3.91%	11.36%	11.35%
35	7.58%	7.57%	3.98%	11.56%	11.55%
36	7.72%	7.71%	4.06%	11.78%	11.77%
37	7.86%	7.85%	4.14%	12.00%	11.99%
38	8.00%	7.99%	4.22%	12.22%	12.21%
39	8.15%	8.14%	4.30%	12.45%	12.44%
40	8.30%	8.29%	4.39%	12.69%	12.68%
41	8.46%	8.45%	4.48%	12.94%	12.93%
42	8.61%	8.60%	4.56%	13.17%	13.16%
43	8.76%	8.75%	4.64%	13.40%	13.39%
44	8.91%	8.90%	4.73%	13.64%	13.63%
45	9.07%	9.06%	4.82%	13.89%	13.88%
46	9.23%	9.22%	4.91%	14.14%	14.13%
47	9.39%	9.38%	5.00%	14.39%	14.38%
48	9.54%	9.53%	5.08%	14.62%	14.61%
49	9.69%	9.68%	5.17%	14.86%	14.85%
50	9.85%	9.84%	5.26%	15.11%	15.10%
51	10.01%	10.00%	5.35%	15.36%	15.35%
52	10.17%	10.16%	5.44%	15.61%	15.60%
53	10.33%	10.32%	5.53%	15.86%	15.85%
54	10.49%	10.48%	5.62%	16.11%	16.10%
55	10.64%	10.63%	5.70%	16.34%	16.33%
56	10.71%	10.70%	5.74%	16.45%	16.44%
57	10.68%	10.67%	5.72%	16.40%	16.39%
58	10.65%	10.64%	5.71%	16.36%	16.35%
59	10.34%	10.33%	5.53%	15.87%	15.86%
60 & Over	10.34%	10.33%	5.53%	15.87%	15.86%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 56.23% applied to Basic Rates prior to adjustment for administrative expenses

¹ For members in Social Security, the "In Social Security" rate should only be applied to monthly compensation in excess of \$116.67. All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² The Basic Rate for members in Social Security is increased by 0.01% to account for the administrative expense rate of 0.49% that is applicable to the first \$116.67 of compensation.

Exhibit B

General Cost Group #2 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic ²			Total	
	In Social Security	Not In Social Security	COLA	In Social Security	Not In Social Security
15	5.32%	5.31%	2.36%	7.68%	7.67%
16	5.41%	5.40%	2.40%	7.81%	7.80%
17	5.51%	5.50%	2.45%	7.96%	7.95%
18	5.60%	5.59%	2.50%	8.10%	8.09%
19	5.70%	5.69%	2.55%	8.25%	8.24%
20	5.80%	5.79%	2.59%	8.39%	8.38%
21	5.91%	5.90%	2.65%	8.56%	8.55%
22	6.01%	6.00%	2.70%	8.71%	8.70%
23	6.12%	6.11%	2.75%	8.87%	8.86%
24	6.23%	6.22%	2.81%	9.04%	9.03%
25	6.34%	6.33%	2.86%	9.20%	9.19%
26	6.45%	6.44%	2.91%	9.36%	9.35%
27	6.56%	6.55%	2.97%	9.53%	9.52%
28	6.68%	6.67%	3.03%	9.71%	9.70%
29	6.80%	6.79%	3.08%	9.88%	9.87%
30	6.92%	6.91%	3.14%	10.06%	10.05%
31	7.04%	7.03%	3.20%	10.24%	10.23%
32	7.17%	7.16%	3.27%	10.44%	10.43%
33	7.30%	7.29%	3.33%	10.63%	10.62%
34	7.43%	7.42%	3.39%	10.82%	10.81%
35	7.56%	7.55%	3.46%	11.02%	11.01%
36	7.70%	7.69%	3.53%	11.23%	11.22%
37	7.84%	7.83%	3.59%	11.43%	11.42%
38	7.99%	7.98%	3.67%	11.66%	11.65%
39	8.14%	8.13%	3.74%	11.88%	11.87%
40	8.28%	8.27%	3.81%	12.09%	12.08%
41	8.43%	8.42%	3.88%	12.31%	12.30%
42	8.59%	8.58%	3.96%	12.55%	12.54%
43	8.74%	8.73%	4.03%	12.77%	12.76%
44	8.89%	8.88%	4.11%	13.00%	12.99%
45	9.05%	9.04%	4.19%	13.24%	13.23%
46	9.21%	9.20%	4.26%	13.47%	13.46%
47	9.37%	9.36%	4.34%	13.71%	13.70%
48	9.51%	9.50%	4.41%	13.92%	13.91%
49	9.68%	9.67%	4.49%	14.17%	14.16%
50	9.83%	9.82%	4.57%	14.40%	14.39%
51	9.99%	9.98%	4.65%	14.64%	14.63%
52	10.15%	10.14%	4.72%	14.87%	14.86%
53	10.34%	10.33%	4.82%	15.16%	15.15%
54	10.46%	10.45%	4.88%	15.34%	15.33%
55	10.60%	10.59%	4.94%	15.54%	15.53%
56	10.71%	10.70%	5.00%	15.71%	15.70%
57	10.69%	10.68%	4.99%	15.68%	15.67%
58	10.67%	10.66%	4.98%	15.65%	15.64%
59	10.06%	10.05%	4.68%	14.74%	14.73%
60 & Over	10.06%	10.05%	4.68%	14.74%	14.73%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 48.96% applied to Basic Rates prior to adjustment for administrative expenses

¹ For members in Social Security, the “In Social Security” rate should only be applied to monthly compensation in excess of \$116.67. All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² The Basic Rate for members in Social Security is increased by 0.01% to account for the administrative expense rate of 0.49% that is applicable to the first \$116.67 of compensation.

Exhibit C

General Cost Group #3 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	5.50%	2.73%	8.23%
16	5.59%	2.78%	8.37%
17	5.69%	2.83%	8.52%
18	5.79%	2.89%	8.68%
19	5.90%	2.95%	8.85%
20	6.00%	3.00%	9.00%
21	6.11%	3.06%	9.17%
22	6.22%	3.12%	9.34%
23	6.33%	3.18%	9.51%
24	6.44%	3.24%	9.68%
25	6.55%	3.30%	9.85%
26	6.67%	3.37%	10.04%
27	6.79%	3.43%	10.22%
28	6.91%	3.50%	10.41%
29	7.03%	3.56%	10.59%
30	7.16%	3.63%	10.79%
31	7.29%	3.71%	11.00%
32	7.42%	3.78%	11.20%
33	7.55%	3.85%	11.40%
34	7.68%	3.92%	11.60%
35	7.82%	3.99%	11.81%
36	7.97%	4.08%	12.05%
37	8.11%	4.15%	12.26%
38	8.26%	4.23%	12.49%
39	8.42%	4.32%	12.74%
40	8.57%	4.40%	12.97%
41	8.73%	4.49%	13.22%
42	8.88%	4.57%	13.45%
43	9.04%	4.66%	13.70%
44	9.20%	4.75%	13.95%
45	9.37%	4.84%	14.21%
46	9.52%	4.92%	14.44%
47	9.68%	5.01%	14.69%
48	9.84%	5.09%	14.93%
49	10.00%	5.18%	15.18%
50	10.16%	5.27%	15.43%
51	10.32%	5.36%	15.68%
52	10.49%	5.45%	15.94%
53	10.65%	5.54%	16.19%
54	10.79%	5.61%	16.40%
55	10.89%	5.67%	16.56%
56	11.00%	5.73%	16.73%
57	10.96%	5.71%	16.67%
58	10.72%	5.57%	16.29%
59	10.28%	5.33%	15.61%
60 & Over	10.28%	5.33%	15.61%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 54.49% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit D

General Cost Group #4 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic ²			Total	
	In Social Security	Not In Social Security	COLA	In Social Security	Not In Social Security
15	5.30%	5.29%	2.63%	7.93%	7.92%
16	5.40%	5.39%	2.69%	8.09%	8.08%
17	5.49%	5.48%	2.74%	8.23%	8.22%
18	5.59%	5.58%	2.79%	8.38%	8.37%
19	5.69%	5.68%	2.85%	8.54%	8.53%
20	5.79%	5.78%	2.90%	8.69%	8.68%
21	5.89%	5.88%	2.96%	8.85%	8.84%
22	6.00%	5.99%	3.02%	9.02%	9.01%
23	6.10%	6.09%	3.07%	9.17%	9.16%
24	6.21%	6.20%	3.13%	9.34%	9.33%
25	6.32%	6.31%	3.19%	9.51%	9.50%
26	6.43%	6.42%	3.25%	9.68%	9.67%
27	6.55%	6.54%	3.32%	9.87%	9.86%
28	6.66%	6.65%	3.38%	10.04%	10.03%
29	6.78%	6.77%	3.45%	10.23%	10.22%
30	6.90%	6.89%	3.51%	10.41%	10.40%
31	7.03%	7.02%	3.58%	10.61%	10.60%
32	7.15%	7.14%	3.65%	10.80%	10.79%
33	7.28%	7.27%	3.72%	11.00%	10.99%
34	7.41%	7.40%	3.79%	11.20%	11.19%
35	7.55%	7.54%	3.87%	11.42%	11.41%
36	7.68%	7.67%	3.94%	11.62%	11.61%
37	7.82%	7.81%	4.02%	11.84%	11.83%
38	7.97%	7.96%	4.10%	12.07%	12.06%
39	8.12%	8.11%	4.18%	12.30%	12.29%
40	8.27%	8.26%	4.26%	12.53%	12.52%
41	8.42%	8.41%	4.35%	12.77%	12.76%
42	8.57%	8.56%	4.43%	13.00%	12.99%
43	8.72%	8.71%	4.51%	13.23%	13.22%
44	8.87%	8.86%	4.59%	13.46%	13.45%
45	9.04%	9.03%	4.69%	13.73%	13.72%
46	9.19%	9.18%	4.77%	13.96%	13.95%
47	9.34%	9.33%	4.85%	14.19%	14.18%
48	9.49%	9.48%	4.93%	14.42%	14.41%
49	9.66%	9.65%	5.03%	14.69%	14.68%
50	9.80%	9.79%	5.10%	14.90%	14.89%
51	9.97%	9.96%	5.20%	15.17%	15.16%
52	10.13%	10.12%	5.29%	15.42%	15.41%
53	10.31%	10.30%	5.38%	15.69%	15.68%
54	10.46%	10.45%	5.47%	15.93%	15.92%
55	10.60%	10.59%	5.54%	16.14%	16.13%
56	10.66%	10.65%	5.58%	16.24%	16.23%
57	10.70%	10.69%	5.60%	16.30%	16.29%
58	10.54%	10.53%	5.51%	16.05%	16.04%
59	10.08%	10.07%	5.26%	15.34%	15.33%
60 & Over	10.08%	10.07%	5.26%	15.34%	15.33%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 54.89% applied to Basic Rates prior to adjustment for administrative expenses

¹ For members in Social Security, the "In Social Security" rate should only be applied to monthly compensation in excess of \$116.67. All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² The Basic Rate for members in Social Security is increased by 0.01% to account for the administrative expense rate of 0.49% that is applicable to the first \$116.67 of compensation.

Exhibit E

General Cost Group #5 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	5.33%	2.84%	8.17%
16	5.42%	2.89%	8.31%
17	5.52%	2.95%	8.47%
18	5.62%	3.01%	8.63%
19	5.72%	3.07%	8.79%
20	5.82%	3.13%	8.95%
21	5.92%	3.19%	9.11%
22	6.03%	3.25%	9.28%
23	6.13%	3.31%	9.44%
24	6.24%	3.38%	9.62%
25	6.35%	3.44%	9.79%
26	6.47%	3.51%	9.98%
27	6.58%	3.58%	10.16%
28	6.70%	3.65%	10.35%
29	6.82%	3.72%	10.54%
30	6.94%	3.79%	10.73%
31	7.06%	3.86%	10.92%
32	7.19%	3.93%	11.12%
33	7.32%	4.01%	11.33%
34	7.45%	4.09%	11.54%
35	7.59%	4.17%	11.76%
36	7.72%	4.25%	11.97%
37	7.87%	4.33%	12.20%
38	8.01%	4.42%	12.43%
39	8.16%	4.50%	12.66%
40	8.31%	4.59%	12.90%
41	8.47%	4.69%	13.16%
42	8.62%	4.77%	13.39%
43	8.77%	4.86%	13.63%
44	8.92%	4.95%	13.87%
45	9.08%	5.04%	14.12%
46	9.24%	5.14%	14.38%
47	9.40%	5.23%	14.63%
48	9.55%	5.32%	14.87%
49	9.71%	5.41%	15.12%
50	9.87%	5.51%	15.38%
51	10.03%	5.60%	15.63%
52	10.18%	5.69%	15.87%
53	10.35%	5.79%	16.14%
54	10.51%	5.88%	16.39%
55	10.62%	5.95%	16.57%
56	10.69%	5.99%	16.68%
57	10.75%	6.02%	16.77%
58	10.63%	5.95%	16.58%
59	10.31%	5.77%	16.08%
60 & Over	10.31%	5.77%	16.08%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 58.72% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit F

General Cost Group #6 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic ²			Total	
	In Social Security	Not In Social Security	COLA	In Social Security	Not In Social Security
15	6.06%	6.05%	2.44%	8.50%	8.49%
16	6.17%	6.16%	2.49%	8.66%	8.65%
17	6.27%	6.26%	2.53%	8.80%	8.79%
18	6.39%	6.38%	2.59%	8.98%	8.97%
19	6.50%	6.49%	2.63%	9.13%	9.12%
20	6.62%	6.61%	2.69%	9.31%	9.30%
21	6.73%	6.72%	2.73%	9.46%	9.45%
22	6.85%	6.84%	2.79%	9.64%	9.63%
23	6.97%	6.96%	2.84%	9.81%	9.80%
24	7.10%	7.09%	2.90%	10.00%	9.99%
25	7.23%	7.22%	2.95%	10.18%	10.17%
26	7.36%	7.35%	3.01%	10.37%	10.36%
27	7.49%	7.48%	3.07%	10.56%	10.55%
28	7.62%	7.61%	3.13%	10.75%	10.74%
29	7.76%	7.75%	3.19%	10.95%	10.94%
30	7.90%	7.89%	3.25%	11.15%	11.14%
31	8.04%	8.03%	3.31%	11.35%	11.34%
32	8.20%	8.19%	3.38%	11.58%	11.57%
33	8.34%	8.33%	3.44%	11.78%	11.77%
34	8.50%	8.49%	3.51%	12.01%	12.00%
35	8.66%	8.65%	3.58%	12.24%	12.23%
36	8.82%	8.81%	3.65%	12.47%	12.46%
37	8.98%	8.97%	3.72%	12.70%	12.69%
38	9.14%	9.13%	3.79%	12.93%	12.92%
39	9.30%	9.29%	3.86%	13.16%	13.15%
40	9.47%	9.46%	3.94%	13.41%	13.40%
41	9.63%	9.62%	4.01%	13.64%	13.63%
42	9.79%	9.78%	4.08%	13.87%	13.86%
43	9.96%	9.95%	4.15%	14.11%	14.10%
44	10.12%	10.11%	4.22%	14.34%	14.33%
45	10.28%	10.27%	4.29%	14.57%	14.56%
46	10.46%	10.45%	4.37%	14.83%	14.82%
47	10.62%	10.61%	4.44%	15.06%	15.05%
48	10.81%	10.80%	4.53%	15.34%	15.33%
49	10.96%	10.95%	4.59%	15.55%	15.54%
50	11.10%	11.09%	4.65%	15.75%	15.74%
51	11.21%	11.20%	4.70%	15.91%	15.90%
52	11.16%	11.15%	4.68%	15.84%	15.83%
53	11.08%	11.07%	4.64%	15.72%	15.71%
54	10.62%	10.61%	4.44%	15.06%	15.05%
55	10.62%	10.61%	4.44%	15.06%	15.05%
56	10.62%	10.61%	4.44%	15.06%	15.05%
57	10.62%	10.61%	4.44%	15.06%	15.05%
58	10.62%	10.61%	4.44%	15.06%	15.05%
59	10.62%	10.61%	4.44%	15.06%	15.05%
60 & Over	10.62%	10.61%	4.44%	15.06%	15.05%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 43.90% applied to Basic Rates prior to adjustment for administrative expenses

¹ For members in Social Security, the “In Social Security” rate should only be applied to monthly compensation in excess of \$116.67. All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

² The Basic Rate for members in Social Security is increased by 0.01% to account for the administrative expense rate of 0.49% that is applicable to the first \$116.67 of compensation.

Exhibit G

Safety Cost Group #7 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.48%	6.29%	15.77%
16	9.48%	6.29%	15.77%
17	9.48%	6.29%	15.77%
18	9.48%	6.29%	15.77%
19	9.48%	6.29%	15.77%
20	9.48%	6.29%	15.77%
21	9.48%	6.29%	15.77%
22	9.62%	6.39%	16.01%
23	9.76%	6.49%	16.25%
24	9.91%	6.59%	16.50%
25	10.06%	6.70%	16.76%
26	10.21%	6.80%	17.01%
27	10.37%	6.91%	17.28%
28	10.52%	7.02%	17.54%
29	10.68%	7.13%	17.81%
30	10.85%	7.25%	18.10%
31	11.02%	7.37%	18.39%
32	11.19%	7.49%	18.68%
33	11.37%	7.61%	18.98%
34	11.55%	7.74%	19.29%
35	11.74%	7.87%	19.61%
36	11.93%	8.01%	19.94%
37	12.12%	8.14%	20.26%
38	12.31%	8.27%	20.58%
39	12.52%	8.42%	20.94%
40	12.74%	8.57%	21.31%
41	12.95%	8.72%	21.67%
42	13.18%	8.88%	22.06%
43	13.41%	9.04%	22.45%
44	13.67%	9.22%	22.89%
45	13.89%	9.38%	23.27%
46	13.91%	9.39%	23.30%
47	13.94%	9.41%	23.35%
48	13.75%	9.28%	23.03%
49 & Over	13.23%	8.92%	22.15%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 69.98% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit H

Safety Cost Group #8 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.46%	6.42%	15.88%
16	9.46%	6.42%	15.88%
17	9.46%	6.42%	15.88%
18	9.46%	6.42%	15.88%
19	9.46%	6.42%	15.88%
20	9.46%	6.42%	15.88%
21	9.46%	6.42%	15.88%
22	9.60%	6.52%	16.12%
23	9.74%	6.62%	16.36%
24	9.89%	6.72%	16.61%
25	10.04%	6.83%	16.87%
26	10.19%	6.94%	17.13%
27	10.34%	7.05%	17.39%
28	10.50%	7.16%	17.66%
29	10.66%	7.27%	17.93%
30	10.82%	7.39%	18.21%
31	10.99%	7.51%	18.50%
32	11.17%	7.64%	18.81%
33	11.34%	7.76%	19.10%
34	11.53%	7.90%	19.43%
35	11.72%	8.03%	19.75%
36	11.90%	8.16%	20.06%
37	12.10%	8.30%	20.40%
38	12.29%	8.44%	20.73%
39	12.49%	8.58%	21.07%
40	12.71%	8.74%	21.45%
41	12.93%	8.90%	21.83%
42	13.16%	9.06%	22.22%
43	13.39%	9.23%	22.62%
44	13.64%	9.41%	23.05%
45	13.85%	9.56%	23.41%
46	13.92%	9.61%	23.53%
47	13.86%	9.56%	23.42%
48	13.77%	9.50%	23.27%
49 & Over	13.26%	9.13%	22.39%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 71.53% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit I

Safety Cost Group #9 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.06%	3.89%	12.95%
16	9.06%	3.89%	12.95%
17	9.06%	3.89%	12.95%
18	9.06%	3.89%	12.95%
19	9.06%	3.89%	12.95%
20	9.06%	3.89%	12.95%
21	9.06%	3.89%	12.95%
22	9.19%	3.95%	13.14%
23	9.33%	4.01%	13.34%
24	9.47%	4.07%	13.54%
25	9.61%	4.14%	13.75%
26	9.75%	4.20%	13.95%
27	9.90%	4.27%	14.17%
28	10.05%	4.34%	14.39%
29	10.20%	4.40%	14.60%
30	10.36%	4.48%	14.84%
31	10.52%	4.55%	15.07%
32	10.69%	4.63%	15.32%
33	10.86%	4.70%	15.56%
34	11.03%	4.78%	15.81%
35	11.20%	4.86%	16.06%
36	11.38%	4.94%	16.32%
37	11.56%	5.02%	16.58%
38	11.73%	5.10%	16.83%
39	11.93%	5.19%	17.12%
40	12.12%	5.28%	17.40%
41	12.31%	5.36%	17.67%
42	12.51%	5.45%	17.96%
43	12.68%	5.53%	18.21%
44	12.78%	5.57%	18.35%
45	12.79%	5.58%	18.37%
46	12.67%	5.52%	18.19%
47	12.41%	5.41%	17.82%
48	12.74%	5.56%	18.30%
49 & Over	13.32%	5.82%	19.14%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 45.36% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit J

Safety Cost Group #10 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.46%	6.33%	15.79%
16	9.46%	6.33%	15.79%
17	9.46%	6.33%	15.79%
18	9.46%	6.33%	15.79%
19	9.46%	6.33%	15.79%
20	9.46%	6.33%	15.79%
21	9.46%	6.33%	15.79%
22	9.60%	6.43%	16.03%
23	9.74%	6.53%	16.27%
24	9.89%	6.63%	16.52%
25	10.04%	6.74%	16.78%
26	10.19%	6.85%	17.04%
27	10.34%	6.95%	17.29%
28	10.50%	7.07%	17.57%
29	10.66%	7.18%	17.84%
30	10.82%	7.29%	18.11%
31	10.99%	7.41%	18.40%
32	11.17%	7.54%	18.71%
33	11.34%	7.66%	19.00%
34	11.53%	7.79%	19.32%
35	11.72%	7.93%	19.65%
36	11.90%	8.05%	19.95%
37	12.10%	8.19%	20.29%
38	12.29%	8.33%	20.62%
39	12.49%	8.47%	20.96%
40	12.71%	8.62%	21.33%
41	12.93%	8.78%	21.71%
42	13.16%	8.94%	22.10%
43	13.39%	9.10%	22.49%
44	13.64%	9.28%	22.92%
45	13.85%	9.43%	23.28%
46	13.92%	9.48%	23.40%
47	13.86%	9.44%	23.30%
48	13.77%	9.37%	23.14%
49 & Over	13.26%	9.01%	22.27%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 70.58% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit K

Safety Cost Group #11 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.63%	6.69%	16.32%
16	9.63%	6.69%	16.32%
17	9.63%	6.69%	16.32%
18	9.63%	6.69%	16.32%
19	9.63%	6.69%	16.32%
20	9.63%	6.69%	16.32%
21	9.63%	6.69%	16.32%
22	9.78%	6.80%	16.58%
23	9.92%	6.90%	16.82%
24	10.07%	7.01%	17.08%
25	10.22%	7.12%	17.34%
26	10.38%	7.24%	17.62%
27	10.53%	7.35%	17.88%
28	10.69%	7.47%	18.16%
29	10.85%	7.59%	18.44%
30	11.02%	7.71%	18.73%
31	11.19%	7.83%	19.02%
32	11.37%	7.97%	19.34%
33	11.55%	8.10%	19.65%
34	11.74%	8.24%	19.98%
35	11.92%	8.37%	20.29%
36	12.11%	8.51%	20.62%
37	12.31%	8.65%	20.96%
38	12.51%	8.80%	21.31%
39	12.71%	8.95%	21.66%
40	12.92%	9.10%	22.02%
41	13.14%	9.26%	22.40%
42	13.37%	9.43%	22.80%
43	13.61%	9.61%	23.22%
44	13.84%	9.77%	23.61%
45	14.07%	9.94%	24.01%
46	14.10%	9.97%	24.07%
47	14.04%	9.92%	23.96%
48	13.78%	9.73%	23.51%
49 & Over	13.01%	9.17%	22.18%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 73.22% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit L

Safety Cost Group #12 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.59%	4.94%	14.53%
16	9.59%	4.94%	14.53%
17	9.59%	4.94%	14.53%
18	9.59%	4.94%	14.53%
19	9.59%	4.94%	14.53%
20	9.59%	4.94%	14.53%
21	9.59%	4.94%	14.53%
22	9.73%	5.01%	14.74%
23	9.88%	5.10%	14.98%
24	10.02%	5.17%	15.19%
25	10.18%	5.26%	15.44%
26	10.33%	5.34%	15.67%
27	10.48%	5.42%	15.90%
28	10.64%	5.51%	16.15%
29	10.80%	5.59%	16.39%
30	10.97%	5.69%	16.66%
31	11.14%	5.78%	16.92%
32	11.32%	5.88%	17.20%
33	11.49%	5.97%	17.46%
34	11.68%	6.07%	17.75%
35	11.88%	6.18%	18.06%
36	12.06%	6.28%	18.34%
37	12.25%	6.38%	18.63%
38	12.45%	6.49%	18.94%
39	12.66%	6.60%	19.26%
40	12.88%	6.72%	19.60%
41	13.09%	6.84%	19.93%
42	13.33%	6.97%	20.30%
43	13.56%	7.09%	20.65%
44	13.78%	7.21%	20.99%
45	13.99%	7.33%	21.32%
46	14.05%	7.36%	21.41%
47	13.97%	7.31%	21.28%
48	13.81%	7.23%	21.04%
49 & Over	13.07%	6.83%	19.90%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 54.26% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit M

Safety Cost Group #13 Non-PEPRA Member Contribution Rates

Effective for July 1, 2022 through June 30, 2023

Expressed as a Percentage of Monthly Payroll¹

Entry Age	Basic	COLA	Total
15	9.46%	6.30%	15.76%
16	9.46%	6.30%	15.76%
17	9.46%	6.30%	15.76%
18	9.46%	6.30%	15.76%
19	9.46%	6.30%	15.76%
20	9.46%	6.30%	15.76%
21	9.46%	6.30%	15.76%
22	9.60%	6.40%	16.00%
23	9.74%	6.50%	16.24%
24	9.89%	6.60%	16.49%
25	10.04%	6.71%	16.75%
26	10.19%	6.81%	17.00%
27	10.34%	6.92%	17.26%
28	10.50%	7.03%	17.53%
29	10.66%	7.14%	17.80%
30	10.82%	7.26%	18.08%
31	10.99%	7.38%	18.37%
32	11.17%	7.50%	18.67%
33	11.34%	7.62%	18.96%
34	11.53%	7.75%	19.28%
35	11.72%	7.89%	19.61%
36	11.90%	8.01%	19.91%
37	12.10%	8.15%	20.25%
38	12.29%	8.29%	20.58%
39	12.49%	8.43%	20.92%
40	12.71%	8.58%	21.29%
41	12.93%	8.74%	21.67%
42	13.16%	8.90%	22.06%
43	13.39%	9.06%	22.45%
44	13.64%	9.24%	22.88%
45	13.85%	9.38%	23.23%
46	13.92%	9.43%	23.35%
47	13.86%	9.39%	23.25%
48	13.77%	9.33%	23.10%
49 & Over	13.26%	8.97%	22.23%

Administrative Expense: 0.49% of payroll added to Basic Rates

COLA Loading: 70.24% applied to Basic Rates prior to adjustment for administrative expenses

¹ All rates should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit N

PEPRA Tier Member Contribution Rates **Effective for July 1, 2022 through June 30, 2023**

Expressed as a Percentage of Monthly Payroll¹

General Tiers	Basic	COLA	Total
Cost Group #1 – PEPRA Tier 4 (2% COLA)	8.81%	2.01%	10.82%
Cost Group #1 – PEPRA Tier 4 (3% COLA)	9.07%	3.04%	12.11%
Cost Group #2 – PEPRA Tier 5 (2% COLA)	8.21%	1.85%	10.06%
Cost Group #2 – PEPRA Tier 5 (3%/4% COLA)	8.38%	2.77%	11.15%
Cost Group #3 – PEPRA Tier 4 (3% COLA)	8.41%	2.89%	11.30%
Cost Group #4 – PEPRA Tier 4 (3% COLA)	8.86%	2.99%	11.85%
Cost Group #5 – PEPRA Tier 4 (2% COLA)	10.25%	2.29%	12.54%
Cost Group #5 – PEPRA Tier 4 (3% COLA)	11.09%	3.71%	14.80%
Cost Group #6 – PEPRA Tier 4 (3% COLA)	9.87%	3.32%	13.19%

Safety Tiers	Basic	COLA	Total
Cost Group #7 – PEPRA Tier D	14.12%	5.67%	19.79%
Cost Group #8 – PEPRA Tier D	12.12%	5.00%	17.12%
Cost Group #8 – PEPRA Tier E	12.01%	3.30%	15.31%
Cost Group #9 – PEPRA Tier E	13.26%	3.58%	16.84%
Cost Group #10 – PEPRA Tier D	12.29%	5.08%	17.37%
Cost Group #11 – PEPRA Tier D	11.27%	4.64%	15.91%
Cost Group #12 – PEPRA Tier D	11.62%	4.80%	16.42%
Cost Group #13 – PEPRA Tier D	12.74%	5.23%	17.97%

Administrative Expense: 0.49% of payroll added to Basic Rates

¹ All rates should be applied to all compensation (whether or not in Social Security) up to the applicable annual Gov. Code 7522.10(d) compensation limit.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

SUBVENTION

All rates are shown as a percent of payroll.

Employee contribution rates vary depending upon their tier and age at entry. To compute the exact subvention percent for each employee, do the following:

Employee rate: Decrease the employee's rate by the subvention percent (i.e. 25%, 50%, etc.).

Employer rate: Increase the employer's rate by a percent of the employee's decrease using the applicable refundability factor (found on Exhibits 1 through 13).

EXAMPLE FOR COST GROUP #3 LEGACY MEMBERS:

If the subvention percent is 25%, and the employee's rate is 6.00%,

Employee rates should be decreased by 1.50% ($25\% \times 6.00\%$)

Employer rate should be increased by 1.44% ($1.50\% \times 0.9624$)

Please note that for PEPPRA members, subvention is generally not permitted. The standard under Gov. Code §7522.30(a) is that employees pay at least 50 percent of normal costs and that employers not pay any of the required employee contribution, but there are some exceptions. Gov. Code §7522.30(f) allows the terms (regarding the employee's required contribution) of a contract, including a memorandum of understanding, that is in effect on January 1, 2013, to continue through the length of a contract. This means that it is possible that an employer will subvent a portion of a PEPPRA member's required contribution until the expiration date of the current contract, so long as it has been determined that the contract has been impaired.

CAUTION – these rates are for employer subvention of up to one-half the member contribution under Gov. Code §31581.1, NOT employer pick-up of employee contribution rates. When an employer subvents, the contribution subvented is not placed in the member's account and is therefore not available to the member as a refund. For this reason, the employer pays the contribution at a discount (i.e. "Refundability Factor").

Employer pick-ups of employee contributions are those made under Gov. Code §31581.2 and Internal Revenue Code §414 (h)(2) for the sole purpose of deferring income tax. These contributions are added to the member's account, are available to the member as a refund and are considered by CCCERA as part of the member's compensation for retirement purposes.

EMPLOYEE PAYMENT OF EMPLOYER COST

There are several reasons why the attached contribution rates may need to be adjusted to increase the employee portion including the following:

Gov. Code §31631 allows for members to pay all or part of the employer contributions.

Gov. Code §31639.95 allows for Safety members to pay a portion of the employer cost for the "3% at 50" enhanced benefit.

Gov. Code §7522.30(c) requires that an employee's contribution rate be at least equal to that of similarly situated employees.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Gov. Code §7522.30(e) allows the employee contributions to be more than one-half of the normal cost rate if the increase has been agreed to through the collective bargaining process.

If you need to increase the employee contribution rate for any reason, you will need to adjust both employee and employer rates as follows:

Employee rate: Increase the employee's rate by the desired percent of payroll.

Employer rate: Decrease the employer's rate by a percent of the cost-sharing percent of payroll using the applicable refundability factor.

EXAMPLE FOR COST GROUP #11 LEGACY MEMBERS:

If the required increase in the employee rate is 8.00%,

Employee rates should be increased by 8.00%.

Employer rate should be decreased by 7.76% ($8.00\% \times 0.9697$)

PREPAYMENT DISCOUNT FACTOR FOR 2022-23

Employer Contribution Prepayment Program & Discount Factor for 2022-23 is **0.9696**

If you are currently participating in the prepayment program and wish to continue, you do not need to do anything other than prepay the July 1, 2022 through June 30, 2023 contributions on or before July 31, 2022. If you wish to start participating, please contact the Accounting Department at CCCERA by March 31, 2022.

The discount factor is calculated assuming the prepayment will be received on July 31 in accordance with Gov. Code §31582(b) in lieu of 12 equal payments due at the end of each month in accordance with Gov. Code §31582(a). The discount factor for the fiscal year July 1, 2022 through June 30, 2023 will be **0.9696** based on the interest assumption of 7.00% per annum. It is calculated by discounting each of the 12 equal payments back to the date that the prepayment is made and is the sum of the discount factors shown in the table below divided by 12. Each of the discount factors below is based on how many months early the payment is made.

Payment Number	Number of Months Payment is Made Early	Discount Factor
1	0	1.0000
2	1	0.9944
3	2	0.9888
4	3	0.9832
5	4	0.9777
6	5	0.9722
7	6	0.9667
8	7	0.9613
9	8	0.9559
10	9	0.9505
11	10	0.9452
12	11	0.9399
Sum of Discount Factors Divided by 12:		0.9696



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

August 25, 2021, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Executive Order N-29-20. The meeting is accessible telephonically at 669-900-6833, Webinar ID: 845 9155 5254, Passcode: 353596, or via the web at:

<https://us06web.zoom.us/j/84591555254?pwd=WE9Kem1PQkQ0a09yTkdrRaVBXaFILZz09>

Passcode: 353596

Persons may request to make public comment by emailing publiccomment@cccera.org the day before the Board meeting or the day of the Board meeting either before or during the meeting. Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Both written and oral comments will be accepted, subject to a three-minute time limit per speaker. Written comments will be read into the record at the meeting. All comments submitted will be included in the record of the meeting.

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Roll Call.
3. Accept comments from the public.
4. Approve minutes from the July 14, 2021 meeting.

CLOSED SESSION

5. The Board will go into closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:
 - a. *Nowicki v. CCCERA, et al.*, Court of Appeal, First Appellate District, Division Two, Case No. A160337
 - b. *Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of CCCERA, et al.*, Contra Costa County Superior Court, Case No. MSN12-1870

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

- c. *Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of CCCERA, et al.*, Contra Costa County Superior Court, Case No. C15-00598
- d. *Public Employees Union Local No. 1, et al., v. Board of Retirement of CCCERA, et al.*, Contra Costa County Superior Court, Case No. N14-2021

OPEN SESSION

- 6. Review of total portfolio performance for period ending June 30, 2021.
 - a. Presentation from Verus
 - b. Presentation from staff
- 7. Review of portfolio rebalancing report.
- 8. Consider and take possible action to authorize the CEO to execute agreements with Aleshire & Wynder, LLP for labor and employment law and labor negotiations services.
- 9. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

**CALAFCO Daily Legislative Report
as of Wednesday, September 01, 2021**

1

[AB 339](#) (Lee D) Local government: open and public meetings.

Current Text: Amended: 8/25/2021 [html](#) [pdf](#)

Introduced: 1/28/2021

Last Amended: 8/25/2021

Status: 8/26/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #143 SENATE ASSEMBLY BILLS - THIRD READING FILE

Summary:

The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Under existing law, a member of the legislative body who attends a meeting where action is taken in violation of this provision, with the intent to deprive the public of information that the member knows the public is entitled to, is guilty of a crime. This bill would require local agencies to conduct meetings subject to the act consistent with applicable state and federal civil rights laws, as specified.

Attachments:

[AB 339 Fact Sheet](#)

Position: Watch

Subject: Other

CALAFCO Comments: This bill allows for continued remote participant in local (and state) hearings/meetings while adding requirements for both call-in and internet service based options for all public meetings; requires providing closed caption services; and requires agencies to provide language access services. The bill requires teleconferenced meetings to include an in-person public comment opportunity that creates a place where members of the public can gather at a designated site to give public comment (barring any in-person restrictions). Further, the bill requires the agenda and instructions for accessing the meeting to be translated into all languages for which 5% of the population in the area governed by the local agency is a speaker.

The bill adds requirements for local agencies to employ a sufficient amount of qualified bilingual people to provide translation services during the meeting in the language of the non-English speaking person (consistent with all languages for which 5% of the population in the area governed by the local agency speak). The bill adds similar requirements for any state legislative body. All of these new requirements are unfunded mandates.

This bill is sponsored by the Leadership Counsel for Justice and Accountability. A fact sheet is posted in the tracking section of the bill.

The bill was significantly amended on 4-15-21. These amendments removed all state requirements as noted above. Further, they require public participation by phone or internet (with video/audio), and allow agencies to create a registration process for public comments so long as people can register to speak via phone and in person.

The amendments remove the blanket requirement to translate the agenda and meeting access information and makes those an on-request requirements. The amendments also remove the blanket requirement for agencies to have sufficient qualified bilingual translators during meetings and changes that requirement to on-request, and requires agencies to make public the process to make such a request.

All requirements remain unfunded mandates.

Amended on 5-4-21 as a result of the ALGC hearing, this version of the bill now:

- Limits the bill's applicability to the meetings of city councils and county boards of supervisors only, the jurisdictions of which contain a population of at least 250,000 people;

- Requires public access via telephone OR internet (not both);
- Removes language requiring two-way operability for internet;
- Removes all language translation requirements;
- Removes language allowing local agencies to require members of the public to register in order to provide public comment;
- Removes language allowing teleconferencing to be used by members of the legislative body (to avoid inadvertently precluding the use of teleconferencing by the public);
- Refines language referring to "all meetings" to state "all open and public meetings" (to ensure closed sessions are not subject to the provisions of the bill);
- Restores current law allowing public comment before an agenda item is taken up; and,
- Adds a sunset date of December 31, 2023.

As amended 6/25/21 - The bill requires a city or county with over 250,000 to conduct public meetings with a two-way telephone or internet option for the public. It also requires them, if as of 6-15-21 the agency has provided video streaming of their public meetings, to continue to do so. Also requires the agency to provide in-person public comment unless the law prohibits in-person gatherings.

The 7/5/21 amendment specifies that the agency shall continue to provide streaming if they have conducted at least one (not all) meeting in that manner as of 6-15-21.

UPDATE: The amends of 8/25/21 are related to chaptering with AB 361.

AB 361 (Rivas, Robert D) Open meetings: local agencies: teleconferences.

Current Text: Amended: 8/30/2021 [html](#) [pdf](#)

Introduced: 2/1/2021

Last Amended: 8/30/2021

Status: 8/31/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #332 SENATE ASSEMBLY BILLS - THIRD READING FILE

Summary:

Would, until January 1, 2024, authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.

Attachments:

[CALAFCO Support July 2021](#)

[AB 361 Fact Sheet](#)

Position: Support

Subject: Brown Act

CALAFCO Comments: Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that certain requirements are met (noticing, public access, etc.). This bill allows a local agency to conduct meetings using teleconference methods without complying with certain teleconferencing requirements if they are meeting for the purposes of declaring or ratifying a local emergency, during a declared state or local emergency (as defined in statute), when state or local health officials have imposed or recommended certain measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

The legislative body must give notice of the meeting and post agendas to allow members of the public to access the meeting and address the legislative body, offer public comment, and protect rights of the parties and public appearing before the legislative body. The bill also rescinds the requirement that at least a quorum of the body must meet within the jurisdictional boundaries of the agency under these circumstances when meeting via telecon.

As amended on 4/6/21, the bill now specifies that the new statute can be applied if meeting in person presents imminent risk to the health & safety of attendees; Requires the agenda to provide opportunity for anyone to attend via call-in or internet option; should there be a service disruption that prevents remote public participation, the agency must take no further action on any agenda item until service is restored; the agency cannot require submittal of public comments in advance of the meeting; and requires the legislative body, every 30 days after the initial declaration of emergency, should the emergency remain active, to make certain findings that the emergency still exists and prevents in-person meetings.

As amended on 5-10-21, the amendments tighten restrictions for in-person meetings to only the determination that meeting in person presents imminent risk to the health and safety of attendees (removing the option to consider if attendance by one of more members of the legislative body is hindered).

As amended 7/6/21, the bill now only applies to state declared emergencies; adds specific requirements for making accommodations for various types of public comment processes during local government meetings; adds a sunset date of 1-1-24; and allows agencies to use telecon methods to meet and specifies requirements for those meetings.

UPDATE: The amendment of 8/31/21 adds an urgency clause which means there will be little to no break in the Governor's Executive Order for meeting remotely.

This bill is sponsored by the CA Special Districts Association (CSDA). The bill is not marked fiscal. A fact sheet is posted in the tracking section of the bill.

AB 703 (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Current Text: Amended: 4/29/2021 [html](#) [pdf](#)

Introduced: 2/16/2021

Last Amended: 4/29/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 2/25/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the notice requirements particular to teleconferencing and would revise the requirements of the act to allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda, provided that the public is allowed to observe the meeting and address the legislative body directly both in person and remotely via a call-in option or internet-based service option, and that a quorum of members participate in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the jurisdiction.

Position: Watch

Subject: Brown Act

CALAFCO Comments: As amended on 4/29/21, the bill requires local agencies to allow for public participation during meetings of the legislative body both at in-person and via a call-in or internet-based option. It further requires that if the agency holds a teleconference meeting, at least a quorum of the governing body shall participate in person from a single location which shall be open to the public (and located within the boundaries of the jurisdiction).

Despite these requirements, the bill is not marked fiscal. Further, it applies only to local agencies, not state agencies.

The bill is sponsored by Three Valleys Municipal Water Agency.

AB 1195 (Garcia, Cristina D) Drinking water.

Current Text: Amended: 5/24/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/24/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 6/9/2021)(May be acted upon Jan 2022)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.

Attachments:

[CALAFCO Letter of Concern - April 2021](#)

[AB 1195 Fact Sheet](#)

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As amended on 4-6-21, the bill was gut and amended and now creates the So LA County Human Rights to Water Collaboration Act. It requires the Water Board to appoint a commissioner to implement the Safe & Affordable Funding for Equity & Resilience Program and gives the commissioner certain authorities (although they are not clearly spelled out). It requires the commissioner by 12-31-24 to submit to the Water Board a plan for the long-term sustainability of public water systems in southern LA County and prescribes what shall be included in the plan. The bill also creates a technical advisory board and requires the commissioner to oversee the Central Basin Municipal Water District.

In its current form the bill creates numerous concerns. CALAFCO's letter of concern is posted in the tracking section of the bill, and includes: (1) Focus of the bill is very broad as is the focus of the commissioner; (2) In an attempt to prevent privatization of water systems there is language regarding severing water rights. That language could be problematic should a consolidation be ordered; (3) Diminishing local control that is being invested in the state (an ongoing concern since SB 88); (4) A clear distinction needs to be made between an Administrator and Commissioner; (5) The poorly written section on the technical advisory board; and (6) The lack of LAFCo involvement in any consolidation process.

As amended on 5-24-21, the bill changes the water rights provision now requiring approval by the water Board; uses the definitions of "at risk system" and "at risk domestic well" found in SB 403 (Gonzalez) as well as the 3,300 connect cap; requires the commissioner appointed by the board to be from the local area; requires the commissioner to do certain things prior to completing the regional plan; and requires the commissioner to apply to LA LAFCo for extension of service, consolidation or dissolution as appropriate. The bill also creates a pilot program for LA LAFCo giving them the authority to take action rather than the water board, providing it is within 120 days of receipt of a completed application. If the LAFCo fails to take action within that time, the matter goes to the water board for their action.

The pilot program also gives LA LAFCo the authority to approve, approve with conditions or deny the application; further giving LAFCo authority to consider consolidation or extension of service with a local publicly owned utility that provides retail water, a private water company or mutual; the bill also waives protest proceedings, gives the LAFCo authority to address governance structure and CEQA is waived, provides full LAFCo indemnification and funding.

There are still issues with the proposed technical advisory board section of the bill, and questions about timing of some of the processes. CALAFCO continues to work with the author and speakers' offices as well as other stakeholders on ongoing amendments.

The bill is author-sponsored and we understand there is currently no funding source. A fact sheet is posted in the tracking section of the bill. CALAFCO's letter of concern is also posted there.

THIS IS NOW A 2-YEAR BILL.

[AB 1581](#) (Committee on Local Government) Local government: omnibus.

Current Text: Chaptered: 6/29/2021 [html](#) [pdf](#)

Introduced: 3/9/2021

Last Amended: 4/19/2021

Status: 6/28/2021-Approved by the Governor. Chaptered by Secretary of State - Chapter 31, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law requires a local agency formation commission to develop and determine the sphere of influence of each city and each special district within the county and enact policies designed to promote the logical and orderly development of areas within each sphere. Current law requires, when a proposed change of organization or reorganization applies to 2 or more affected counties, that exclusive jurisdiction vest in the commission of the principal county, unless certain things occur. This bill would add the determination of a sphere of influence to the types of proposed changes for which exclusive jurisdiction may or may not vest in a principal county.

Attachments:

[LAFCo Template Request Gov Signature](#)

[CALAFCO Request Governor Signature June 2021](#)

[LAFCo Support letter template](#)

[CALAFCO Support letter](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual ALGC Omnibus bill which CALAFCO sponsors. Sections amended are: 56133(a) and (f); 56325.1 (renumbered to 56331.4); 56427; and 56879(a).

As amended on 4/19, additional sections amended include 56066, 56123, 56124, 56375. Further the bill repeals sections 56375.2, 56387, 56388, 56747, 56760, 57001.1, 57075.5, 57202.1 and 57383.

SB 810 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 6/29/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Status: 6/28/2021-Approved by the Governor. Chaptered by Secretary of State. Chapter 36, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the First Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Attachments:

[CALAFCO Support Letter March 2021](#)

Position: Support

Subject: Other

CALAFCO Comments: These are the annual validating Acts.

SB 811 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 6/29/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Status: 6/28/2021-Approved by the Governor. Chaptered by Secretary of State. Chapter 37, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the Second Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Attachments:[CALAFCO Support Letter March 2021](#)**Position:** Support**Subject:** Other**CALAFCO Comments:** These are the annual validating Acts.**[SB 812](#) (Committee on Governance and Finance) Validations.****Current Text:** Chaptered: 6/29/2021 [html](#) [pdf](#)**Introduced:** 2/23/2021**Status:** 6/28/2021-Approved by the Governor. Chaptered by Secretary of State. Chapter 38, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the Third Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:[CALAFCO Support Letter March 2021](#)**Position:** Support**Subject:** Other**CALAFCO Comments:** These are the annual validating Acts.**[AB 1250](#) (Calderon D) Water and sewer system corporations: consolidation of service.****Current Text:** Amended: 7/5/2021 [html](#) [pdf](#)**Introduced:** 2/19/2021**Last Amended:** 7/5/2021**Status:** 8/31/2021-Ordered to special consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #393 SENATE SEN SPECIAL CONSENT CALENDAR - NO. 11

Summary:

The California Safe Drinking Water Act provides for the operation of public water systems, which include small community water systems, and imposes on the State Water Resources Control Board related regulatory responsibilities and duties. Current law authorizes the state board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water, as provided. This bill, the Consolidation for Safe Drinking Water Act of 2021, would authorize a water or sewer system corporation to file an application and obtain approval from the Public Utilities Commission through an order authorizing the water or sewer system corporation to consolidate with a small community water system or state small water identified as failing or at risk of failing by the state board.

Attachments:[AB 1250 Fact Sheet 2021](#)**Position:** Watch**Subject:** Municipal Services, Water

CALAFCO Comments: The intent of the bill is to prescribe response timelines for the PUC in terms of processing consolidations. This bill creates the Consolidation for Safe Drinking Water Act of 2021. The bill allows a water or sewer corp to file an application with the Public Utilities Commission (PUC) to approval to consolidate with a public or state small system. The bill requires the PUC to act on the application within 8 months of receipt. If a consolidation is valued at \$5 million or less, the water or sewer corp can file an advise letter and get the PUC approval via resolution. In this instance, the PUC has 120 days to act on the request. The bill also give the PUC authority to designate a different procedure to request consolidation for systems valued less than \$5M.

The bill requires the PUC to prioritize consolidation requests based on compliance records and requires the entity requesting consolidation to conduct a thorough public process.

The bill is sponsored by the California Water Association and does not have an impact on LAFCOs. Nevertheless, CALAFCO will keep a watch on the bill. A fact sheet is posted in the tracking section of the bill.

The amendments on 5/24/21 establish the Consolidation For Safe Drinking Water Fund, with all moneys available, upon appropriation, going to the PUC in order to process the applications and cover any associated regulatory costs, and requires a water or sewer system corporation to pay a fee of \$10,000 when filing an application pursuant to the above provision and requires the fee to be deposited into the fund.

UPDATE: The 7/5/21 amendments change the type of system focused for consolidation from public to small community. Also adds the ability to consolidate systems to include state small systems, and no longer requires the consolidation to be into a public system. Also extended the PUC timeline to approve or deny an application for consolidation from 8 to 12 months.

SB 403 (Gonzalez D) Drinking water: consolidation.

Current Text: Amended: 7/5/2021 [html](#) [pdf](#)

Introduced: 2/12/2021

Last Amended: 7/5/2021

Status: 8/30/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #153 ASSEMBLY THIRD READING FILE - SENATE BILLS

Summary:

The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water or where a disadvantaged community is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would revise those consolidation provisions, including, among other revisions, authorizing the state board to also order consolidation where a water system serving a disadvantaged community is an at-risk water system, as defined, or where a disadvantaged community is substantially reliant on at-risk domestic wells, as defined.

Attachments:

[CALAFCO Removal of Opposition Letter June 2021](#)

[CALAFCO Oppose Unless Amended Letter April 2021](#)

[SB 403 Fact Sheet 2021](#)

Position: Neutral

Subject: Disadvantaged Communities, Water

CALAFCO Comments: Current law (Health & Safety Code Section 116682) authorizes the State Water Resources Control Board (Board) to order consolidation (physical or operational) of a public water system or state small water system serving a disadvantaged community that consistently fails to provide an adequate supply of safe drinking water, or a disadvantaged community (in whole or part) that is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would add to that a water system or domestic well(s) that are at risk of failing to provide an adequate supply of safe drinking water, as determined by the Board. The bill also requires the Board, before ordering consolidation, to conduct outreach to ratepayers and residents served by the at-risk system and to consider any petition submitted by members of a disadvantaged community being served by the at-risk system.

There appears to be several problems with this bill: (1) The bill does not define "at risk" and there is no definition of "at risk" currently in H&S Code Sec. 116681; (2) There is a lack of consultation with GSAs by the State Board when considering ordering consolidation or extension of service; (3) There is no requirement or even consideration for annexation upon extension of service; and (4) there does not appear to be a limitation of the number of connections or the extent to which the system can be extended.

The bill is co-sponsored by the Leadership Counsel for Justice and Accountability, Clean Water Action and Community Water Center. A fact sheet is posted in the tracking section of the bill.

CALAFCO's position letter is also posted there.

Specific to SB 403, we requested 3 amendments: (1) Define "at risk"; (2) Add a requirement for the SWRCB to consult with GSAs when considering a domestic well consolidation; and (3) Put a cap on the number of users to be added by the subsuming system or the extent to which the service is being extended. Additionally, CALAFCO recommended a comprehensive review of the current mandatory consolidation process citing a host of issues the current process creates.

As amended on 4/27/21, the bill now defines "at risk system" and "at risk domestic well"; creates an appeal process for potentially subsumed water systems; requires inspection or testing of wells to determine "at risk" status; and allows the Board to prioritize systems historically overburdened by pollution and industrial development or other environmental justice concerns. It also puts a cap of 3,300 or fewer connections on systems that can be subsumed. These amendments address 2 of our 3 requested amendments. We will continue to work with the author on requiring the SWRCB to consult with GSAs on wells.

Amends from 6/8/21 add a requirement for the Water Board to consult with GSAs. This is the last remaining amendment requested by CALAFCO so we have removed our opposition and gone to Neutral. The other amendment in this version simply reorders a subsection with no substantive impacts.

UPDATE: Amended on 7/5, the bill now requires the water board to consult with the potentially receiving water system and adds language that specifies the input allowed by that system (amendments requested by ACWA and granted during the ALGC hearing).

3

AB 11 (Ward D) Climate change: regional climate change authorities.

Current Text: Amended: 1/21/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 1/21/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the Strategic Growth Council, by January 1, 2023, to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation authorities, state agencies, and other relevant stakeholders.

Attachments:

[AB 11 Fact Sheet](#)

Position: Watch

Subject: Other

CALAFCO Comments: As amended on 1/21/21, this bill authorizes/requires the Strategic Growth Council (SGC) to establish up to 12 regional climate change authorities by January 1, 2023, to include local agencies and regional stakeholders. The SGC is required to adopt guidelines that: (1) Define the authority; (2) Include guidelines for establishing an authority via a stakeholder-driven process; (3) Consult with OPR (and other state authorities) in development of the guidelines and award annual grants to authorities.

The bill outlines the regional climate change authorities in summary as: coordination, capacity-building, and technical assistance activities within their boundaries, promote regional alignment and assist local agencies in creating and implementing plans developed pursuant to Section 65302 of the Government Code, other federal or state mandates, and programs designed address climate change impacts and risks. The bill also requires the authority to submit annual reports to the SGC, with the scope of the report outlined in the bill.

This is an author-sponsored bill. There is no appropriation to fund the cost of the program. A fact sheet is posted in the tracking section of the bill.

UPDATE 3/17/21: CALAFCO learned from the author's office they do not intend to move the bill forward, but instead work with Assm. Mullin on AB 897 and merge the two bills.

[AB 473](#) (Chau D) California Public Records Act.

Current Text: Amended: 8/16/2021 [html](#) [pdf](#)

Introduced: 2/8/2021

Last Amended: 8/16/2021

Status: 8/31/2021-In Assembly. Concurrence in Senate amendments pending. May be considered on or after September 2 pursuant to Assembly Rule 77.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #18 ASSEMBLY CONCURRENCE IN SENATE AMENDMENTS

Summary:

The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. This bill would recodify and reorganize the provisions of the act. The bill would include provisions to govern the effect of recodification and state that the bill is intended to be entirely nonsubstantive in effect. The bill would contain related legislative findings and declarations. The bill would become operative on January 1, 2023.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a redo of AB 2138 from 2020 that did not move forward. According to the author's office, this bill and AB 474 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

UPDATE: Amendments of 8/16/21 are to insert enactment clause relating to AB 386, AB 562 and AB 823.

[AB 474](#) (Chau D) California Public Records Act: conforming revisions.

Current Text: Amended: 8/16/2021 [html](#) [pdf](#)

Introduced: 2/8/2021

Last Amended: 8/16/2021

Status: 8/31/2021-In Assembly. Concurrence in Senate amendments pending. May be considered on or after September 2 pursuant to Assembly Rule 77.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #19 ASSEMBLY CONCURRENCE IN SENATE AMENDMENTS

Summary:

Would enact various conforming and technical changes related to another bill, AB 473, which recodifies and reorganizes the California Public Records Act. This bill would only become operative if AB 473 is enacted and reorganizes and makes other nonsubstantive changes to the California Public Records Act that become operative on January 1, 2023. The bill would also specify that any other bill enacted by the Legislature during the 2021 calendar year that takes effect on or before January 1, 2022, and that affects a provision of this bill shall prevail over this act, except as specified.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a redo of AB 2438 from 2020 that did not move forward. According to the author's office, this bill and AB 473 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

Amendments of 5/27 are technical and minor in nature, and make it the conforming act to AB 473.

UPDATE: Amendments from 8/16/21 and 6/21/21 are only minor, technical clean-up amends.

[AB 897](#) (Mullin D) Office of Planning and Research: regional climate networks: regional climate

adaptation and resilience action plans.

Current Text: Amended: 7/14/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 7/14/2021

Status: 8/27/2021-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/16/2021)(May be acted upon Jan 2022)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

Attachments:

[CALAFCO Support July 2021](#)

[AB 897 Fact Sheet](#)

Position: Support

Subject: Climate Change

CALAFCO Comments: As introduced, the bill builds on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region.

As amended, the bill requires OPR to develop guidelines (the scope of which are outlined in the bill) for Regional Climate Adaptation Action Plans (RCAAPs) by 1-1-23 through their normal public process. Further the bill requires OPR to make recommendations to the Legislature on potential sources of financial assistance for the creation & implementation of RCAAPs, and ways the state can support the creation and ongoing work of regional climate networks. The bill outlines the authority of a regional climate network, and defines eligible entities. Prior versions of the bill kept the definition as rather generic and with each amended version gets more specific. As a result, CALAFCO has requested the author add LAFCOs explicitly to the list of entities eligible to participate in these regional climate networks.

As amended on 4/7, AB 11 (Ward) was joined with this bill - specifically found in 71136 in the Public Resources Code as noted in the amended bill. Other amendments include requiring OPR to, before 7-1-22, establish geographic boundaries for regional climate networks and prescribes requirements in doing so.

This is an author-sponsored bill. The bill necessitates additional resources from the state to carry out the additional work required of OPR (there is no current budget appropriation). A fact sheet is posted in the tracking section of the bill.

As amended 4/19/21: There is no longer a requirement for OPR to include in their guidelines how a regional climate network may develop their plan: it does require ("may" to "shall") a regional climate network to develop a regional climate adaptation plan and submit it to OPR for approval; adds requirements of what OPR shall publish on their website; and makes several other minor technical changes.

As amended 7/1/21, the bill now explicitly names LAFCo as an eligible entity. It also adjusts several timelines for OPR's requirements including establishing boundaries for the regional climate networks, develop guidelines and establish standards for the networks, and to make recommendations to the Legislature related to regional adaptation. Give the addition of LAFCo as an eligible entity, CALAFCO is now in support of the bill.

Amendments of 7/14/21, as requested by the Senate Natural Resources & Water Committee, mostly do the following: (1) Include "resilience" to climate adaptation; (2) Prioritize the most vulnerable communities; (3) Add definitions for "under-resourced" and "vulnerable" communities;

(4) Remove the requirement for OPR to establish geographic boundaries for the regional climate networks; (5) Include agencies with hazard mitigation authority and in doing so also include the Office of Emergency Services to work with OPR to establish guidelines and standards required for the climate adaptation and resilience plan; and (6) Add several regional and local planning documents to be used in the creation of guidelines.

UPDATE: The bill was held in Appropriations as a 2-year bill.

AB 903 (Frazier D) Los Medanos Community Healthcare District.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 4/19/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 5/19/2021)(May be acted upon Jan 2022)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to develop and conduct the Los Medanos Area Health Plan Grant Program focused on comprehensive health-related services in the district's territory. The bill would require the county to complete a property tax transfer process to ensure the transfer of the district's health-related ad valorem property tax revenues to the county for the sole purpose of funding the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service from the County of Contra Costa as specified, the bill would impose a state-mandated local program.

Position: Watch

CALAFCO Comments: This bill mandates the dissolution of the Los Medanos Community Healthcare District with the County as the successor agency, effective 2-1-22. The bill requires the County to perform certain acts prior to the dissolution. The LAFCo is not involved in the dissolution as the bill is written. Currently, the district is suing both the Contra Costa LAFCo and the County of Contra Costa after the LAFCo approved the dissolution of the district upon application by the County and the district failed to get enough signatures in the protest process to go to an election.

The amendment on 4/5/21 was just to correct a typo in the bill.

As amended on 4/19/21, the bill specifies monies received by the county as part of the property tax transfer shall be used specifically to fund the Los Medanos Area Health Plan Grant Program within the district's territory. It further adds a clause that any new or existing profits shall be used solely for the purpose of the grant program within the district's territory.

UPDATE: The bill did not pass out of Senate Governance & Finance Committee and will not move forward this year. It may be acted on in 2022.

AB 959 (Mullin D) Park districts: ordinances: nuisances: abatement.

Current Text: Amended: 8/16/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 8/16/2021

Status: 8/31/2021-In Assembly. Concurrence in Senate amendments pending. May be considered on or after September 2 pursuant to Assembly Rule 77.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #53 ASSEMBLY CONCURRENCE IN SENATE AMENDMENTS

Summary:

Current law prescribes procedures, including the election of a board of directors, for the formation of regional park districts, regional park and open-space districts, or regional open-space districts. Current law authorizes 3 or more cities, together with any parcel or parcels of city or county territory, whether in the same or different counties, to organize and incorporate, but requires that all the territory in the proposed district be contiguous. Current law requires the board of directors to superintend, control, and make available to all the inhabitants of the district all public recreation lands and facilities, as provided. Current law requires the board of directors to act only by ordinance, resolution, or a motion duly recorded in the minutes of the meeting. This bill would

authorize the board of directors of a district, by ordinance, to declare an encroachment onto district lands constitutes a nuisance.

Attachments:

[AB 959 Fact Sheet](#)

Position: Watch

CALAFCO Comments: As introduced, this bill gives authority to independent regional park & open space districts governed by PRC 5500 to: (1) Declare by ordinance what constitutes a public nuisance; (2) Abate those public nuisances by either administrative or civil actions; and (3) Ability to recover costs incurred in abating the public nuisance, including attorneys' fees. There are 4 of these independent special districts: (1) Midpeninsula Regional Open Space District; (2) East Bay Regional Park District; (3) Monterey Peninsula Regional Park District; and (4) Napa County Regional Park and Open Space District. A fact sheet is posted in the tracking section of the bill.

As amended on 5-10-21, the bill requires the district Board to adopt an ordinance declaring what constitutes a nuisance. It authorizes the district to initiate civil action and recover damages.

The amendment of 6/18/21 corrects a code citing.

The amendments of 7/6/21 do several things: (1) change the definition of nuisance to an encroachment onto district land; (2) allows the district to establish nuisance abatement procedures upon adoption of an ordinance; (3) specifies the requirements of the nuisance abatement procedures; and (4) still allows the district to collect abatement costs with a clearly defined process.

UPDATE: The amendments of 8/16/21 are minor in nature and add language requiring hearing notification to and certain responsibilities for the party who is responsible for the nuisance.

[AB 975](#) (Rivas, Luz D) Political Reform Act of 1974: statement of economic interests and gifts.

Current Text: Amended: 5/18/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/18/2021

Status: 6/1/2021-Ordered to inactive file at the request of Assembly Member Luz Rivas.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. The Fair Political Practices Commission is the filing officer for statewide elected officers and candidates and other specified public officials. If the Commission is the filing officer, the public official generally files with their agency or another person or entity, who then makes a copy and files the original with the Commission. This bill would revise and recast these filing requirements to make various changes, including requiring public officials and candidates for whom the Commission is the filing officer to file their original statements of economic interests electronically with the Commission.

Position: Watch

Subject: FPPC

CALAFCO Comments: As introduced, this bill makes two notable changes to the current requirements of gift notification and reporting: (1) It increases the period for public officials to reimburse, in full or part, the value of attending an invitation-only event, for purposes of the gift rules, from 30 days from receipt to 30 days following the calendar quarter in which the gift was received; and (2) It reduces the gift notification period for lobbyist employers from 30 days after the end of the calendar quarter in which the gift was provided to 15 days after the calendar quarter. Further it requires the FPPC to have an online filing system and to redact contact information of filers before posting.

The amendment on 4/21/21 just corrects wording (technical, non-substantive change).

The amendments on 5/18/21 clarify who is to file a statement of economic interest to include candidates (prior text was office holders).

[AB 1021](#) (Mayes I) Imperial Irrigation District.

Current Text: Amended: 8/19/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 8/19/2021

Status: 8/24/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

9/1/2021 #127 SENATE ASSEMBLY BILLS - THIRD READING FILE

Summary:

Would require the local agency formation commissions for the County of Imperial and the County of Riverside to conduct and publish on their internet websites a joint study of options for providing continued publicly owned and managed electrical service in perpetuity to the Imperial Irrigation District's electrical service area, as defined, customers and options for alternative governance structures that would extend voting rights to registered voters who reside within the Imperial Irrigation District electrical service area to provide for proportional representation on a governing board that will have primary jurisdiction on all electrical service matters, as specified. The bill would require the study to be published no later than July 1, 2022. By imposing new duties on the specified local agency formation commissions, the bill would impose a state-mandated local program.

Attachments:

[CALAFCO Oppose Unless Amended 5-26-21](#)

Position: Oppose unless amended

Subject: Special Districts Governance

CALAFCO Comments: As amended on 3/18/21, the bill focuses on the Imperial Irrigation District. The bill requires Imperial and Riverside LAFcos to conduct a special study of voting rights and options for providing electricity in the district area should the district decide it no longer desires to provide that serve, to be completed by December 31, 2022, as an unfunded mandate. The bill also requires membership of the district board to increase from 5 to 8 members, with the additional 3 members residing in Riverside County in the area being serviced by the district and appointed by the County Supervisor of that County district. The three new members will be non-voting members.

CALAFCO met with the author's staff on March 18 to discuss concerns on the bill, with input from Riverside and Imperial LAFcos (who will meet with the author's office as well). Concerns include: (1) The unfunded mandate and timing of the study; (2) As representation in the Riverside County service area is the issue, governance structure should also be a part of the study; (3) Section 21562.6 of the Water Code as added is far too vague. CALAFCO offered specific suggestions for clarification in this section.

This bill is similar to AB 854 (2019), which died in Appropriations. CALAFCO had a Watch position on that bill as the two member LAFcos had opposing positions, and this is a local matter. However, there is concern about requiring a study without funding (the last time the Legislature mandated a special study on a district it required the study be funded by the district).

The bill is author-sponsored and as of now there is no budget appropriation to cover cost.

As amended on 4/19/21, the bill makes substantive changes including: (1) Requires state funding for the study and prescribes an 18-month timeline for completion upon receipt of funds; (2) Adds study content of options for governance structure of the district; (3) Changes the number from 3 to 1 of nonvoting board members appointed to the district Board; and (4) Specifies requirements for the appointment.

The amendments of 5/24/21 remove the funding for the special study, making it an unfunded mandate. The bill also now requires the study to be completed by 7-1-23. As a result of the funding removal and the concerning precedent setting nature of requiring LAFco to conduct a special study without funding, CALAFCO has taken an OPPOSE UNLESS AMENDED position requesting funding be restored.

As amended 7/1/21, the bill: (1) has an urgency clause; (2) requires the study to be completed by 7-1-22 (instead of 7-1-23), and (3) removes voting rights from the study. There is still no funding written into the bill, although budget trailer bill SB 129 contains the appropriation. As the appropriation of \$500,000 goes directly to the County of Riverside, a process by which both LAFcos receive that funding must be established and outlined within the text of the bill. CALAFCO will remain opposed until that is completed.

The amendments of 8/16/21 add specificity to the study requirements; adds an effective date to section 21562.6 (1-1-23); adds the the newly added Board of Director is specific to electrical issues of the district; requires the district's general counsel to determine which issues coming before the board are electrical-related; provides a term end date for the electrical service board member should the district no longer serve 60%+ customers within the electrical service area; and adds a definition for "electrical issue".

UPDATE: The amendments of 8/19 completely removed everything in the bill except the requirement for Riverside and Imperial LAFCOs to conduct the joint study. The bill still has no funding language in to so we will retain our Oppose Unless Amended position.

AB 1053 (Gabriel D) City selection committees: County of Los Angeles: quorum: teleconferencing.

Current Text: Amended: 4/20/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 4/20/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/18/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law creates a city selection committee in each county that consists of 2 or more incorporated cities for the purpose of appointing city representatives to boards, commissions, and agencies. Under current law, a quorum for a city selection committee requires a majority of the number of the incorporated cities within the county entitled to representation on the city selection committee. Current law requires a city selection committee meeting to be postponed or adjourned to a subsequent time and place whenever a quorum is not present at the meeting. This bill, for the city selection committee in the County of Los Angeles, would reduce the quorum requirement to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to items that appeared on the immediately preceding agenda where a quorum was not established.

Attachments:

[CALAFCO Removal of Opposition Letter April 2021](#)

[CALAFCO Oppose Unless Amended April 2021](#)

Position: Watch

Subject: Other

CALAFCO Comments: As amended on 3/18/21, the bill reduces the quorum requirement for a city selection committee to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to replicate the meeting for which a quorum was not established. The bill also authorizes a city selection committee to conduct their meetings be teleconference and electronic means.

The bill is sponsored by the Las Virgenes-Malibu Council of Governments.

CALAFCO's letter of Oppose Unless Amended is posted in the bill detail area.

UPDATE AS OF 4/21/21 - As amended on 4/20/21, the scope of the bill is significantly narrowed to apply only to the County of Los Angeles' City Selection Committee. This amendment resolves CALAFCO's concerns and we have removed our opposition and will retain a Watch position. CALAFCO's letter of opposition removal is posted in the bill detail area.

UPDATE: The bill failed to move out of committee so it is now a 2-year bill.

AB 1246 (Nguyen R) Community services districts.

Current Text: Introduced: 2/19/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/19/2021)(May be acted upon Jan 2021)

2 year	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, the Community Services District Law, authorizes the formation of community services

districts for various specified purposes, including supplying water, treating sewage, disposing of solid waste, and providing fire protection. The law specifies its relation and effect on certain districts organized pursuant to former laws and to actions taken by them, among other things. This bill would make nonsubstantive changes to those provisions.

Position: Watch

CALAFCO Comments: This is a spot bill.

AB 1295 (Muratsuchi D) Residential development agreements: very high fire risk areas.

Current Text: Introduced: 2/19/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/4/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires the Director of Forestry and Fire Protection to identify areas in the state as very high fire hazard severity zones based on the severity of fire hazard that is expected to prevail in those areas, as specified, and requires each local agency to designate, by ordinance, the very high fire hazard severity zones in its jurisdiction. Current law additionally requires the director to classify lands within state responsibility areas into fire hazard severity zones. This bill, beginning on or after January 1, 2022, would prohibit the legislative body of a city or county from entering into a residential development agreement for property located in a very high fire risk area. The bill would define "very high fire risk area" for these purposes to mean a very high fire hazard severity zone designated by a local agency or a fire hazard severity zone classified by the director.

Attachments:

[AB 1295 Fact Sheet](#)

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: This bill prohibits a city or county from entering into a residential development agreement for property located within a very high fire risk area as of 1-1-2022.

This bill appears similar to SB 55 (Stern) except: (1) This bill explicitly calls out residential development, whereas SB 55 addresses new development (housing, commercial, retail or industrial) in a very high fire hazard severity zone; and (2) SB 55 adds a state responsibility area.

The bill is not marked fiscal. This is an author-sponsored bill and a fact sheet is posted in the tracking section of the bill.

SB 10 (Wiener D) Planning and zoning: housing development: density.

Current Text: Enrollment: 8/30/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 7/5/2021

Status: 8/30/2021-Assembly amendments concurred in. (Ayes 28. Noes 6.) Ordered to engrossing and enrolling.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, notwithstanding any local restrictions on adopting zoning ordinances, authorize a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area or an urban infill site, as those terms are defined. The bill would prohibit a local government from adopting an ordinance pursuant to these provisions on or after January 1, 2029. The bill would specify that an ordinance adopted under these provisions, and any resolution to amend the jurisdiction's General Plan, ordinance, or other local regulation adopted to be consistent with that ordinance, is not a project for purposes of the California Environmental Quality Act. The bill would prohibit an ordinance adopted under these provisions from superceding a local restriction enacted or approved by a local initiative that designates publicly owned land as open-space land or for park or recreational purposes.

Position: Watch

Subject: Housing

CALAFCO Comments: While not directly affecting LAFcos, the requirements in the bill are of interest. As amended on 4/13/21, the bill authorizes a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site, as those terms are defined in the bill. In this regard, the bill would require the Department of Housing and Community Development, in consultation with the Office of Planning and Research, to determine jobs-rich areas and publish a map of those areas every 5 years, commencing January 1, 2023, based on specified criteria. The bill would specify that an ordinance adopted under these provisions, and any resolution adopted to amend the jurisdiction's General Plan Plan, ordinance, or other local regulation adopted to be consistent with that ordinance, is exempt from CEQA. The bill imposes specified requirements on a zoning ordinance adopted under these provisions. The bill would prohibit a legislative body that adopts a zoning ordinance pursuant to these provisions from subsequently reducing the density of any parcel subject to the ordinance and makes void and unenforceable any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that effectively prohibits or unreasonably restricts a use or density authorized by an ordinance adopted pursuant to the provisions in the bill.

The amendment of 4/27/21 amends 65913.5(a)(3) to remove exemption of parcels excluded from specified hazard zones by a local agency pursuant to 51179(b).

The amendments on 5/26 prohibit a residential or mixed-use residential project consisting of 10 or more units that is located on a parcel zoned pursuant to these provisions from being approved ministerially or by right or from being exempt from CEQA, except as specified, and repeal these provisions on January 1, 2029.

The 6/24/21 amendments prohibit an ordinance adopted pursuant to the provisions in this bill from superseding any local restrictions brought about by a local voter initiative; requires an ordinance to be adopted by 2/3 vote of the governing body if the ordinance supersedes any zoning restriction established by a local voter initiative; and completely removes SECTION 1 (the addition of Sec. 4752 to the Civil Code).

UPDATE: The 7/5/21 amendments remove the requirements added on 6/24 pertaining to zoning restrictions that a local initiative be a voter initiated initiative. Also makes minor changes to the timing of the bus corridor criteria.

SB 12 (McGuire D) Local government: planning and zoning: wildfires.

Current Text: Amended: 7/1/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 7/1/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was H. & C.D. on 6/24/2021)(May be acted upon Jan 2022)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

Position: Watch

Subject: Growth Management, Planning

SB 13 (Dodd D) Local agency services: contracts: Counties of Napa and San Bernardino.

Current Text: Enrollment: 8/30/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 6/28/2021

Status: 8/30/2021-Enrolled and presented to the Governor at 1 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes a pilot program under which the commissions in the Counties of Napa and San Bernardino, upon making specified determinations at a noticed public hearing, may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to support existing or planned uses involving public or private properties, as provided. Current law requires the Napa and San Bernardino commissions to submit a report to the Legislature on their participation in the pilot program, as specified, before January 1, 2020, and repeals the pilot program as of January 1, 2021. This bill would reestablish the pilot program, which would remain in effect until January 1, 2026. The bill would impose a January 1, 2025, deadline for the Napa and San Bernardino commissions to report to the Legislature on the pilot program, and would require the contents of that report to include how many requests for extension of services were received under these provisions.

Attachments:

[CALAFCO Oppose Unless Amended letter May 2021](#)

Position: Oppose unless amended

Subject: CKH General Procedures

CALAFCO Comments: This bill is the same as SB 799 from 2020 and seeks to re-establish and continue the pilot program for five more years. The program ended as of January 1, 2021 but due to the pandemic, SB 799 from 2020 to extend the sunset was not moved forward in the legislature.

As amended on 4/29/21, the bill now adds 56133.6 which seeks to address several projects in the City of St. Helena, and resolve a current law suit between the winery and the city. The amendments authorize Napa LAFCo to consider new or extended service by the city to specific parcels with certain conditions. The bill requires the Napa LAFCo make certain determinations if approving, include any decision in their required report to the Legislature and has a sunset of 1-1-26.

CALAFCO has made a request for several technical amendments to the version dated 4-29-21, and has concern this addition strays too far from the original intent of the pilot program. Requested amendments on the table now include: (1) Rewording of both sections 56133.5(a)(2) and 56133.6(a)(3) to explicitly state both (A) and (B) are required; (2) Reword the new addition to 56133.5(d) so that it does not presume Napa LAFCo will authorize the new or extension of service; and (3) Rewrite 56133.6(a)(1) to clarify that (A) must apply to both (B) and (C).

As amended on 5-11-21, all requested technical amendments were made, however the intent of the pilot program has changed with the addition of 56133.6 and Napa LAFCo's ability to approve extension of service for parcels that do not meet the pilot program's requirement of planned use as defined in 56133.5. For this reason, CALAFCO is opposed unless amended, requesting the removal of 56133.6. Our letter is in the bill detail section.

UPDATE: Amendments from 6/28/21 are minor in nature and serve as clean-up.

[SB 55](#) (Stern D) Very high fire hazard severity zone: state responsibility area: development prohibition: supplemental height and density bonuses.

Current Text: Amended: 4/5/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 4/5/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 3/3/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, in furtherance of specified state housing production, sustainability communities strategies, greenhouse gas reduction, and wildfire mitigation goals, prohibit the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area unless there is substantial evidence that the local agency has adopted a comprehensive, necessary, and appropriate wildfire prevention and community hardening strategy to mitigate significant risks of loss, injury, or death, as specified. By imposing new duties on local governments with respect to the approval of new developments in very high fire hazard severity zones and state responsibility areas, this bill would impose a state-mandated local program.

Attachments:
[SB 55 Fact Sheet](#)

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: This bill prohibits the creation or approval of a new development (housing, commercial, retail or industrial) in a very high fire hazard severity zone or a state responsibility area. The bill is author-sponsored and imposes unfunded mandates. A fact sheet is posted in the tracking section of the bill.

As amended on 4/5/21, the bill removes the "blanket approach" to prohibiting development as noted above by adding specificity. The bill prohibits development in either of the areas noted above unless there is substantial evidence that the local agency has adopted a comprehensive, necessary and appropriate wildfire preventions and community hardening strategy to mitigate significant risks of loss, injury or death as specified in the bill. Additionally, the bill provides a qualifying developer a supplemental height bonus and a supplemental density bonus, as specified, if the development is located on a site that meets certain criteria, including, among others, not being located in a moderate, high, or very high fire hazard severity zone, as specified. These requirements are unfunded mandates.

This bill appears similar to AB 1295 (Muratsuchi) except this bill appears to be broader in scope in terms of the type of development prohibited and includes a state responsibility area, whereas AB 1295 only addresses residential development in a very high fire risk area.

[SB 96](#) ([Dahle R](#)) **Fallen Leaf Lake Community Services District Fire Department Protection Act of 2021: elections.**

Current Text: Introduced: 12/21/2020 [html](#) [pdf](#)

Introduced: 12/21/2020

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 1/28/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the El Dorado County elections official, with the assistance of the Fallen Leaf Lake Community Services District, to conduct district elections pursuant to the Uniform District Election Law, except as otherwise provided in the bill. The bill, notwithstanding existing law, would provide that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services District, as specified. The bill would require the designations of voters and authority of legal representatives to be filed with the El Dorado County elections official and the secretary of the Fallen Leaf Lake Community Services District and maintained with the list of qualified voters of the district. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Special Districts Governance

CALAFCO Comments: This bill is the same as SB 1180 from 2020 which did not move through the legislature. It is a local El Dorado County/district bill. This bill does several things. (1) Provides that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services. (2) The bill also would authorize a voter who is not a resident of the district but owns a real property interest in the district to designate only one voter to vote on their behalf, regardless of the number of parcels in the district owned by the nonresident voter. (3) This bill would prohibit the Fallen Leaf Lake Community Services District from providing any services or facilities except fire protection and medical services, including emergency response and services, as well as parks and recreation services and facilities.

CALAFCO is working with the sponsors of the bill and the SGFC on a broader solution to this problem, which is not exclusive to this district.

[SB 261](#) ([Allen D](#)) **Regional transportation plans: sustainable communities strategies.**

Current Text: Introduced: 1/27/2021 [html](#) [pdf](#)

Introduced: 1/27/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/15/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

current law requires certain transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system. Certain of these agencies are designated under federal law as metropolitan planning organizations. Existing law requires that each regional transportation plan include a sustainable communities strategy developed to achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035 established by the State Air Resources Board. This bill would require that the sustainable communities strategy be developed to additionally achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2045 and 2050 and vehicle miles traveled reduction targets for 2035, 2045, and 2050 established by the board. The bill would make various conforming changes to integrate those additional targets into regional transportation plans.

Position: Watch

Subject: Sustainable Community Plans

SB 273 (Hertzberg D) Water quality: municipal wastewater agencies.

Current Text: Enrollment: 8/30/2021 [html](#) [pdf](#)

Introduced: 1/29/2021

Last Amended: 6/21/2021

Status: 8/30/2021-Assembly amendments concurred in. (Ayes 39. Noes 0.) Ordered to engrossing and enrolling.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize a municipal wastewater agency, as defined, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, as defined, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The bill would require a municipal wastewater agency that enters into or amends one of these agreements after January 1, 2022, to file a copy of the agreement or amendment with the local agency formation commission in each county where any part of the municipal wastewater agency's territory is located, but would exempt those agreements and amendments from local agency formation commission approval except as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Attachments:

[CALAFCO Support June 2021](#)

[SB 273 Fact Sheet](#)

Position: Support

Subject: Municipal Services

CALAFCO Comments: This bill is a redo of SB 1052 from 2020 that was not moved forward because of the pandemic. This bill adds authority to municipal wastewater agencies as outlined in 13911(a) and (b) relating to stormwater runoff and management. The bill authorizes this additional authority while keeping the LAFCo process to activate these latent powers intact.

UPDATE: The amendment of 6/21/21 adds a requirement that upon entering into the agreement, the agency has 30 days to file a copy of that agreement or amended agreement with the LAFCO, as requested by CALAFCO.

The bills is sponsored by the CA Assn of Sanitation Agencies. A fact sheet is posted in the tracking section of the bill.

SB 274 (Wieckowski D) Local government meetings: agenda and documents.

Current Text: Enrollment: 8/30/2021 [html](#) [pdf](#)

Introduced: 1/29/2021

Last Amended: 4/5/2021

Status: 8/30/2021-Enrolled and presented to the Governor at 1 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Ralph M. Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by email or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.

Attachments:

[CALAFCO Support SB 274 \(3-15-21\)](#)

[SB 274 Fact Sheet](#)

Position: Support

Subject: Public Records Act

CALAFCO Comments: This bill is a modified redo of SB 931 from 2020 that did not move forward because of the pandemic. This bill updates the Government Code to require a public agency to email the agenda or agenda items to anyone who requests it or the link to the website where the documents can be accessed (current law requires the mailing of such documents upon request, this bill adds the option to email if requested). A fact sheet is posted in the tracking section of the bill.

The amendment on 4/5/21 was to correct a typo reflecting the authority to email information.

[SB 475](#) (Cortese D) Transportation planning: sustainable communities strategies.

Current Text: Amended: 3/10/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 3/10/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 4/26/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the State Air Resources Board, on or before June 30, 2023, and in coordination with the California Transportation Commission and the Department of Housing and Community Development, to issue new guidelines on sustainable communities strategies and require these guidelines to be updated thereafter at least every 4 years. The bill would delete the provisions related to the Regional Targets Advisory Committee and instead require the State Air Resources Board to appoint, on or before January 31, 2022, the State-Regional Collaborative for Climate, Equity, and Resilience, consisting of representatives of various entities. The bill would require the State-Regional Collaborative for Climate, Equity, and Resilience to develop a quantitative tool for metropolitan planning organizations to use to evaluate a transportation plan's consistency with long-range greenhouse gas emission reduction targets and recommend guidelines for metropolitan planning organizations to use when crafting long-range strategies that integrate state goals related to climate resilience and social equity.

Position: Watch

Subject: Sustainable Community Plans

[SB 499](#) (Leyva D) General plan: land use element: uses adversely impacting health outcomes.

Current Text: Introduced: 2/17/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 2/25/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would prohibit the land use element from designating land uses that have the potential to significantly degrade local air, water, or soil quality or to adversely impact health outcomes in disadvantaged communities to be located, or to materially expand, within or adjacent to a disadvantaged community or a racially and ethnically concentrated area of poverty. By expanding the duties of cities and counties in the administration of their land use planning duties, the bill would impose a state-mandated local program.

Attachments:

[SB 499 Fact Sheet](#)

Position: Watch

Subject: Disadvantaged Communities

CALAFCO Comments: As introduced, this bill would prohibit the land use element of a general plan from designating or expanding land uses that have the potential to significantly degrade local air, water, or soil quality or to adversely impact health outcomes within or adjacent to disadvantaged communities (DACs) or a racially and ethnically concentrated area of poverty.

The sponsor of this bill is the Leadership Counsel for Justice and Accountability. A fact sheet is posted in the tracking section of the bill.

[SB 574](#) (Laird D) Agricultural preserves: Williamson Act.

Current Text: Enrollment: 8/30/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 3/4/2021

Status: 8/30/2021-Enrolled and presented to the Governor at 1 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under the California Land Conservation Act of 1965, the board of supervisors or city council may grant tentative approval for a cancellation by petition of a landowner as to all or any part of land subject to a contract, as specified. Prior to any action by the board or council giving tentative approval to the cancellation of any contract, the county assessor is required to determine the current fair market value of the land as though it were free of the contractual restriction, and requires the assessor to send the fair market value to the Department of Conservation, hereafter department, at the same time the assessor sends the value to the landowner. Current law provides for a certificate of tentative cancellation upon tentative approval of a petition by a landowner accompanied by a proposal for a specified alternative use of the land, as provided. Current law requires the board of supervisors or city council to provide notice to the department related to cancellation of the contract as well as in other specified instances. This bill would revise and recast these provisions to no longer require the assessor to provide notice to the department and to require the board of supervisors or city council to provide notice to the department if the certificate of tentative cancellation is withdrawn, as specified.

Position: Watch

CALAFCO Comments: This bill narrows the role of Department of Conservation (DOC) in administering the Williamson Act. It does not change other provisions in the Act except for lessening reporting requirements by local governments to the DOC. The bill repeals the ability of the DOC to agree on a cancellation value for contracted land with a landowner, along with the requirement that the department provide a preliminary valuation to the applicable assessor, and repeals the requirement that the DOC approve cancellation of a farmland security contract. The bill also repeals and narrows reporting requirements by requiring the DOC to post all local government reports on Williamson Act lands/contracts on its website rather than create a report and submit to the Legislature. The bill also repeals certain reporting requirements by local governments (cities and counties) to the DOC regarding Williamson Act contracts.

As amended on 3/4/21, the bill requires cities/counties to file annual maps on Act lands; and removes the requirement for state approval for the amount of security to be paid when paying cancellation fee.

CALAFCO will continue to watch this bill to ensure no detrimental changes are made to the Act through future amendments.

[SB 813](#) (Committee on Governance and Finance) Local Government Omnibus Act of 2021.

Current Text: Enrollment: 8/30/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Last Amended: 6/21/2021

Status: 8/30/2021-Assembly amendments concurred in. (Ayes 39. Noes 0.) Ordered to engrossing and enrolling.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law provides that a person who has made an offer to purchase an interest in an undivided-interest subdivision, as specified, and not exempted, has the right to rescind any contract resulting from the acceptance of that offer during a specified timeframe. Current law defines and describes the terms "subdivided lands" and "subdivision" for these purposes. Current law requires any person who intends to offer subdivided lands for sale or lease, as specified, to file with the Bureau of Real Estate an application for a public report consisting of, among other things, a notice of intention and a completed questionnaire. Current law exempts the proposed sale or lease of those lots or other interests in a subdivision that are limited to industrial or commercial uses by law or by a declaration of covenants, conditions, and restrictions that has been recorded in the official records of the county or counties in which the subdivision is located from certain of those provisions relating to the filing of a report with the Bureau of Real Estate and sales contracts. This bill would instead exempt the proposed sale or lease of those lots or other interests from all provisions as specified.

Position: Watch

CALAFCO Comments: This is the annual Senate Governance & Finance Committee Omnibus bill.

Total Measures: 33

Total Tracking Forms: 33

9/1/2021 11:44:37 AM

Contra Costa County sued over controversial open-space housing plan

Sierra Club, East Bay Municipal Utility District file separate suits

Undeveloped land is seen in Contra Costa County near Danville, Calif., on Thursday, Oct. 20, 2016. (Kristopher Skinner/Bay Area News Group)

By [Shomik Mukherjee](#) | smukherjee@bayareanewsgroup.com |

PUBLISHED: August 14, 2021 at 6:13 a.m. | UPDATED: August 14, 2021 at 4:19 p.m.

Contra Costa County was hit by two lawsuits Thursday, a month after the Board of Supervisors [approved a boundary change to allow construction of 125 homes in protected open space](#) near Danville.

In a controversial decision on July 13, the supervisors voted 4-1 [to stretch the urban limit line](#) east of Blackhawk so developers could build the homes on 30 acres in the Tassajara Valley. In exchange, the developers promised to dedicate 700 acres of land elsewhere to be preserved as open space.

County voters had set the boundary in 1990 to protect the open space beyond it and discourage urban sprawl.

One of the suits was filed by a collective of two environmental groups and a pair of Contra Costa County residents, and the other by the Easy Bay Municipal Utility District.

The district has maintained for years that it doesn't have enough water to supply the homes, and alleges it was illegal for the county to approve the project knowing the district had no water to give.

In an interview, EBMUD spokeswoman Andrea Polk said the district has opposed the project since it was first proposed more than a decade ago.

And while a commission that oversees local agencies could one day force the district to incorporate the Tassajara Valley within its water service area, Polk said that would be a largely unprecedented move and not a smart one considering [much of California is in a severe drought](#).

"The drought we're facing is a really good reminder to all of us that water is precious and we need to be mindful and thoughtful about how a water agency can serve its population and residents both now and into the future," Polk said.

Undeveloped land is seen in Contra Costa County near Danville in 2016. The Contra Costa Board of Supervisors might soon decide whether to approve a new housing project in the Tassajara Valley. (Kristopher Skinner/Bay Area News Group)

In addition to the water district, the Sierra Club, Greenbelt Alliance and former county supervisor Donna Gerber collectively sued the county for ignoring the environmental impacts of building 125 new homes in the middle of natural open space.

They contend the supervisors improperly used a technicality to justify the urban limit line's outward expansion.

Developers FT Land, Meach, BI Land and TH Land entered into a preservation agreement with the county, San Ramon and East Bay Regional Park District in which they guaranteed that 727 acres of land they own elsewhere will be protected open space, safe from future development.

The supervisors considered the deal a good trade-off.

"One of the things we wanted to do with the urban limit line is end sprawl development," Supervisor Federal Glover said at last month's hearing. "Certainly the gifting of 700-and-some-odd acres would actually serve that purpose."

But the preservation agreement did not include Danville, which is directly west of Tassajara Valley and has staunchly opposed the development from the outset. According to the environmental groups' lawsuit, Danville was bypassed because the urban limit line can only be moved if a "majority of cities" involved in a preservation agreement support it.

Danville City Manager Joe Calabrigo said in an interview last month the city will be determining whether to legally challenge the county's action.

Undeveloped land is seen in Contra Costa County near Danville, Calif., on Thursday, Oct. 20, 2016. (Kristopher Skinner/Bay Area News Group)

Jessica Blome, an attorney representing the Sierra Club and Greenbelt Alliance, said the preservation agreement not only is invalid but also counterproductive to conservation efforts. Compromising on 30 acres to preserve 700 acres elsewhere only serves to "gradually chip away at what we're trying to protect," she said.

"There's this idea of a future boogeyman development," Blome added, "but the boogeyman is here now with (this project). We should just enforce the rules now."

An attorney in the Contra Costa County Counsel's Office declined to comment on the two lawsuits, saying the office has not yet been served with either.

The 125-unit development proposal drew a large number of critics at last month's supervisors meeting. Before then, more than 5,400 people signed an [online petition](#) against it.

But the proposal also received support, including from conservationist group Save Mount Diablo and the East Bay Regional Park District, which praised the developers' offer to forever dedicate 700 acres of open space.

Candace Andersen, the only dissenting supervisor, said at the time that the board did not have enough evidence to support moving the urban limit line.

"If we're going to move the urban limit line, I really think it should be up to the voters," Andersen said. "I feel this method that we're using is very contrived."

Seeno team may be main housing developer

Company has history of litigation involving a range of projects

CONCORD NAVAL WEAPONS STATION

By Shomik Mukherjee

smukherjee@bayareanewsgroup.com

CONCORD >> In a split vote, the City Council on Saturday gave a group of developers that includes the controversial Seeno Cos. an exclusive shot to possibly oversee one of the most ambitious housing developments in East Bay history.

The council voted 3-2 to enter an exclusive negotiating agreement with Seeno Cos., Discovery Builders Inc., Lewis Group of Companies and California Capital Investment Group that could result in the team becoming the master developer of the Concord Naval Weapons Station.

The council chose the Discovery/Seeno group over two other development teams after all three made their pitches and dozens of residents and advocates gave their take on the competing development teams.

If it and the city agree to terms for the project's specific plan, the Discovery/Seeno team could be charged with building 13,000 housing units and millions of square feet of office and commercial space on 2,300 acres of the former weapons site. The Navy still must remove toxic

chemicals before transferring the land to the city.

The family-run Seeno Cos. goes back several generations in Concord and currently is run by Albert Seeno III, who promised on Saturday that the developer's local ties to the community will bring a much-needed continuity to a project that has seen starts and stops over the years. The last master developer left last year after a scrape with city officials over a refusal to

SEENO » PAGE 2



A view of ammunition bunkers and downtown Concord are seen at the former Concord Naval Weapons Station in Concord on May 23, 2018.

JANE TYSKA STAFF PHOTOGRAPHER

Seeno

FROM PAGE 1

hire only union workers.

"Our team is here, our family is here, I was born and raised here, some of the first subdivisions I ever built are here from many decades ago," Seeno told the council. "It's something that I know we can pull together." The Seeno Cos.' long history of developing real estate in the East Bay has been a checkered and polarizing one, however, marked by its filing of

for decades.

"The Discovery team made a commitment by reaching out early and making a commitment before anyone else to unions," Kyle Swarens of Carpenters Local 152 said.

Local conservationists opposed the team, citing its litigious past and constant run-ins with environmental groups, including Save Mount Diablo.

"They have only ever built sprawling, climate-unfriendly ventures," said Zoe Siegel of the Greenbelt Alliance. "Their track record and lackluster

lawsuits against local cities, agencies and environmental groups and internal scandals that previously led to a federal mortgage fraud investigation.

And in 2018, Seeno filed a lawsuit to halt the naval weapons station from being developed by a company that beat it and other groups to become the project's master developer.

Last year, Seeno also sued to stop the Navy from transferring some of its land to the East Bay Regional Park District.

Mayor Tim McGallian, Vice Mayor Dominic Aliano and Councilman Edi Birsan voted for the Discovery/Seeno team, citing its good relationship with labor unions, local roots and relatively small size. The secondplace company was multinational real estate giant Brookfield Properties.

Council members Carlyn Obringer and Laura Hoffmeister dissented, saying they favored Brookfield because of its breadth of vision and experience. The third applicant, City Ventures, received no votes from the council.

McGallian praised Discovery/Seeno for being "truly local" and committed to housing U.S. veterans in the project.

"It comes out of their pocketbooks when it's all said and done," McGallian said. "They build in good times, they build in bad times." In renewing the search for a master developer, the council also focused on who could sign a project labor agreement with the Contra Costa Trade and Labor Council, which guarantees that only local union workers would be hired for the construction work.

Negotiations between the labor council and the city's previous master developer, Lennar Corp., fell apart after the two sides failed to agree on worker wages. Miffed that the council insisted on getting a project labor agreement done, Lennar walked away from the project last year.

All three development teams competing for exclusive negotiating rights had signed such agreements, but the unions clearly supported the Discovery/Seeno team, which has worked closely with local labor

presentation today made it clear they would not create a climatesmart and transit-friendly development." In response to questions by Councilman Birsan, who said he supports Discovery/Seeno instead of another "Wall Street company" like Lennar, Seeno said he wasn't personally involved in his company's past scandals, some of which involved members of his direct family.

Birsan sharply criticized Save Mount Diablo for its written comment template - sent to the city by hundreds of the organization's members ahead of Saturday's meeting - that referred to Discovery/Seeno as the "Seeno family" and called its business practices "unethical and illegal." "I found that excessively offensive and especially disappointing in the leadership that would actually put those words in an e-mail - this is America, we do not go after families," Birsan said.

Vice Mayor Aliano also readily gave Discovery/Seeno his vote, calling the Seeno Cos. an approachable, individual-run enterprise. And he credited Seeno for seeking out a project labor agreement first.

But Councilwoman Hoffmeister said who came up with a labor agreement first is irrelevant. She placed Brookfield a "notch above" Discovery/Seeno, citing the company's success with the 4,500-unit Bishop Ranch development in San Ramon.

Councilwoman Obringer also praised Brookfield for its diverse experience with large-scale projects.

"A large number of Concordians work at Bishop Ranch," Obringer said. "This is an amazing opportunity to have a team to bring that world-class vision to fruition." Seeno did not publicly acknowledge the team's detractors. In a speech to the council, he promised to operate off three values: "truth, honesty and commitment." "We're going to be part of and stay part of the community," Seeno said. "I'll make a pledge that I'm going to be involved every step of the way."

