



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*

February 9, 2022 (Agenda)

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

**February 9, 2022  
Agenda Item 13**

**Fiscal Year 2022-23 Budget Schedule and Work Plan Preview**

Dear Members of the Commission:

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

LAFCO staff anticipates bringing a proposed budget to the Commission in April 2022 and a final budget to the Commission in June 2022. In conjunction with the proposed budget, the Commission receives an annual work plan which includes a summary of recent activities and accomplishments along with upcoming projects and activities as summarized below.

**ACCOMPLISHMENTS**

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

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

- June 2014 – Water/wastewater covering eight cities, 19 special districts, and private water companies
- November 2015 – Reclamation services covering 14 special districts
- October 2016 – Fire/EMS covering three cities and eight special districts
- January 2018 – Healthcare covering three special districts and Contra Costa County health services
- June 2019 – “City Services” covering all 19 cities and four community services districts (CSDs)
- June 2021 – “Parks & Recreation Services” covering all 19 cities, four community services districts, three parks & recreation districts, one regional park district, and eight county service areas
- August 2021 – “Cemetery Services” covering two cemetery districts

As part of the FY 2021-22 work plan and budget, the Commission approved preparing a 2<sup>nd</sup> round MSR covering “*Mosquito & Vector Control Services*” and “*Resource Conservation Services*” which is currently underway.

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

**Staffing** - In accordance with the FY 2020-21 and FY 2021-22 reduced budgets, LAFCO deferred hiring an Analyst. LAFCO is currently staffed with 1.5 employees.

LAFCO supplements its staff with consultants and contract service providers, including contract environmental planning, website and financial auditing services, along with legal, information technology, and GIS/mapping services provide by Contra Costa County.

Activities and accomplishments to date during FY 2021-22 include the following:

- Processed 11 new applications including four SOI expansions, four annexations, two boundary reorganizations, and initiated one dissolution. FY 2021-22 application activity reflects a 44% over FY 2020-21 activity.
- Tracked and provided comment letters on legislation affecting LAFCOs.
- Provided comments on six local agency environmental documents.
- Monitored ongoing litigation (Los Medanos Community Healthcare District).
- Completed an Actuarial Evaluation – Post-Employment Medical Benefits Plan GASB 75. Supplemental Schedules – Measurement Period July 1, 2019 to June 30, 2020.
- Completed FY 2019-20 financial audit.
- Updated LAFCO Directory of Local Agencies. – nearly complete
- Commissioners and LAFCO staff participated in various CALAFCO sponsored teleconference training sessions and workshops.
- In January 2022, LAFCO staff initiated the election process for two Special District seats on LAFCO – a regular member seat (Igor Skaredoff) and the alternate member seat (Stan Caldwell).

## **FY 2022-23 WORKPLAN PREVIEW**

In addition to the day-to-day administration, proposal processing, coordination of Commission meetings, budget and contract administration, the 2022-23 work plan includes the following:

### ***1. Municipal Service Reviews (MSRs)/SOI Updates***

Complete 2<sup>nd</sup> round “*Mosquito & Vector Control and Resource Conservation*” MSRs/SOI updates and initiate another 2<sup>nd</sup> round MSR/SOI update to be determined by the Commission. Potential candidates for a 2<sup>nd</sup> round MSR include wastewater services, water services, and miscellaneous county service areas (CSAs) - see attached MSR status report.

**2. *Special Projects/Assignments***

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

It would be beneficial to hear from the Commission regarding priorities and other items of interest in anticipation of preparing the FY 2022-23 LAFCO budget.

**RECOMMENDATION:** Provide input regarding 2<sup>nd</sup> round MSRs and other workplan goals as desired.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment A - Contra Costa LAFCO MSR/SOI Status Report

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

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
CURRENT APPLICATIONS – February 9, 2022**

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, amend 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. The project is currently being litigated.
16-07	Tassajara Parks Project: proposed 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. The Court of Appeal has ruled in favor of LAFCO and Contra Costa County.
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 the City, Contra Costa Water District (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 7/21/21.
21-06	Pantages: proposed SOI amendment to Town of Discovery Bay Community Services District (DBCSD)	Application submitted in September 2021 by DBCSD to amend the District's SOI by 133.37± acres in anticipation of annexation	Currently under review
21-07	Pantages: proposed annexation to DBCSD	Application submitted in September 2021 by DBCSD to annex 202.47± acres to support development of 277 single family homes	Currently under review

<b>File No.</b>	<b>APPLICATION NAME/LOCATION</b>	<b>APPLICATION SUMMARY</b>	<b>STATUS</b>
21-08	SOI Amendment to EBMUD – 285 Lark Lane – Alamo	Application submitted in September 2021 by the landowner to amend EBMUD’s SOI by 3.14± acres in anticipation of annexation	Currently under review
21-09	Annexation to EBMUD – 285 Lark Lane – Alamo	Application submitted in September 2021 by the landowner to annex 3.14± acres to EBMUD	Currently under review
21-12	Annexation to Mt. View Sanitary District (MVSD)	Application submitted in October 2021 by the landowner to annex two parcels to MVSD	Currently under review
21-13	SOI Amendments – DD – Evora Road Self Storage	Application submitted in November 2021 by the landowner to expand CCCWD & DD SOIs by 7.75± acres in anticipation of annexation	Currently under review
21-14	Annexations to CCWD & DD – Evora Road Self Storage	Application submitted in November 2021 by the landowner to annex 7.75± acres to CCWD & DD	Currently under review
21-16	Laurel Ranch IV, Subdivision 9495, 5175 Laurel Drive – Annexation to City of Concord	Application submitted in December 2021 by the landowner to annex 3.60± acres to City of Concord	Currently under review