



Lou Ann Teixeira
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
40 Muir Road, 1st Floor • Martinez, CA 94553
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(925) 313-7133

NOTICE AND AGENDA FOR REGULAR MEETING

Wednesday, November 9, 2022, 1:30 PM

As permitted by Government Code section 54953(e), this meeting will be held by Zoom and teleconference (webinar) and also in person at 1025 Escobar Street, First Floor in Martinez.

PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS

If joining remotely, please click the link below to join the webinar:

<https://cccounty-us.zoom.us/j/89633801679>

Or Telephone:

Dial:

USA 214 765 0478 US Toll

USA 888 278 0254 US Toll-free

Conference code: 220394

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.

NOVEMBER 9, 2022 CONTRA COSTA LAFCO AGENDA

1. Call to Order
2. Roll Call
3. Approval of Minutes of the September 14, 2022 regular LAFCO meeting
4. Public Comment Period (please observe 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.

TELECONFERENCING

5. ***Resolution Authorizing Teleconference Meetings Pursuant to Assembly Bill 361*** – adopt a resolution authorizing LAFCO to conduct teleconference meetings per Gov. Code §54953(e) and make related findings

SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATION

6. ***LAFCO 22-04 – Annexation to – EBMUD – Thomas Property*** – consider annexing to EBMUD 35± acres (APNs 365-230-037/-038) located at 4949 Happy Valley Road (unincorporated Lafayette) and consider a categorical exemption under the California Environmental Quality Act (CEQA) ***Public Hearing***
7. ***LAFCO 22-07- Contra Costa County Fire Protection District (CCCFPD) and City of Pinole – Out of Agency Service Agreement (OAS)*** - consider a request by CCCFPD to provide fire, rescue and emergency medical services to the City of Pinole under a 5-year contract between CCCFPD and the City effective March 1, 2023, and consider a categorical exemption under CEQA ***Public Hearing***

BUSINESS ITEMS

8. ***Contra Costa Mosquito & Vector Control District (CCMVCD) & Contra Costa Resource Conservation District (CCRCD) Municipal Services Review (MSR) & Sphere of Influence (SOI) Updates (2nd Round)*** receive an overview of the Final Draft CCMVCD/CCRCD MSR, receive public comments, provide input, and consider CEQA exemptions ***Public Hearing***
9. ***LAFCO 2023 Meeting Schedule*** – consider approving the 2023 LAFCO meeting schedule
10. ***FY 2022-23 First Quarter Budget Report*** – receive FY 2022-23 first quarter budget report
11. ***2022 Legislative Wrap-up*** – a legislative update will be provided – *information only*
12. ***Updates to LAFCO Staffing, Budget, and Personnel*** - consider approving the LAFCO Clerk Analyst job description, updates to the LAFCO salary schedule, an increase in FY 2022-23 salary and benefit costs, and recruitment efforts for a Clerk Analyst

INFORMATIONAL ITEMS

13. ***Current and Potential Applications*** - update on current and potential applications – *information only*
14. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA) including *GASB 68 Actuarial Report (Measurement Date 12/31/21), five-year projection of employer contribution rate changes and the reconciliations of employer contribution rate, and unfunded actuarial accrued liability reconciliation by cost group based on the December 31, 2021 Actuarial Valuation letters*
15. Commissioner Comments and Announcements
16. Staff Announcements/CALAFCO Conference Highlights/Newspaper Articles

ADJOURNMENT

Next regular LAFCO meeting December 14, 2022 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
September 14, 2022

November 9, 2022
Agenda Item 3

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

Chair Schroder called the regular meeting of September 14, 2022, to order at 1:31 p.m.

The following Commissioners and staff were present:

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

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 both via Zoom videoconference and in person at 1025 Escobar Street, First Floor in Martinez. 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 by a roll call vote of the attending Commissioners.

3. Approval of Minutes

Upon motion by Commissioner Blubaugh and second by Commissioner Anderson, the Commission unanimously, by a 6-0 vote approved the August 10, 2022, meeting minutes.

VOTE:

AYES: Andersen, Blubaugh, Bristow, Glover, McGill, Schroder
NOES: None
ABSENT: Butt
ABSTAIN: None

4. Public Comments

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

TELECONFERENCING

5. Resolution Authorizing Teleconference Meetings Pursuant to Assembly Bill 361 – adopt a resolution authorizing LAFCO to conduct teleconference meetings per Gov. Code §54953(e) and make related findings

Following Commissioner comments and upon a motion by Commissioner Blubaugh and second by Commissioner Andersen, the Commission, unanimously, by a 6-0 vote, adopted Resolution No. 2022-06 allowing Contra Costa LAFCO to conduct teleconference meetings pursuant to GC section 54953(e) and make related findings.

VOTE:

AYES: Andersen, Blubaugh, Bristow, Glover, McGill, Schroder
NOES: None
ABSENT: Butt
ABSTAIN: None

SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATION

6. ***LAFCO 22-03 – SOI Amendment – EBMUD – Thomas Property*** – consider expanding EBMUD’s SOI (32± acres) to include two parcels (APNs 365-23-037/-038) located at 4949 Happy Valley Road (unincorporated Lafayette) and consider a categorical exemption under the California Environmental Quality Act (CEQA) ***Public Hearing Continued from August 10, 2022***

Chair Schroder opened the public hearing and closed the public hearing; and there were no speakers

Following Commissioners comments and upon a motion by Commissioner Andersen and second by Commissioner Glover, unanimously, by a 6-0 vote, adopted Resolution 22-03 approving the proposed EBMUD SOI expansion of 32± acres and determining that the SOI expansion is exempt from CEQA

VOTE:

AYES: Andersen, Blubaugh, Bristow, Glover, McGill, Schroder
NOES: None
ABSENT: Butt
ABSTAIN: None

7. ***LAFCO 22-01 – Annexation to City of Concord and Detachment from County Service Area (CSA) P-6*** – Akins Property – consider annexation to City of Concord and detachment from CSA P-6 of one parcel (APN 116-092-007) (1.42± acres) located at 1974 Ayers Road (unincorporated Concord) and consider a categorical exemption under CEQA ***Public Hearing***

Chair Schroder opened the public hearing and closed the public hearing; and there were no speakers

Following Commissioners comments and upon a motion by Commissioner Blubaugh and second by Commissioner McGill, unanimously, by a 6-0 vote, adopted Resolution 22-01 approving annexation to City of Concord and detachment from CSA P-6, Akins property 1.42± located at 1974 Ayers Road in unincorporated Concord (Ayers Ranch). The annexation/detachment is in accordance with the City’s pre-annexation agreement and LAFCO’s conditions of approval for out-of-agency wastewater service in June 2021. The Commission determined the project is exempt from CEQA, and deferred issuing the LAFCO Certificate of Completion until September 30, 2023, to allow the property owners to obtain permits from the County and complete construction

VOTE:

AYES: Andersen, Blubaugh, Bristow, Glover, McGill, Schroder
NOES: None
ABSENT: Butt
ABSTAIN: None

8. ***LAFCO 22-05 – City of Martinez – Out of Agency Service Request*** – consider a request by the City of Martinez to extend municipal water services outside its jurisdictional boundary to property located at 2567 Reliez Valley Road (22,000 sq. ft) (APN 365-150-015) in unincorporated Martinez, and consider a categorical exemption under CEQA

Commissioners urged the City of Martinez to annex and prepare an annexation plan. Following Commissioners comments and upon a motion by Commissioner Glover and second by Commissioner Blubaugh, unanimously, by a 6-0 vote, adopted Resolution 22-05 authorizing the City of Martinez to provide Out-Of-Agency Water Service to APN 365-150-015 (2567 Reliez Valley Road) and determining that the project is exempt from CEQA. The LAFCO resolution includes a provision that the City of Martinez must provide LAFCO with an update by December 31, 2022, regarding the City's future plans to annex the Alhambra Valley.

VOTE:

AYES: Andersen, Blubaugh, Bristow, Glover, McGill, Schroder
NOES: None
ABSENT: Butt
ABSTAIN: None

9. ***LAFCO 22-06 – West County Wastewater District (WCWD) – Out of Agency Service Request*** – consider a request by WCWD to extend municipal wastewater services outside its jurisdictional boundary to two parcels (APNs 408-090-055 and 408-130-041) totaling 26.38± acres located on Parr Blvd in unincorporated Richmond, and consider related actions as a responsible agency under CEQA

Following Commissioners comments and upon a motion by Commissioner McGill and second by Commissioner Andersen, unanimously, by a 6-0 vote, adopted Resolution 22-06 authorizing WCWD to extend municipal wastewater services outside its jurisdictional boundary to two parcels (APNs 408-090-055 and 408-130-041) located at 155 and 177 Parr Blvd in unincorporated Richmond, and consider related actions as a responsible agency under CEQA. The LAFCO resolution includes a condition that the landowners submit to LAFCO an application to annex the subject parcels to WCWD, along with the applicable annexation fees, by September 30, 2023

VOTE:

AYES: Andersen, Blubaugh, Bristow, Glover, McGill, Schroder
NOES: None
ABSENT: Butt
ABSTAIN: None

BUSINESS ITEMS

10. ***July 1, 2021 Actuarial Valuation and June 30, 2022 GASB 75 Supplemental Schedules*** – informational item – no action required by the Commission

INFORMATIONAL ITEMS

11. ***Current and Potential Applications*** – update on current and potential applications – informational item – no action required by the Commission
12. ***Correspondence from Contra Costa County Employee's Retirement Association (CCCERA)*** – informational update – no action required by the Commission
13. ***Commissioner Comments and Announcements***
Commissioner McGill updated the Commission on CALAFCO's activities:

- August 15, 2022 - CALAFCO Annual Conference Program Committee
- September 8, 2022 – CALAFCO Annual Conference Program Committee
- September 19, 2022 – CALAFCO U
- October 7, 2022 – CALAFCO Legislative Committee Meeting
- October 18-21, 2022 – CALAFCO Annual Conference

14. Staff Announcements

Executive Officer Texeira, Clerk Weis and several Commissioners will be attending the CALAFCO Annual Conference

Tom Geiger, Commission Counsel – updated the Commissioners on the Knightsen Town Community Services District Dissolution

The meeting adjourned at 1:56 p.m.

Final Minutes Approved by the Commission November 9, 2022

ADJOURNMENT

The next regular LAFCO meeting is November 9, 2022, at 1:30 pm.

By _____
Executive Officer



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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Executive Officer

MEMBERS

Candace Andersen
County Member

Donald A. Blubaugh
Public Member

Tom Butt
City Member

Patricia Bristow
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

November 9, 2022
Agenda Item 5

November 9, 2022

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

Adoption of Resolution 2022-07 (AB 361)

Dear Members of the Commission:

Since June 2020, Contra Costa LAFCO has conducted its public meetings via Zoom/teleconference, consistent with the Governor's Executive Orders allowing teleconferencing and AB 361, which authorizes teleconferencing without following the non-emergency teleconferencing rules in the Brown Act. The Commission has adopted a resolution at each LAFCO meeting authorizing LAFCO to conduct teleconference meetings.

In August 2022, the Commission discussed format options for future LAFCO meetings, including virtual/teleconference meetings, in-person meetings, and hybrid meetings (both virtual/teleconference and in-person). The Commission indicated a preference for the hybrid meeting format, which we have implemented.

In September 2022, the Commission approved a resolution authorizing LAFCO to continue conducting teleconference meetings under Government Code section 54953(e). Commissioners indicated that because of the rise in Covid-19 cases due to variants, the question of whether to continue meeting remotely would be revisited at each meeting.

RECOMMENDATIONS: 1) Adopt Resolution No. 2022-07 authorizing LAFCO to conduct teleconference meetings under Government Code §54953(e) and make related findings.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment – Draft AB 361 – LAFCO Resolution 2022-07

RESOLUTION NO. 2022-07

**A RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION
COMMISSION AUTHORIZING TELECONFERENCE MEETINGS UNDER
GOVERNMENT CODE SECTION 54953(e) (ASSEMBLY BILL 361)**

Recitals

- A. On March 4, 2020, Governor Gavin Newsom proclaimed the existence of a state of emergency in California under the California Emergency Services Act, Government Code (GC) §8550 et seq.
- B. On March 10, 2020, the Contra Costa County Board of Supervisors found that due to the introduction of COVID-19 in the County, conditions of disaster or extreme peril to the safety of persons and property had arisen, commencing on March 3, 2020. Based on these conditions, pursuant to GC §8630, the Board of Supervisors adopted Resolution No. 2020/92, proclaiming the existence of a local emergency throughout Contra Costa County.
- C. On March 17, 2020, Governor Newsom issued Executive Order N-29-20, which suspended the teleconferencing rules set forth in the California Open Meeting law, GC §54950 et seq. (the Brown Act), provided certain requirements were met and followed.
- D. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which clarified the suspension of the teleconferencing rules set forth in the Brown Act and further provided that those provisions would remain suspended through September 30, 2021.
- E. On September 16, 2021, Governor Newsom signed Assembly Bill (AB) 361, which provides that under GC §54953(e), a legislative body subject to the Brown Act may continue to meet using teleconferencing without complying with the non-emergency teleconferencing rules in GC §54953(b)(3) if a proclaimed state of emergency exists and state or local officials have imposed or recommended measures to promote social distancing.
- F. On October 4, 2022, the Contra Costa County Health Officer issued recommendations for safely holding public meetings that include recommended measures to promote social distancing.
- G. Among the Health Officer's recommendations: (1) on-line meetings (teleconferencing meetings) are strongly recommended as those meetings present the lowest risk of transmission of SARS-CoV-2, the virus that causes COVID-19; (2) if a local agency determines to hold in-person meetings, offering the public the opportunity to attend via a call-in option or an internet-based service option is recommended when possible to give those at higher risk of an/or higher concern about COVID-19 an alternative to participating in person; (3) a written safety protocol should be developed and followed, and it is recommended that the protocol require social distancing – i.e., six feet of separation between attendees – and face masking of all attendees; (4) seating arrangements should allow for staff and members of the public to easily maintain at least six-foot distance from one another at all practicable times.
- H. Because of the prevalence of COVID-19 variants in the Bay Area, case rates and COVID-19 hospitalizations remain high in the County.
- I. In the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Contra Costa Local Agency Formation Commission (LAFCO) intends to invoke the provisions of AB 361 related to teleconferencing.

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission resolves as follows:

1. LAFCO finds that: the state of emergency proclaimed by Governor Newsom on March 4, 2020, is currently in effect; and the Contra Costa County Health Officer has strongly recommended that public meetings be held by teleconferencing as those meetings present the lowest risk of transmission of SARS-CoV-2, the virus that causes COVID-19.
2. As authorized by AB 361, LAFCO will use teleconferencing for its meetings in accordance with the provisions of GC §54953(e).
3. The Executive Officer is authorized and directed to take all actions necessary to implement the intent and purpose of this resolution, including conducting open and public meetings in accordance with GC §54953(e) and all other applicable provisions of the Brown Act.

PASSED AND ADOPTED on November 9, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ROB SCHRODER, CHAIR, CONTRA COSTA LAFCO

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

Dated: November 9, 2022

Lou Ann Texeira, Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

November 9, 2022
Agenda Item 6

November 9, 2022 (Agenda)

LAFCO 22-04 Annexation to East Bay Municipal Utility District (EBMUD) – 4949 Happy Valley Road (unincorporated Lafayette)

APPLICANT Steve Thomas - Landowner/Applicant

SYNOPSIS The applicant proposes to annex two parcels (APNs 365-230-037 and -038) to EBMUD. The parcels total 35± acres and are located at 4949 Happy Valley Road in unincorporated Lafayette - see attached map (Exhibit A).

The purpose of the proposal is to allow for the extension of municipal water service to serve one existing single-family home, along with a personal vineyard and livestock. There is also the potential to construct a second single-family home on the adjacent parcel.

BACKGROUND

In May 2022, the landowner applied to Contra Costa LAFCO to expand EBMUD's sphere of influence (SOI) and annex the subject property to EBMUD. Included with the application was a request that Alameda LAFCO transfer jurisdiction to Contra Costa LAFCO to process these applications. Alameda is the principal county for LAFCO proceedings related to EBMUD matters. The "principal county" for LAFCO proceedings is the county having the greatest portion of the assessed value, as shown on the last equalized assessment roll, of all taxable property within the district. [Government Code (GC) §56066].

Contra Costa LAFCO submitted a request to Alameda LAFCO to transfer jurisdiction to Contra Costa LAFCO, and on July 14, 2022, Alameda LAFCO approved the request.

On September 14, 2022, Contra Costa LAFCO approved expanding EBMUD's SOI to include the two subject parcels. On November 9, 2022, the Commission will be asked to approve the corresponding annexation as described below.

DISCUSSION

Government Code (GC) §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 parcel proposed for annexation is within EBMUD's SOI as approved by the Commission on September 14, 2022. EBMUD staff does not oppose the proposed annexation.

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

One of the parcels includes a single-family home, vineyard, and livestock; the other parcel is currently vacant. The County General Plan designation for the subject parcels is *Agricultural Land* (AL) and the zoning designation is *General Agricultural* five acre minimum (A-2). The parcels are outside the Contra Costa County Urban Limit Line.

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

The subject parcels are not under an active Williamson Act contract. There are no lands under Williamson Act contracts near or around the subject parcels. One of the subject parcels (APN -037) meets the LAFCO definition of "agricultural land" (GC §56016) as the parcel contains a vineyard.

4. Topography, Natural Features and Drainage Basins:

The subject parcel is located in unincorporated Lafayette. The topography within and around the subject parcels is described as "hilly with valleys." The subject properties are near Briones Reservoir.

5. Population:

The estimated population increase is approximately 2.87 persons per household (owner) and 2.37 persons per household (renter) based on the US Census Bureau, American Community Survey 5-year estimates, 2016-2020.

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. The proposed annexation will have no effect on regional housing needs.

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

In conjunction with an annexation application, the applicant must submit a plan for providing services within the affected territory (Gov. Code §56653). The plan for services is available in the LAFCO office at 40 Muir Road, Martinez. The plan includes all of the following information and additional information required by the Commission or the LAFCO 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 annexation area is currently within the service boundaries of various local agencies including, but not limited to, Contra Costa County, Contra Costa Fire County Protection District, various school districts, and other local and regional agencies.

The proposal before the Commission is annexation of two parcels to EBMUD to support an existing single-family home, a vineyard, livestock, and one proposed single-family home on the second parcel.

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 a boundary change proposal. 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 includes annexation to EBMUD for the provision of water services. EBMUD provides potable water services and limited wastewater collection and treatment services in portions of the District's service area. The EBMUD service area is approximately 332 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.4 million people within the two-county service area. Within Contra Costa County, EBMUD provides water service to a 225± square mile service area, serving an estimated 522,000 residents.

EBMUD's water supply is distributed through a collection system consisting of aqueducts, reservoirs, and other components. The primary source of water for EBMUD is the Mokelumne River; this watershed accounts for 90 percent of EBMUD's water supply. EBMUD's existing water rights allow the delivery of up to 325 mgd or approximately 364,037 acre-feet per year of water from the Mokelumne River.

EBMUD's water rights are subject to variability, particularly during dry and multiple dry years. The availability of the Mokelumne River runoff is subject to senior water rights of other users, downstream fishery flow requirements, and other Mokelumne River water uses. Given the variability, EBMUD indicates that supplemental water supply sources are needed to meet future water demand during extended periods of drought.

The Freeport Regional Water Facility, located along the Sacramento River between Sacramento and the town of Freeport, is a regional water supply project that provides supplemental water supply to EBMUD during dry years. During periods of drought, EBMUD receives Central Valley Project (CVP) water from the Freeport Regional Water Facility to augment EBMUD's water supply. The U.S. Bureau of Reclamation (USBR) provides supplemental water supply during dry and multiple dry years to ensure the reliability of EBMUD's water supply. In conjunction with the request to annex the property, EBMUD must seek approval from the USBR for inclusion. Furthermore, the District may be required to obtain approval to update the District's Place-in-Use with the California Water Resources Control Board (SWRCB). To initiate the review and approval process with the USBR and SWRCB, the landowner must enter into an agreement with EBMUD to reimburse the District for all fees levied by these agencies.

The landowner reports that the water quality on the property has a high level of boron. Contra Costa Environmental Health (CCEH) reviewed the water quality for the well located on the property and confirmed that the boron level of 5,900 micrograms per liter (ug/L) exceeds the California State Notification Level of 1,000 (ug/L). CCEH has no objection to EBMUD supplying water to the subject property as noted in their letter (Attachment 1).

The estimated water demand for the subject area is currently unknown and would need to be provided by EBMUD as part of the completed application to EBMUD to determine if the property can feasibly be served. The property owner provided an estimated range of approximately 3,000 to 5,000 gallons per day. Specific water infrastructure will be determined when the landowner applies to EBMUD for service. EBMUD staff provided a will serve letter indicating that municipal water service will be available following annexation (Attachment 2).

9. Assessed Value, Tax Rates, and Indebtedness:

The annexation area is within tax rate area 73015. The assessed value for the annexation area is \$2,326,896 (2022-23 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:

The proposed annexation of the subject parcel is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines §§15303(a) and (d) as a utility extension to serve one to three single-family residences.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are fewer than 12 registered voters on the subject property; thus, the area proposed for annexation is, by statute, considered uninhabited. The property owner/applicant consents to the proposed annexation. Therefore, if the Commission approves the annexation, the Commission may waive the protest hearing (Gov. Code §56662).

All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundary of the subject parcel were sent notice of the LAFCO hearing.

12. Boundaries and Lines of Assessment:

The property proposed for annexation is within EBMUD's SOI as approved by the Commission on September 14, 2022. A map and legal description to implement the proposed annexation were received and are subject to final approval by the County Surveyor.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals for changes of organization or reorganization 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 proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

14. Disadvantaged Communities:

In accordance with State legislation, local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (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 Department of Conservation and Development, the annexation area does not meet the criteria of a DUC.

15. Comments from Affected Agencies/Other Interested Parties:

As of this writing, no comments were received from other affected agencies or parties.

16. Regional Transportation and Regional Growth Plans:

In its review of a proposal, LAFCO shall consider a regional transportation plan adopted pursuant to GC §65080 [GC §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 sub regional basis (GC §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, the

Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), in July 2013, adopted Plan Bay Area as the “*Regional Transportation Plan and Sustainable Communities Strategy*” for the San Francisco Bay Area through 2040. *Plan Bay Area* focuses on where the region is expected to grow and how development patterns and the transportation network can work together to reduce GHG emissions. The Plan’s key goals are to reduce GHG emissions by specified amounts; and plan sufficient housing for the region’s projected population over the next 25 years.

In October 2021, ABAG and MTC adopted *Plan Bay Area 2050*, which serves as the Bay Area's official long-range plan for housing, economic development, transportation, and environmental resilience for the next four years. While prior iterations of *Plan Bay Area* focused on transportation and housing, the 2050 plan expands the scope introducing strategies for long-term economic development and environmental resilience, while meeting federal and state requirements. This proposal is consistent with *Plan Bay Area*.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials submitted, the Commission should consider taking one of the following actions:

RECOMMENDED ACTION: Approve Option 1

Option 1 Approve the annexation as proposed.

- A. Find that the project is exempt from CEQA pursuant to §§15303(a) and (d) of the CEQA Guidelines.
- B. Adopt this report, approve LAFCO Resolution No. 22-04 (Attachment 3), and approve the proposal, to be known as *Annexation to East Bay Municipal Utility District (EBMUD) – 4949 Happy Valley Road - (unincorporated Lafayette)* subject to the terms and conditions in Resolution No. 22-04.

Option 2 Adopt this report and DENY the proposal.

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

RECOMMENDED ACTION: Approve Option 1

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

Attachments

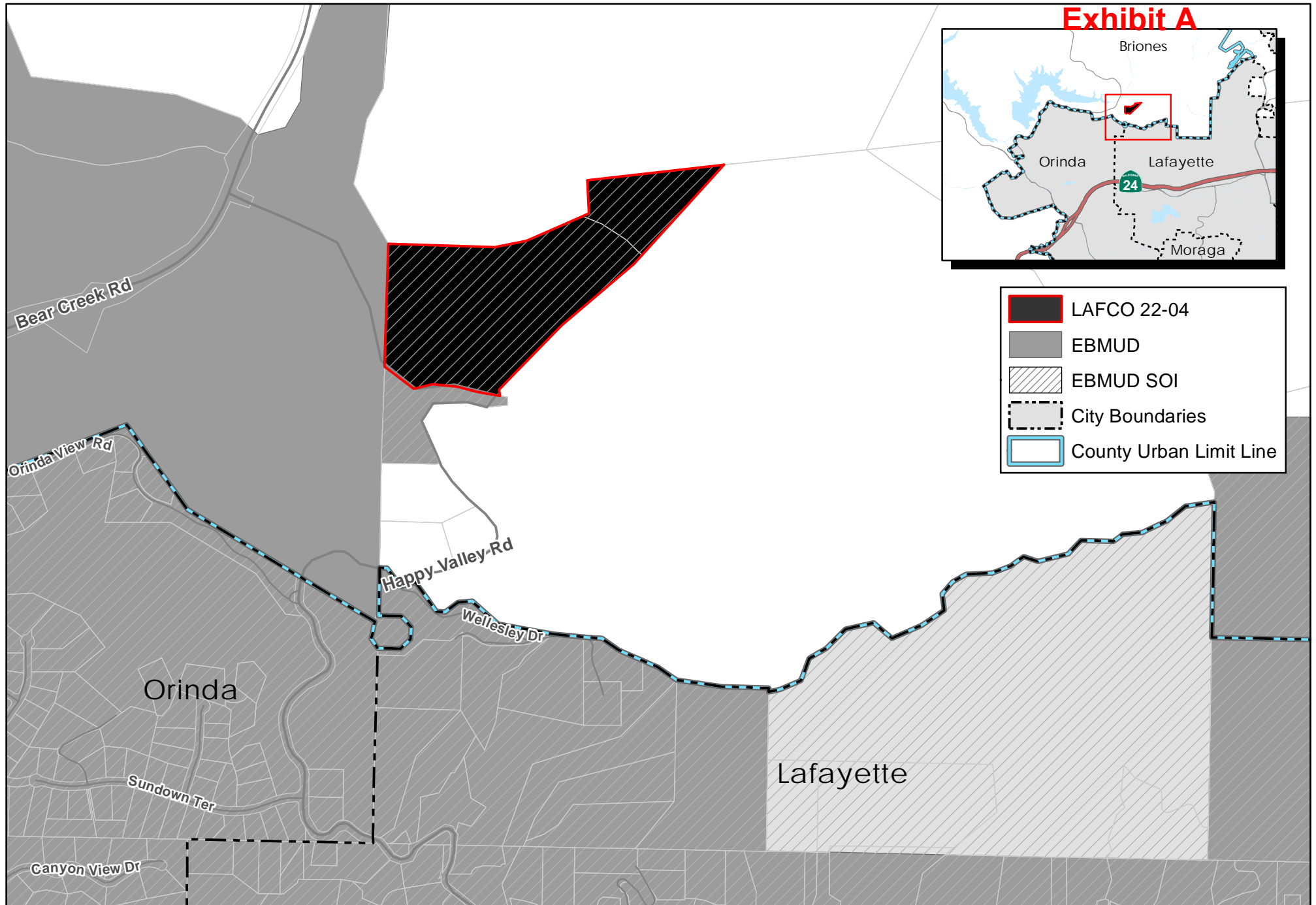
- 1. Letter from Contra Costa Environmental Health
- 2. EBMUD Will Serve Letter
- 3. Draft LAFCO Resolution 22-04

Exhibit

- A. Annexation Map – 49494 Happy Valley Road

c: Steve Thomas, Landowner/Applicant
Jack Flynn, EBMUD

LAFCO No. 22-04 Annexation to East Bay Municipal Utility District (EBMUD) - Thomas Property



RESOLUTION NO. 22-04

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
ANNEXATION TO EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD)
4949 HAPPY VALLEY ROAD - LAFAYETTE**

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 Gov. 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 were presented to and considered by the Commission; and

WHEREAS, at a public hearing held on November 9, 2022, 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 determinations, applicable General and Specific Plans, consistency with the sphere of influence, and related factors and information including those contained in Gov. Code §56668; and

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

WHEREAS, the applicant 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; and

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

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

1. The Commission finds that the annexation to EBMUD is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15300(a) and (d) as a utility extension to serve one to three single-family residences.

2. Annexation to East Bay Municipal Utility District of two parcels (APNs 365-230-037 and -038) totaling 35± acres located at 4949 Happy Valley Road in unincorporated Lafayette is approved.
3. The subject proposal is assigned the distinctive short-form designation:
ANNEXATION TO EAST BAY MUNICIPAL UTILITY DISTRICT – 4949 HAPPY VALLEY ROAD – UNINCORPORATED LAFAYETTE
4. The boundary of the subject area is found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
5. The subject area is liable for any authorized or existing taxes, charges, and assessments currently being levies on comparable properties within the annexing agency.
6. The subject area is uninhabited.
7. No affected landowners or registered voters within the subject area object to the proposal, and the conducting authority (protest) proceedings are hereby waived.
8. Water service is conditioned upon EBMUD receiving acceptance for inclusion of the annexed area from the United States Bureau of Reclamation (USBR), pursuant to the requirements in EBMUD’s contract with USBR for supplemental water supply from the Central Valley Project.
9. All subsequent proceedings in connection with this annexation 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 9th day of November 2022, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ROB SCHRODER, 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: November 9, 2022

Lou Ann Texeira, Executive Officer

ANNA M. ROTH, RN, MS, MPH
HEALTH SERVICES DIRECTOR
RANDALL L. SAWYER
DEPUTY HEALTH DIRECTOR
JOCELYN STORTZ, MS, REHS
ENVIRONMENTAL HEALTH DIRECTOR



**CONTRA COSTA
ENVIRONMENTAL HEALTH**

2120 Diamond Boulevard, Suite 100
Concord, California 94520

Ph (925) 608-5500
Fax (925) 608-5502
www.cchealth.org/eh/

April 28, 2022

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

**Subject: Property Owner Request for Water Service
4949 Happy Valley Rd, Lafayette, CA
APN: 365-230-037**

Dear Members of the Commission:

Contra Costa Environmental Health (CCEH) has reviewed water quality results for the well located at the subject property.

The results report indicated a boron level of 5,900 micrograms per liter ($\mu\text{g/L}$), which exceeds the California State Notification Level of 1,000 $\mu\text{g/L}$.

Notification levels are non-regulatory health-based advisory levels established by the State Water Resources Control Board (SWRCB) for chemicals for which maximum contaminant levels (MCL) have not been established. The US EPA has also established a Health Advisory Level for non-cancer health effects from boron in drinking water of 5,000 $\mu\text{g/L}$. The US EPA and SWRCB have not established an MCL for boron.

CCEH has no objection to the East Bay Municipal Utility District (EBMUD) supplying water to the subject property.

If you have any questions, please contact me at (925) 383-6831 or by email at timothy.ellsworth@cchealth.org.

Sincerely,

Timothy Ellsworth, R.E.H.S.
Environmental Health Specialist II
Land Use Program

cc: Jocelyn Stortz, Director of Environmental Health
John Wiggins, Supervising Environmental Health Specialist
Steven Thomas, Property Owner

TE:lj





August 16, 2021

Via Electronic Mail

stthomas@tiogaconstruction.com

To: Steve Thomas

Re: 4949 Happy Valley Road, Lafayette – Will Serve Letter

Dear Steve Thomas:

Water service to the subject property will be available contingent upon evidence of annexation to the East Bay Municipal Utility District (District) and compliance with the District's regulations governing water service and Schedule of Rates and Charges, which may include water main extensions and/or off-site pipeline improvements at the applicant's expense. The District's Regulations and Schedule of Rates and Charges can be found at www.ebmud.com. Since the property to be served is outside the District's service area, U.S. Bureau of Reclamation (USBR) approval will be required for inclusion to the District's Central Valley Project Contractor Service Area. Furthermore, an update to the District's Place-in-Use with the California State Water Resources Control Board (SWRCB) may also be necessary. At the applicant's expense, the District will seek approval from the USBR and SWRCB once the annexation proposal is approved by LAFCO.

If you have any questions, please contact our office at (510) 287-1008.

Sincerely,

A handwritten signature in black ink that reads 'Courtney Carlson'.

Courtney Carlson
Senior Administrative Clerk
New Business Office

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

November 9, 2022 (Agenda)

November 9, 2022
Agenda Item 7

LAFCO 22-07

Contra Costa County Fire Protection District and City of Pinole – Extension of
Out of Agency Service (OAS)

STATUTORY FRAMEWORK

LAFCOs were created by the State legislature and are governed by the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH). In 2016, the CKH was amended to include Government Code (GC) §56134, which establishes procedural requirements for a public agency to provide *fire protection service by contract outside the public agency's jurisdictional boundary* in accordance with Senate Bill 239 (Hertzberg). GC §56134 authorizes LAFCO to review and approve OAS agreements between local government agencies for the provision of fire protection and related services.

This statute applies to contracts for the exercise of new or extended fire protection services outside a public agency's boundary if the contract would transfer responsibility for providing services in more than 25% of a public agency's service area to another public agency or would change the employment status of more than 25% of the employees of a public agency affected by the contract. The proposed cooperative fire protection agreement between CCCFPD and the City of Pinole would result in the transfer of 100% of the current City of Pinole firefighting services and staff to CCCFPD, triggering review and approval by LAFCO.

Application Criteria: Pursuant to GC §56134 and LAFCO's policies and procedures, an OAS application must include a fire protection contract, plan for service, independent comprehensive fiscal analysis, and a LAFCO public hearing. Both the City of Pinole and CCCFPD also submitted resolutions supporting the application following their respective public hearings (Exhibits A and B, respectively).

SYNOPSIS

The Contra Costa County Fire Protection District ("CCCFPD") recently submitted an application to LAFCO to provide fire, rescue, and emergency medical services (EMS) to the City of Pinole ("City") through a service contract with a five0year term (Attachment 1). The application includes supporting documents including consent resolutions from both CCCFPD and the City of Pinole, a fire protection services agreement, a *Plan for Providing Services*, an independent fiscal analysis, lease agreements (signatures pending), and agency consent letters and side letters and agreements from the City, Local 1230, and the United Chief Officers Association.

PURPOSE

The key purposes of the proposed CCCFPD and City of Pinole out of agency service contract are as follows:

1. To enhance and expand fire and emergency medical services to the City of Pinole, including reopening of Station 74;
2. To improve economies of scale of fire protection services within the City of Pinole; and
3. To better meet the fire, rescue, and emergency medical service needs of the City of Pinole

Both the City and CCCFPD held multiple public hearings and received public input regarding the proposal. There were numerous public speakers at the October 10th City of Pinole public hearing. The public comments were significantly positive. Several speakers expressed concerns regarding the 5-year contract, what happens after five years, and the fiscal forecast/sustainability.

DISCUSSION

Background

CCCFPD was formed in 1964 as a county-dependent district through the consolidation of the Central Fire District and the Mt. Diablo County Fire District. Subsequently, Mountain View FPD, Lafayette FPD, Bay Point FPD, Island FPD, Briones County FPD, Pinole FPD, Riverview FPD, West County FPD, and most recently, East Contra Costa Fire Protection District (ECCFPD), consolidated with CCCFPD. The County Board of Supervisors serves as the governing board for CCCFPD, which is a dependent district.

The CCCFPD service boundary covers 555± square miles and includes the cities of Antioch, Brentwood, Clayton, Concord, Lafayette, Martinez, Oakley, Pleasant Hill, Pittsburg, San Pablo, and Walnut Creek. Unincorporated communities of Alhambra Valley, Bay Point, Bethel Island, Byron, Clyde, Discovery Bay, El Sobrante, Knightsen, Marsh Creek/Morgan Territory area, and Pacheco, serving a population of approximately 760,600 (*Data analysis by CCC DCD*).

CCCFPD currently owns 34 fire stations throughout the District, including those in the former ECCFPD. Two were closed as of 2022, and one is a reserve station and a leased facility. Two replacement stations and one new station are in the design and development process. Funding and personnel are available to staff two additional fire companies, in Antioch and Brentwood, which will effectively bring staffing back to pre-recession levels in March 2023. CCCFPD personnel includes 392 operations staff, 21 dispatchers, 28 fire prevention staff, 54 full-time administrative/support staff, and 27 part-time support staff. There is currently an academy of 32 firefighter recruits anticipated to graduate in mid-February 2023 which will increase the total operations staff.

CCCFPD is funded primarily by property tax revenues (ad valorem). Other revenue sources include charges for services, intergovernmental revenue, and other taxes. CCCFPD's FY 2022-23 General Funds budget totals \$175,494,000 with an additional estimated \$20,000,000 in revenues from the former ECCFPD annexation effective July 1, 2022.

The **City of Pinole** incorporated in 1903. City services include finance, city clerk and administration, public safety (police and fire), public works (parks, streets, highways, street sweeping), development (planning, building, city engineering, sewer collection and treatment), recreation (senior center, youth center, facility rentals, tiny tots' program, cable access TV). Contractual services include legal, solid waste/recycling, community branch library, and animal control.

The City's boundary is approximately 11.61± square miles including 6.5± square miles under water. The City serves a population of 19,343 (American Community Survey).

The City relies primarily on property and sales and uses taxes for revenue. The FY 2022-23 fire department budget is \$5.5 million and comprises 11% of the City's budget.

Need for Service: For most of its history, the City has operated with one fire station (Station 73). The City operated with two fire stations from 2003 to 2011. The second station (Station 74) was closed due to lack of funding. The City has conducted multiple studies regarding its fire service model and funding options, including surveying the public. The most recent study was conducted in November 2019 by Emergency Services Consulting International (ESCI).

Based on the ESCI study and other research, in March 2021 City staff recommended that the City increase fire and emergency medical staffing and services and collaborate with CCCFPD to expand the City's fire protection services, including reopening Station 74.

Contract for Services

As proposed, the contract for service between CCCFPD and City Pinole commences on January 1, 2023 and terminates on June 30, 2028 unless extended as mutually agreed upon in writing by CCCFPD and City of Pinole. The contract provides that CCCFPD will commence services on a date mutually agreed to in writing by both parties.

The contract addresses the following provisions: scope of services, facilities/apparatus/equipment, cost of services/funding commitment, personnel/transition plan, new development/development submittal process, indemnification, insurance, and miscellaneous provisions including term, extension, and termination of contract for services.

Under the contract, the City and CCCFPD agree to jointly prepare a review and analysis of services provided to the City by March 31, 2027. CCCFPD will prepare an updated 5-year cost projection, for the purpose of inclusion in an extension agreement, if any such extension agreement is agreed to and executed by the parties.

Fiscal Impact

In accordance with GC §56134, an independent fiscal analysis (IFA) was prepared in conjunction with the OAS LAFCO application. The IFA was prepared by *Stone Municipal Group* (Attachment 2). The scope of the IFA reviews and documents the following:

1. A thorough review of the plan for services submitted by the public agency.
2. Analysis of how the costs of the existing service provider compare to the costs of services provided in service areas with similar populations and of similar geographic size that provide a similar level and range of services and make a reasonable determination of the costs expected to be borne by the public agency providing new or extended fire protection services; and
3. Evaluation that the proposed affected territory is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following the effective date of the contract or agreement between the public agencies to provide the new or extended fire protection services.
4. Any other information and analysis needed to support the proposal.

The fiscal study reflects that the City has the fiscal ability to enter into and sustain an agreement with CCCFPD to provide fire and emergency response services given the County's commitment to providing \$2 million annually of Measure X funding to subsidize CCCFPD's services.

Services will be provided through a five-year contract. The first-year costs are estimated at \$7.5 million with the City contributing \$5.5 million and the County contributing \$2 million (Measure X funds) annually through FY 2027-28. There is no fiscal impact to CCCFPD associated with leasing both fire stations 73 and 74. The IFA reflects that the City has the fiscal ability to enter into and sustain an agreement with CCCFPD to provide fire and emergency response services given the County's contribution of \$2 million annually (Measure X funds) to subsidize CCCFPD's services. Details regarding the fiscal impacts are provided in the IFA.

Table A below includes a 5-year comparison of the cost of fire/EMS services as provided by the City for both one and two stations, and the cost of these services for two stations as provided by CCCFPD.

Table A

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	2023-24	2024-25	2025-26	2026-27	2027-28
City runs 1 station	\$6,363,316	\$6,746,973	\$7,155,799	\$7,575,803	\$8,005,331
City runs 2 stations	\$8,655,357	\$9,338,113	\$9,894,535	\$10,469,430	\$11,061,687
OAS w/ CCCFPD with 2 stations	\$6,107,445	\$6,493,411	\$6,950,823	\$7,433,677	\$7,937,218

Table B below shows the proposed FY 2022-23 budget and budget forecasts throughout the contract term - FYs 2023-24 thru 2027-28.

Table B

	2022-23	2023-24 (F)	2024-25 (F)	2025-26 (F)	2026-27 (F)	2027-28 (F)
Personnel Costs	\$2,540,000	\$2,616,200	\$2,694,686	\$2,775,527	\$2,858,792	\$2,944,556
Employee Benefits	\$3,461,572	\$3,738,498	\$4,037,578	\$4,360,584	\$4,709,430	\$5,086,185
Materials/Supplies	\$173,872	\$187,782	\$202,804	\$219,029	\$236,551	\$255,475
Equipment Replacement	\$305,000	\$320,250	\$336,263	\$353,076	\$370,729	\$389,266
Comm Center Allocation	\$172,498	\$179,398	\$186,574	\$194,037	\$201,798	\$209,870
Admin Allocation	\$648,044	\$686,927	\$728,142	\$771,831	\$818,141	\$867,229
Total Operating Costs	\$7,300,986	\$7,729,054	\$8,186,046	\$8,674,082	\$9,195,442	\$9,752,581
Measure X Allocation*	\$2,000,000	\$2,080,000	\$2,163,200	\$2,249,728	\$2,339,717	\$2,433,306
Net Costs - CCCFPD Contract	\$5,300,986	\$5,649,054	\$6,022,846	\$6,424,354	\$6,855,725	\$7,319,275





* Includes maximum 4% escalator for Measure X allocations

(F) - Forecast

The FY 2022-23 City of Pinole Fire Department budget is \$5.5 million and comprises 11% of the City's budget. Based on the City's current fire service costs, it appears there will be cost savings to the City should the City contract with CCCFPD for fire/EMS services. Further, the contract provides for the reopening of Station 74.

Plan for Services

In accordance with GC §56134, a *Plan for Services* was submitted (Attachment 3). The *Plan for Services* includes the following:

-  Background/history
-  Justification
-  Plan and description of services (current/future), infrastructure, transition plan
-  GC §56134 factors

The *Plan for Services* includes a description of both the City's and CCCFPD's services, level of demand, response times, facilities, apparatus, and programs. The *Plan for Services* also notes the benefits of out-of-agency service including augmented service levels, enhanced standardization, and service efficiencies. Other benefits include reopening of Station 74, and improvements in fire, rescue, and emergency medical services.

Additionally, fire prevention, public education programs, and administrative support functions will be enhanced and delivered in a consistent manner throughout the proposed service area.

Services to be extended include fire, rescue, and emergency medical services; fire prevention; community risk reduction and fire investigation services; administrative and support services.

Below is a summary of services to be provided by CCCFPD. Details are provided in the *Plan for Services*.

Current Service Delivery Levels <ul style="list-style-type: none"> Service and staffing overview Dispatch/Communications Level of Demand <ul style="list-style-type: none"> Total 911 Call Volume – City of Pinole Response Times Pinole Fire Dept Facilities Fire Dept Apparatus Public Education Programs Support Services <ul style="list-style-type: none"> Apparatus and Vehicle Maintenance Fire Prevention Fire Cause Determination & Investigation 	Proposed Service Delivery Plan <ul style="list-style-type: none"> Service Overview Staffing Dispatch Communication Level of Demand Response Times Automatic and Mutual Aid Public Outreach/Education Fire Prevention Fire Code Adoption Administration Maintenance Training Personnel/Recruitment 	Level and Range of Proposed Services <ul style="list-style-type: none"> Capacity Availability Willingness to Serve Service Adequacy Infrastructure Needs/Planning Improvements <ul style="list-style-type: none"> Facilities Apparatus Equipment Transition Plan <ul style="list-style-type: none"> Apparatus and Equipment Transfer Fire Station 74 Staffing Personnel and Employment Agreements
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LAFCO Municipal Service Reviews

Contra Costa LAFCO has completed two Municipal Service Reviews (MSRs) and sphere of influence (SOI) updates covering fire/EMS services. The first Fire/EMS MSR was completed in 2009 and was a comprehensive study covering fire/EMS service providers including the cities of El Cerrito, Pinole, and Richmond and the following districts: CCCFPD, Crockett-Carquinez FPD (CCFPD), East Bay Regional Park District (EBRPD), East Contra Costa FPD (ECCFPD), Kensington FPD (KFPD), Moraga-Orinda FPD (MOFPD), Rodeo-Hercules FPD (RHFPD), San Ramon Valley FPD (SRVFPD), County Service Area (CSA) EM-1, and various regional service providers. The **2009** MSR identified the following governance options for CCCFPD and City of Pinole:

CCCFPD	City of Pinole
<ul style="list-style-type: none"> Expand SOI to include City of Pinole With regard to west county, form a West County Ad Hoc Fire Service Committee to study and develop a reorganization plan 	<ul style="list-style-type: none"> Annex unincorporated areas (Bay View, Tara Hills) Consolidate with all west county service providers Consolidate with RHFPD and adjacent CCCFPD areas (Battalion 7) Consolidate with RHFPD, CCFPD, and adjacent CCCFPD areas Discontinue direct fire service and contract with CCCFPD or annex to CCCFPD Form a West County Ad Hoc Fire Service Committee to study/develop a reorganization plan; defer SOI update pending completion of West County Sub-regional MSR, and committee report

In conjunction with the 2009 Fire/EMS MSR, LAFCO formed a *FIRE AND EMERGENCY MEDICAL SERVICES AD-HOC COMMITTEE* comprised of LAFCO Commissioners. The Committee met over the course of six months. Subsequently, the committee provided recommendations to the Commission.





In addition, a West County *Technical Advisory Committee* was formed to provide technical advice and analytical information on the various fire service governance options. The committee reported to the West County Mayors at their monthly meetings. The Committee included the City Managers from Pinole, San Pablo, and Hercules; five Fire Chiefs [CCCFPD, cities of Pinole, El Cerrito and Richmond fire departments, Rodeo-Hercules Fire Protection District (RHFPD)], one representative from Local 1230 (representing CCCFPD, City of Pinole, and RHFPD); and one representative from Local 188 (Richmond Fire).

The 2009 MSR culminated in updating the SOIs for the fire districts as follows:

- | | |
|--------------------------------------|----------------------|
| ❖ CCCFPD – SOI expansions/reductions | ❖ MOFPD – expansion |
| ❖ ECCFPD – reduction | ❖ SRVFPD – expansion |

In 2016, LAFCO completed its second-round fire/EMS MSR which provided updates to the 2009 MSR. The 2016 MSR covered all fire/EMS service agencies; however, the primary focus of the 2016 MSR was on the two most distressed fire districts – ECCFPD and RHFPD.

The **2016** LAFCO MSR identified the following determinations, governance, and SOI options for CCCFPD and City of Pinole:

CCCFPD	City of Pinole
<ul style="list-style-type: none">  Consider annexing underserved areas and areas the district is already serving (e.g., Tesoro refinery, Roddy Ranch, small area southeast of Clayton)  Defer SOI update pending report from West County agencies regarding a regional Standards of Cover (SOC) Study, and collaboration on grant opportunities, programs and services 	<ul style="list-style-type: none">  Participate with West County fire agencies in a regional SOC Study, and collaboration on grant opportunities, programs and services  SOI update following 2nd round city services MSR

The 2016 MSR culminated in updating the SOIs for the fire districts as follows:

- | | |
|-------------------------------|---------------------------|
| ❖ CCCPD - SOI update pending | ❖ MOFPD – retained SOI |
| ❖ CCCFPD – SOI update pending | ❖ RHFPD – provisional SOI |
| ❖ ECCFPD – provisional SOI | ❖ SRVFPD – retained SOI |
| ❖ KFPD – SOI update pending | |

Both the 2009 and 2016 fire/EMS MSRs noted the cooperation present in West County including participation in the Battalion 7 configuration and sharing of resources and Battalion Chiefs. Both MSRs presented governance options including consolidation of West County service providers – both “functional” consolidation (e.g., shared positions, services, etc.) and boundary reorganizations (e.g., consolidation, annexation, etc.).

Environmental Review

CCCFPD, as Lead Agency, found the project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15320, Class 20 – Changes in Organization of Local Agencies.

Indemnification Agreement

CCCFPD has delivered to LAFCO an executed indemnification agreement providing for CCCFPD to indemnify LAFCO against any claims or legal actions that challenge LAFCO's approval of the out of agency services contract.

ALTERNATIVES FOR COMMISSION ACTION

LAFCOs were formed for the primary purpose of promoting orderly development through the logical formation and determination of local agency boundaries and facilitating the efficient provision of public services. Under GC §56134(h)(2), LAFCO can approve, disapprove, or approve with conditions a contract for fire protection services. The following options and recommended terms and conditions are presented for the Commission's consideration.

Option 1

- A. Find that the project is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines section 15320, Class 20 – Changes in Organization of Local Agencies.
- B. Approve the attached resolution authorizing CCCFPD to provide fire, rescue, and emergency medical services (EMS) to the City of Pinole under the proposed fire protection contract subject to the following terms and conditions:
 - 1. CCCFPD shall provide LAFCO with a mid-term status report by December 1, 2025 regarding services provided to the City of Pinole.

Option 2

- A. Find that the project is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines section 15320, Class 20 – Changes in Organization of Local Agencies.
- B. Approve the attached resolution authorizing CCCFPD to provide fire, rescue, and emergency medical services (EMS) to the City of Pinole under the proposed fire protection contract subject to the following terms and conditions:
 - 1. CCCFPD shall provide LAFCO with a mid-term status report by December 1, 2025 regarding services provided to the City of Pinole; and
 - 2. Within five years after LAFCO's approval of OAS under the contract, CCCFPD and/or the City of Pinole must submit to LAFCO an application to annex the City of Pinole to CCCFPD's service area to allow for CCCFPD to continue to provide fire, rescue, and EMS in the City of Pinole.

- Option 3** Deny the request, thereby preventing CCCFPD from providing fire/EMS to the City of Pinole.

- Option 4** Continue this matter to a future meeting to obtain more information.

RECOMMENDATION: Option 1

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LAFCO

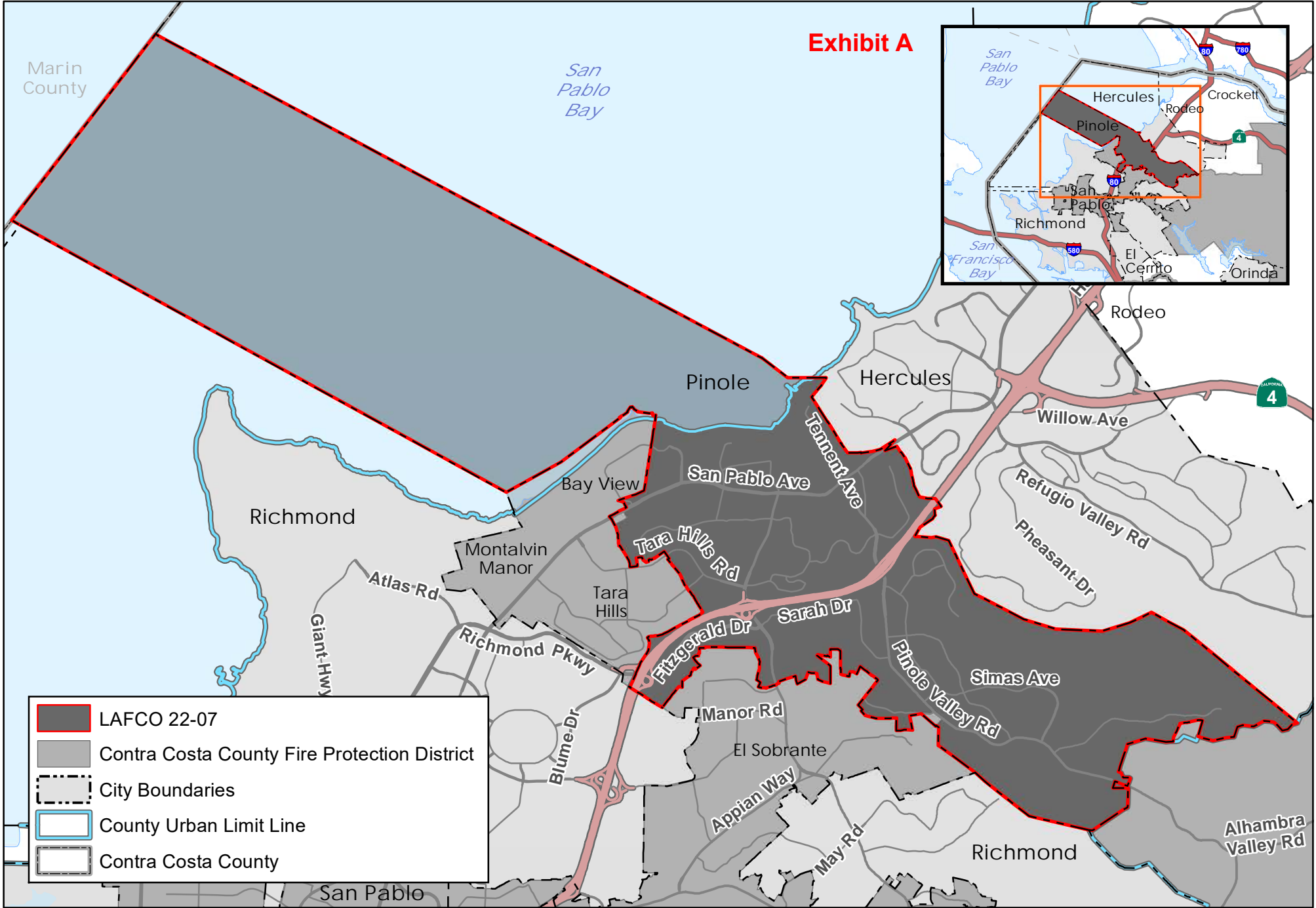
Exhibits

- A. Map - LAFCO 22-07 – Out of Agency Service Agreement – Contra Costa County Fire Protection District and City of Pinole

Attachments

- 1. Service Contract - CCCFPD & City of Pinole
 - 2. Independent Fiscal Analysis
 - 3. Plan for Services
 - 4. Draft LAFCO Resolution 22-07
 - 5. City of Pinole Resolution
 - 6. CCCFPD Resolution
- c: Chief Lewis Broschard, CCCFPD
Monica Nino, Contra Costa County – County Administrator
Chief Wynkoop, City of Pinole
Andrew Murray, City Manager, City of Pinole
Distribution

LAFCO 22-07 – Out of Agency Service Agreement – Contra Costa County Fire Protection District and City of Pinole



RESOLUTION NO. 22-07

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT TO PROVIDE
OUT OF AGENCY FIRE PROTECTION SERVICES TO THE CITY OF PINOLE**

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

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

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony related to this request including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, out of agency service approval of a fire protection contract between Contra Costa County Fire Protection District (CCCFPD) and the City of Pinole is needed to expand and improve fire protection and related services in the City of Pinole; and

WHEREAS, CCCFPD delivered to LAFCO an executed indemnification agreement providing for CCCFPD to indemnify LAFCO against any expenses arising from any legal actions challenging the out of agency service.

NOW, THEREFORE, BE IT RESOLVED DETERMINED, AND ORDERED by the Contra Costa Local Agency Formation Commission as follows:

- A. The Commission finds that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15320, Class 20 – Changes in Organization of Local Agencies.
- B. Pursuant to Government Code section 56134, the Commission authorizes CCCFPD to provide fire protection and related services to the City of Pinole under the approved fire protection contract between CCCFPD and the City of Pinole subject to the following terms and conditions:
 - 1. CCCFPD shall provide LAFCO with a mid-term status report by December 1, 2025 regarding services provided to the City of Pinole.
- C. Approval to extend CCCFPD services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

* * * * *

PASSED AND ADOPTED THIS 9th day of November 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ROB SCHRODER, CHAIR, CONTRA COSTA LAFCO

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

Dated: November 9, 2022

Lou Ann Teixeira, Executive Officer

Attachment 2 Independent Fiscal Analysis

COMPREHENSIVE FISCAL ANALYSIS

Independent fiscal analysis of the proposed cooperative fire service agreement between the City of Pinole, CA, and Contra Costa County Fire Protection District. The purpose of the report is to estimate and compare the cost of service between similar agencies and forecast the expected impact to Pinole. This report is a required diligence item as part of the application to LAFCO and is intended to aide in the local decision-making process.



City of Pinole,
California



October 5, 2022

This Independent Comprehensive Fiscal Analysis (“analysis”) was prepared for the City of Pinole, California (“City”) as its officials navigate the decision of whether to enter a cooperative shared services fire protection agreement with Contra Costa County Fire Protection District (“CCCFPD”). Per the Contra Costa County Local Agency Formation Commission (“LAFCO”), the initiation process includes a variety of required steps and due diligence items the City of Pinole must complete prior to applying for collaborative fire protection. Specifically, the State of California Government Code Section 56134 requires a submission of an independent fiscal analysis to ascertain whether the financial terms of the service contract are feasible and sustainable. The specific scope of this independent fiscal analysis must review and document all the following:

1. A thorough review of the plan for services submitted by the public agency.
2. Analysis of how the costs of the existing service provider compare to the costs of services provided in service areas with similar populations and of similar geographic size that provide a similar level and range of services and make a reasonable determination of the costs expected to be borne by the public agency providing new or extended fire protection services; and
3. Any other information and analysis needed to support the proposal.
4. Evaluation that the proposed affected territory is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following the effective date of the contract or agreement between the public agencies to provide the new or extended fire protection services.

Our analysis was completed using budgetary, census, and departmental statistics that were publicly available on the individual units’ websites or data portals. We completed a thorough review of the plan for service and supporting documents during the month of June 2022 and communicated with city, county, and fire leadership officials on clarifying questions at that time over multiple worksessions. A list of the comparative agencies was selected with the assistance of city officials on June 15th . Assumptions were used in the estimation of certain direct and indirect costs and are noted within the contents of the report. It is our goal to be conservative in forward looking estimates while also illustrating what the potential fiscal impact may likely be from the proposed cooperative fire service plan. I can be reached at Adam@StoneMunicipal.com or at (317) 476-2826 for questions or additional information as needed.

Sincerely,

Adam D. Stone

Adam D. Stone, CPA

Stone Municipal Group | Municipal Advisor | Principal-in-charge

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Executive Summary

In November, 2021 the County Board of Supervisors approved certain expenditures of Measure X funds. Included in this decision was an intent to provide \$2 Million in funding from Measure X to assist in providing full funding, when combined with City of Pinole (“PFD”) funds, to reopen Fire Station 74 in Pinole Valley as part of a contract for fire services to be provided by Contra Costa County Fire Protection District (“CCCFPD”) for the full operation of fire, rescue, emergency medical, fire prevention, training, and administration to the City of Pinole.

Background information related to the contract for service:

- Fire Station 74 in Pinole Valley was closed in 2012.
- The proposed service plan will provide for the reopening and staffing of Fire Station 74.

Purpose of Report

This report was prepared to assist the City of Pinole with the Contra Costa County Local Agency Formation Commission (“LAFCO”) process related to contracting with another unit or agency of local government to provide fire contractual services. An independent fiscal report is required and outlined by the State of California Government Code Section 56134 to ascertain whether the financial terms of the service contract are feasible and sustainable. To comply with the requirements, our firm completed a detailed and thorough review of the proposed service plan, comparable costs, and other documentation that outlines the proposed plan to contract with CCCFPD to provide fire service to City of Pinole residents.

How to Use Navigate & Use Report

This report is prepared for external technical financial review purposes and is not intended to argue one method over another. This report does not make a recommendation or advice regarding negotiation terms, plan for service proposals, or details into day-to-day fire operations. This report is intended to project the most likely budget and financial outcomes of the options available to the City of Pinole and provide stakeholders with information to make an informed decision. As such, readers of this report are encouraged to review the table of contents to select areas of interest. The report is organized into broad sections to comply with California Government Code Section 56134.

Plans and Document Review

This report was prepared using estimates, calculations, and management plans that were made available during June and July 2022. Specifically, we completed a detailed review of the CCCFPD proposed station budgets, proposed Pinole Fire Plan for Services, proposed staffing standards, staffing growth plans, position cost schedules, and operating statistics.

In addition to the plans for service and management reports, we reviewed the City of Pinole's line-item budgetary and financial documents for fiscal years 2018-2022. We also reviewed the most recent CalPERS Annual Valuation Report for Pinole City safety. (i.e. Safety & PEPR Fire Safety) The FY21 report was not yet published at the time of this report. Therefore, all CalPERS related estimates are dated as of June 30, 2020.

Comparative entity data was sourced through publicly available data on comparable entities which included annual adopted budgets, annual reports, and Census data. For the comparison entities, major assumptions include Fire runs (incidents), staffing levels, and budgetary estimates.

Certain assumptions were made to project future cost of operations under different scenarios. To assist in this forecast, we enlisted the help of the report review team to help create growth plans into our forecast. The core report review team consisted of the following individuals:

- City of Pinole
 - Chief Chris Wynkoop
 - Ms. Markisha Guillory
- Contra Costa County Fire Protection District
 - Chief Lewis Broschard
- Contra Costa County
 - Mr. Adam Nguyen
 - Mr. Paul Reyes

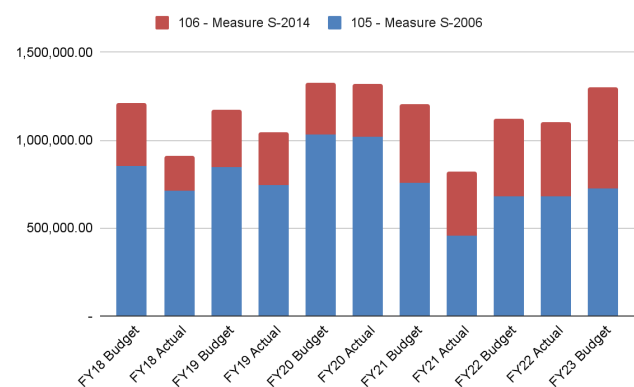
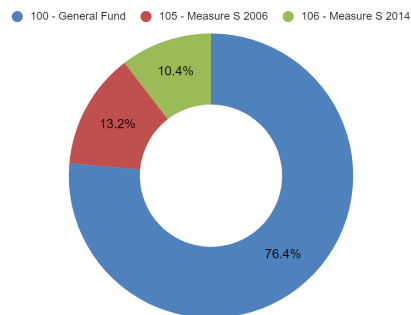
With the help of this group, we were able to prepare a seven-year capital improvement plan for the City of Pinole Fire Department that incorporates apparatus replacement, facility improvements, and necessary equipment needs. While an estimate, this plan will allow us to better compare the scenarios as they more accurately reflect the complete cost of operating the Fire Department long term. Note, the CCCFPD budget scenario assumes an annual programmatic apparatus replacement of \$250,000 per year. The City of Pinole Capital Improvement Plan ("CIP") assumes a non-programmatic "pay-as-you-go" apparatus replacement project which results in large swings in the annual capital budget. Comparing the CCCFPD to the average annual capital outlay amount creates a better comparison. The average across all categories is \$417,286 per year including building improvements. (i.e. FY 24 - FY 30)

Plan Year No.													
Project	Description	Funding Source	Budget Line Code	Today's Cost	0	1	2	3	4	5	6	7	Fire Dept. Total
FF&E-Vehicles	Replace Staff Vehicle (Chief & Battalion)	Budget-Cash	47104	\$68,600		\$72,000				\$83,500			\$155,500
FF&E-Equipment	Station 74 Generator	Budget-Cash	47101	\$4,000	\$4,000								\$4,000
FF&E-Improvements/Building	Based on 3-Yr Average	Budget-Cash	47105	\$45,000		\$47,250	\$49,500	\$52,000	\$54,500	\$57,250	\$60,000	\$63,000	\$383,500
FF&E-Equipment	Misc. Equipment	Budget-Cash	47101	\$20,000		\$21,000	\$22,000	\$23,000	\$24,250	\$25,500	\$26,750	\$28,000	\$170,500
FF&E-Computer Equipment	Based on 3-Yr Average	Budget-Cash	47102	\$3,000		\$3,250	\$3,500	\$3,750	\$4,000	\$4,250	\$4,500	\$4,750	\$28,000
FF&E-Furniture	Based on 3-Yr Average	Budget-Cash	47103	\$2,500		\$2,750	\$3,000	\$3,250	\$3,500	\$3,750	\$4,000	\$4,250	\$24,500
FF&E-Equipment	Type VI Grass Rig	Budget-Cash	47101	\$275,000				\$318,250					\$318,250
FF&E-Equipment	Type III Wildland Engine	Budget-Cash	47101	\$450,000						\$574,250			\$574,250
FF&E-Equipment	Type I Front-Line Engine	Budget-Cash	47101	\$900,000								\$1,266,500	\$1,266,500
					\$1,625,000	\$4,000	\$146,250	\$78,000	\$400,250	\$169,750	\$665,000	\$95,250	\$1,366,500
													\$2,925,000

Analysis of Existing Service Provider Cost

The City of Pinole Fire Department Budget is sourced by multiple governmental funds. The funds reviewed are General Fund, 2006 Measure S Fund, 2014 Measure S Fund, Equipment Reserve, and the Growth Impact Fund. We reviewed combined actual and budgeted results for fiscal years 2018, 2019, 2020, 2021, 2022, and 2023. Below is a categorical summary which shows combining current and historic results for the Fire Department.

Category	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Total Budget
Category: 32 - INTERGOVERNMENTAL REVENUES	\$47,026	\$57,026	\$47,026	\$46,937	\$46,937	\$47,026
Category: 33 - LICENSES AND PERMITS	\$67,307	\$101,163	\$54,436	\$74,600	\$273,396	\$301,922
Category: 38 - MISCELLANEOUS REVENUE	\$0	\$1,190	\$1,071	\$110,484	\$139	\$1,746
Category: 39 - OTHER FINANCING SOURCES	\$10,000	\$0	\$0	\$0	\$0	\$0
REVENUE TOTAL	\$124,333	\$159,379	\$102,533	\$232,022	\$320,472	\$350,694
Category: 40 - SALARIES AND WAGES	\$1,832,416	\$1,878,300	\$2,182,339	\$2,205,603	\$2,560,590	\$2,663,740
Category: 41 - EMPLOYEE BENEFITS	\$604,578	\$860,471	\$1,038,920	\$1,097,045	\$1,341,532	\$1,602,331
Category: 42 - PROFESSIONAL/ADMINISTRATIVE SERVICES	\$637,373	\$640,483	\$684,184	\$857,617	\$560,089	\$843,700
Category: 43 - OTHER OPERATING EXPENSES	\$55,366	\$52,691	\$61,102	\$69,773	\$74,494	\$53,600
Category: 44 - MATERIALS AND SUPPLIES	\$43,413	\$26,969	\$65,351	\$48,148	\$84,323	\$66,000
Category: 46 - INTERFUND/INTERDEPARTMENTAL CHARGES	\$111,353	\$61,593	\$212,462	\$197,543	\$215,152	\$281,057
Category: 47 - ASSET ACQUISITION, IMPROVEMENT, DISPOSAL	\$0	\$168,113	\$200,019	\$954,080	\$10,905	\$4,000
Category: 48 - DEBT SERVICE	\$70,433	\$70,433	\$70,433	\$0	\$0	\$0
EXPENSE TOTAL	\$3,354,931	\$3,759,053	\$4,514,810	\$5,429,808	\$4,847,084	\$5,514,428
NET TO BE COVERED BY GENERAL REVENUES	-\$3,230,598	-\$3,599,674	-\$4,412,277	-\$5,197,786	-\$4,526,612	-\$5,163,734



Source: City of Pinole financial reports and budget documents provided July 14, 2022. (unaudited)

Comparison of Existing Service Provided to Similar Entities

Entity Selection

Part of the LAFCO process is to conduct comparative cost analysis. For this report, we selected comparison entities that were similar in population and geographic size. (i.e., land area) Additionally, we looked at entities that provide a similar range and level of service. We selected fire runs, number of stations, and staffing level as indicators for range and level of service. Lastly, we selected comparable entities of differing government structure and fire service. As each entity is different, the data for each was normalized to produce as close to an “apples-to-apples” comparison as possible. Therefore, the data was normalized on per capita, per full-time firefighter, and per run incident metrics to help in the comparability. It should be noted that comparing public safety departments on an apples-to-apples basis is extremely challenging as run data can be grossly under or over inflated due to different entities counting runs differently. (e.g. EMS, apparatus dispatched, etc.) For the purposes of this report, we are taking the publicly available data at face value and make no opinion on the type of runs reported.

Entity Comparison

Category	Agency-Wide		Comparable Entities				
	Contra Costa	Pinole City	El Cerrito City	Mill Valley	Albany	Rodeo Hercules FPD	Benicia
Population estimates (1)	625,000	18,821	25,845	14,105	19,488	35,744	26,819
Land Area - Square Miles (2)	304	5.1	3.7	4.8	1.8	10.2	12.8
Fire Runs - Incidents (3) (4)	82,561	1,624	3,010	1,888	1,850	2,888	2,761
Service Level:							
Stations (3) (4)	26	1	2	2	1	2	2
Fulltime Firefighters (3) (4)	355	15	36	26	18	18	30
Fulltime Firefighters per 1,000 residents	0.57	0.80	1.39	1.84	0.92	0.50	1.12
Fire Runs per 100 residents	13.21	8.63	11.65	13.39	9.49	8.08	10.29
Population per square mile	2,056	3,690	7,042	2,951	10,887	3,515	2,094

Source:

- 1.) United States Census - July 1, 2021 (V2021) Population Estimates as collected by the five-year American Community Survey data. (2016-2020)
- 2.) United States Census - Population per square mile, 2020.
- 3.) Fire department websites, 2021 annual reports, and operational plans where available.
- 4.) Contra Costa, El Cerrito, and Rodeo fire incidents provided by CCCFPD dispatch.

Notes:

Budget Comparison (FY2022 Adopted Budget)

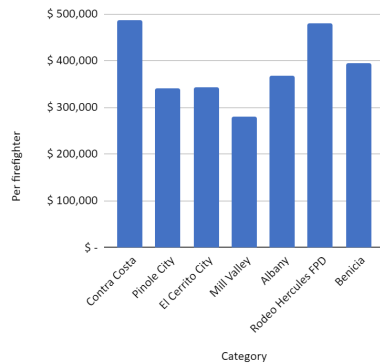
Assumes (2) civilian positions for Mill Valley listing. SMFPD listed 4,720 fire incidents in FY21. Assumes 40% of runs allocated to Mill Valley.

Rodeo Hercules FDP includes Census Designated Place ("CDP") population estimates.

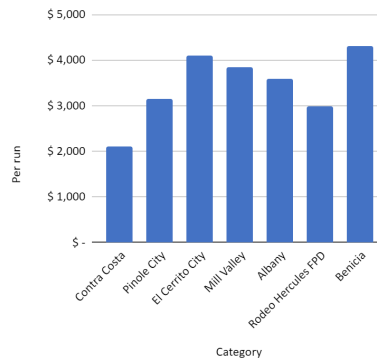
Comparison of Existing Service Provided to Similar Entities (Cont.)

Budget Comparison

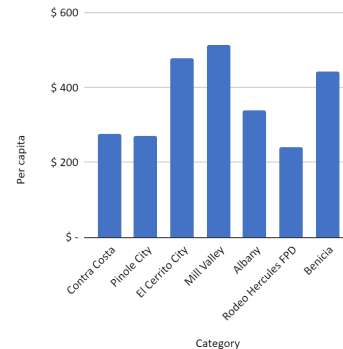
FY22 Budget Per Full-time Firefighter



FY22 Budget Per Run



FY22 Budget Per Capita



Category	Contra Costa	Pinole City	El Cerrito City	Mill Valley	Albany	Rodeo Hercules FPD	Benicia
Salaries & Benefits	127,023,000	\$ 3,826,010	\$ 11,084,920	\$ 6,011,043	\$ 5,197,300	\$ 7,121,509	\$ 9,442,290
Services & Supplies	18,964,000	1,193,632	1,226,382	1,256,970	580,840	1,218,423	1,175,940
Capital Outlay	3,498,000	72,600	37,100	-	-	20,500	810,700
Debt Service	-	-	-	-	-	269,114	-
Other Financing Uses	14,057,000	-	-	-	843,755	-	196,630
Special Items	9,182,000	-	-	-	-	3,420	238,600
Total Adopted Budgets	\$ 172,724,000	\$ 5,092,242	\$ 12,348,402	\$ 7,268,013	\$ 6,621,895	\$ 8,632,966	\$ 11,864,160

Normalized Expenditures:

Per Capita	\$ 276	\$ 271	\$ 478	\$ 515	\$ 340	\$ 242	\$ 442
Per Firefighter	\$ 486,546	\$ 339,483	\$ 343,011	\$ 279,539	\$ 367,883	\$ 479,609	\$ 395,472
Per Run	\$ 2,092	\$ 3,136	\$ 4,102	\$ 3,850	\$ 3,579	\$ 2,989	\$ 4,297

Source:

- 1.) United States Census - July 1, 2021 (V2021) Population Estimates as collected by the five-year American Community Survey data. (2016-2020)
- 2.) United States Census - Population per square mile, 2020.
- 3.) Fire department websites, 2021 annual reports, and operational plans where available.
- 4.) Contra Costa, El Cerrito, and Rodeo fire incidents provided by CCCFPD dispatch.

Notes:

Budget Comparison (FY2022 Adopted Budget)

Assumes (2) civilian positions for Mill Valley listing. SMFPD listed 4,720 fire incidents in FY21. Assumes 40% of runs allocated to Mill Valley.

Rodeo Hercules FDP includes Census Designated Place ("CDP") population estimates.

Comparable entities selected by City of Pinole.

Scenarios Overview

For the comparison of current service level (“Scenario One”) and CCCFPD cooperative agreement (“Scenario Two”) we made several significant assumptions. First we calculated the most likely cost projections under the two primary options being considered; 1.) Continuation of “in-house” Pinole Fire Department service to operate one station, and 2.) Contractual Service for Fire Service with CCCFPD to operate two stations. Within each scenario we also calculated the worst case and best case scenarios to illustrate the sensitivity based on different assumptions. (e.g. inflation, Measure X allocations, economic conditions)

Scenario 1 - Continuation of Current Service Level

In this scenario we assumed no transition to CCCFPD and no change in existing level of service. (i.e. stations or staffing) This scenario forecasts operating and capital expenditures for the budget periods FY 2022/23 – 2029/30.

- Budget estimates based on FY 2022-23 Fire Department combined budget of \$5,514,428. (General, Measure S 2006, and Measure S 2014 funds.)
- Assumes no growth in existing staffing or funded staffing levels. (17 current FTEs)
- Assumes six percent (6%) annual increase in salary and wages. (e.g., 3% cost of living increase and 3% market equity increase)
- Assumes employee benefits remain constant as a percentage of gross salaries and wages.
- Assumes a stair-stepped inflation of eight percent to five percent (8% - 5%) annual increase in materials, supplies, and services due to rising prices.
- Assumes an initial \$146,250 capital outlay expenditures. (e.g., equipment replacement, vehicle replacement, and station improvements)
- Assumes a seven-year capital improvement plan of \$2,925,000, average of \$417,286 per year including facility and computer equipment. The average vehicle and apparatus replacement need is estimated at \$292,875 per year. To help with apples-to-apples comparison we have assumed a level sinking fund replacement to smooth out large budget differences in future years.
- Assumes five percent (5%) annual increase in capital expenditures due to rising prices.
- Includes communication and weed abatement.

Expected Costs of Current Service Level (“Most Likely”)

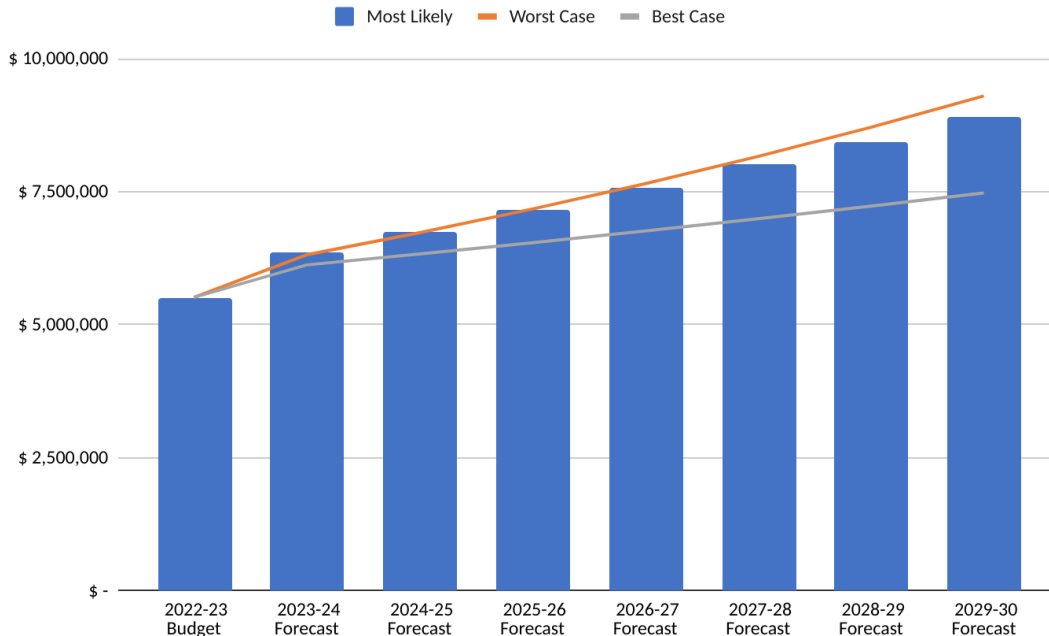
If the City of Pinole chooses to not enter into a cooperative fire agreement with CCCFPD, 100% of current employee salary and employee benefit costs will remain in the City’s budget. The current level of service does not include any of the recommendations outlined in the capital improvement plan.

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Budget Forecast:								
Personnel Cost (Salaries and Wages)	\$ 2,663,740	\$ 2,823,564	\$ 2,992,978	\$ 3,172,557	\$ 3,362,910	\$ 3,564,685	\$ 3,778,566	\$ 4,005,280
Employee Benefits:								
PERS Retirement (~40%)	\$ 1,105,953	\$ 1,129,426	\$ 1,197,191	\$ 1,269,023	\$ 1,345,164	\$ 1,425,874	\$ 1,511,426	\$ 1,602,112
Employee Medical-Active (~15%)	\$ 285,646	\$ 423,535	\$ 448,947	\$ 475,884	\$ 504,437	\$ 534,703	\$ 566,785	\$ 600,792
Workers Compensation (~5%)	\$ 138,122	\$ 141,178	\$ 149,649	\$ 158,628	\$ 168,146	\$ 178,234	\$ 188,928	\$ 200,264
Other Employee Benefits (~3%)	\$ 72,610	\$ 84,707	\$ 89,789	\$ 95,177	\$ 100,887	\$ 106,941	\$ 113,357	\$ 120,158
Other Operating Expenses	\$ 1,244,357	\$ 1,343,906	\$ 1,451,418	\$ 1,567,531	\$ 1,677,259	\$ 1,777,894	\$ 1,866,789	\$ 1,960,128
Capital Outlays	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvement Plan	\$ -	\$ 417,000	\$ 417,000	\$ 417,000	\$ 417,000	\$ 417,000	\$ 417,000	\$ 417,000
Operating Expenses before other costs	\$ 5,514,428	\$ 6,363,316	\$ 6,746,973	\$ 7,155,799	\$ 7,575,803	\$ 8,005,331	\$ 8,442,852	\$ 8,905,735

Notes:
Per Capital Improvement Plan v3
Based on adopted FY 2023 City of Pinole Fire Department budget.

Current Service Level Sensitivity Analysis

For scenario one we projected future expected costs using the most likely, worst case, and best case assumptions. Across the different potential outcomes, we assumed different sets of future inflation and economic assumptions.



We calculated the future expected budget outcome and annual budget variance between the CCCFPD scenario two and City provided service scenario one cost forecasts. These are intended to provide the City of Pinole a reasonable range of likely future cost of service as well as the favorable (unfavorable) results of each.

Budget Projections								
	2022-23 Budget	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Most Likely	\$ 5,514,428	\$ 6,363,316	\$ 6,746,973	\$ 7,155,799	\$ 7,575,803	\$ 8,005,331	\$ 8,442,852	\$ 8,905,735
Worst Case	\$ 5,514,428	\$ 6,314,987	\$ 6,730,355	\$ 7,175,564	\$ 7,652,798	\$ 8,164,404	\$ 8,712,902	\$ 9,301,003
Best Case	\$ 5,514,428	\$ 6,124,787	\$ 6,329,670	\$ 6,542,382	\$ 6,763,241	\$ 6,992,581	\$ 7,230,749	\$ 7,478,107

Budget Impact (Favorable) Unfavorable by Outcome								
	2022-23 Budget	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Worst Case	\$ -	\$ (48,328)	\$ (16,617)	\$ 19,765	\$ 76,995	\$ 159,073	\$ 270,051	\$ 395,268
Best Case	\$ -	\$ (238,528)	\$ (417,303)	\$ (613,418)	\$ (812,562)	\$ (1,012,750)	\$ (1,212,103)	\$ (1,427,628)

Budget (Favorable) Unfavorable Change Compared to Scenario 2								
	2022-23 Budget	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Most Likely	\$ -	\$ 255,870	\$ 253,562	\$ 204,976	\$ 142,126	\$ 68,113	\$ (27,382)	\$ (135,665)
Worst Case	\$ -	\$ 207,542	\$ 64,070	\$ (143,346)	\$ (374,885)	\$ (627,482)	\$ (911,733)	\$ (1,231,198)
Best Case	\$ -	\$ 17,342	\$ 18,208	\$ (24,112)	\$ (67,332)	\$ (105,640)	\$ (146,582)	\$ (190,329)

Scenario 2 – Cooperative Fire Service Agreement with CCCFPD

In this scenario we assumed a complete staffing transition to CCCFPD and that the City would effectively outsource 100% of its going forward costs for fire protection staffing to CCCFPD. This scenario forecasts operating and capital expenditure for the budget periods 2022-23 through 2029-30.

- Budget estimates based on FY 2022-23 Fire Department combined budget of \$5,514,428. (General, Measure S 2006, and Measure S 2014 funds.)
- Assumes Pinole Fire would transfer all positions, equipment, and apparatus to CCCFPD at no cost.
- Assumes existing (1) active and (1) inactive Fire Stations would remain as a fixed capital asset of the City of Pinole. Facility repairs and replacement to be the responsibility of City of Pinole
- Assumes (1) inactive station would be activated and staffed by CCCFPD to restore the level of service achieved in the past.
- Assumes Pinole Fire would continue to be responsible for following existing budgetary items moving forward: Fire allocated CalPERS Unfunded Accrued Liability (“UAL”), abatement services, station utilities, station repairs and maintenance, legal charges, and property liability. Total remaining budgetary cost estimated at \$753,489 or 13.66% of current budget.
- Assumes CCCFPD staffing of (3) Captains, (3) Engineers, and (3) Firefighters per station. Pass-through and/or of other CCCFPD related expenditures. (e.g. employee benefits, operating expenses, apparatus replacement)
 - Assumes direct station staffing related costs of \$3,000,786 per station.
 - Operating cost of \$114,436, and equipment replacement of \$125,000 per station.
 - Assumes \$172,498 in allocated communication center dispatch cost. Assumes the communication center allocated cost grows at 4% per year.
 - Assumes a shared services administrative cost of 10% billed to the City of Pinole. The administrative cost will be charged on all budgeted costs minus the communication center charges. The basis for the 10% administrative cost is the annual adopted budget, of which the City of Pinole will be made known of increases or decreases year to year. A list of indirect costs are included in the additional information section of this report.
- Assumes initial gross annual contract amount of \$7,300,987 or \$441,749 per month beginning January 1, 2023 net Measure X. Cost to be billed out monthly based on the annual budget less the two million in Measure X allocation. Future budgets are subject to change and appropriation by the fiscal body.
- Assumes \$2M in Measure X allocated with an annual escalator of 2.30%. While the allocation is not expressly stated in the contract beyond the initial 5-year contract term, we carried forward the assumption throughout the 7-year projection.
- One-time budgetary impact to the City of Pinole Fire Department in the amount of \$52,969.63 to cover the payout of accrued vacation.
- Assumes fiscal impact under full budget year scenario. Contract likely to become effective mid-fiscal year (January 1, 2023) and therefore the initial cost will be based on the remaining six fiscal months of budget year 2023.
- Assumes that from the date CCCFPD hires such staff, CCCFPD will be responsible for all salaries, employee benefits, including contributions for retiree-related benefits, and future accruals of unfunded liability for retiree-related benefits.
- Assumes the City of Pinole will be responsible for 100% of retiree-related and other post-employment benefits, including accrued CalPERS unfunded liability for retiree-related benefits, for such staff for the period during which they were employed by the City of Pinole.

- Assumes personnel costs at the top step for each class of employee.
- Assumes a stair-stepped inflation of eight percent to three percent (8% - 3%) annual increase in materials, supplies, services, and personnel services.

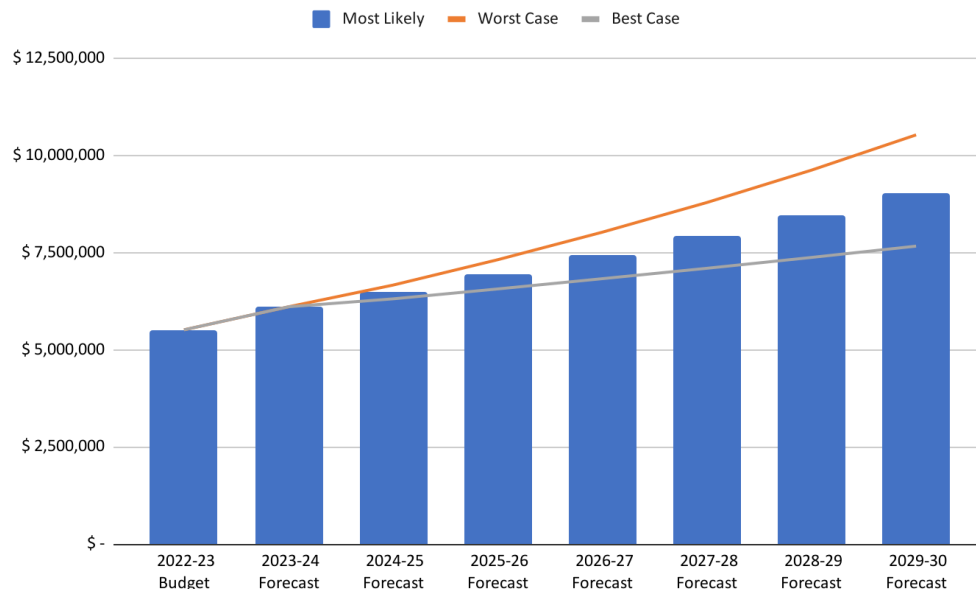
Expected Costs of Cooperative Fire Agreement (“Most Likely”)

If the City of Pinole enters into a cooperative fire agreement with CCCFPD, 100% of current employee salary and employee benefit costs will be converted into a contractual service expenditure. The initial contract value is based on the budgeted cost of the positions and it is expected to increase over the contract period as cost-of-living adjustments are approved. To recover indirect administrative costs, CCCFPD is expected to charge an administrative cost of 10%. This administrative cost is included within the initial proposed two-station budget of \$7,300,987. Adjusted for the Measure X allocation, the initial budget to be billed to the City of Pinole is anticipated to be \$5,300,987, or \$441,749 per month. In addition to the personnel costs, the City of Pinole will continue certain services and supplies costs associated with the department.

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Proposed CCCFPD Contractual Costs:								
Personnel Cost (Pass-Through)	\$ -	\$ 2,540,000	\$ 2,616,200	\$ 2,694,686	\$ 2,775,527	\$ 2,858,792	\$ 2,944,556	\$ 3,032,893
Employee Benefits (Pass-Through)	\$ -	\$ 3,461,572	\$ 3,738,498	\$ 4,037,578	\$ 4,360,584	\$ 4,709,431	\$ 5,086,186	\$ 5,493,080
Direct cost allocations (materials and supplies)	\$ -	\$ 173,872	\$ 187,782	\$ 202,804	\$ 217,001	\$ 230,021	\$ 241,522	\$ 253,598
Direct cost allocations (equipment replacement)	\$ -	\$ 305,000	\$ 320,250	\$ 336,263	\$ 353,076	\$ 370,729	\$ 389,266	\$ 408,729
Communication Center Allocation	\$ -	\$ 172,498	\$ 179,398	\$ 186,574	\$ 194,037	\$ 201,798	\$ 209,870	\$ 218,265
Administration Allocation (10%)	\$ -	\$ 648,044	\$ 686,273	\$ 727,133	\$ 770,619	\$ 816,897	\$ 866,153	\$ 918,830
Operating Expenses before Measure X	\$ -	\$ 7,300,987	\$ 7,728,401	\$ 8,185,038	\$ 8,670,843	\$ 9,187,669	\$ 9,737,552	\$ 10,325,395
Measure X County Allocation	\$0	-\$2,000,000	-\$2,046,000	-\$2,093,058	-\$2,141,198	-\$2,190,446	-\$2,240,826	-\$2,292,365
Net Shared CCCFPD Contractual Cost	\$0	\$5,300,987	\$5,682,401	\$6,091,980	\$6,529,644	\$6,997,223	\$7,496,726	\$8,033,030
Operating Budget Impact:								
Personnel Cost (Salaries and Wages)	\$ 2,663,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Benefits	\$ 1,195,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Remaining UAL Payment	\$ 406,927	\$ 439,100	\$ 471,470	\$ 492,140	\$ 511,660	\$ 524,080	\$ 536,797	\$ 549,824
Other Operating Expenses	\$ 1,244,357	\$ 314,389	\$ 339,540	\$ 366,703	\$ 392,372	\$ 415,915	\$ 436,710	\$ 458,546
NEW Contractual Service Agreement (From Above)	\$ -	\$ 5,300,987	\$ 5,682,401	\$ 6,091,980	\$ 6,529,644	\$ 6,997,223	\$ 7,496,726	\$ 8,033,030
Capital Outlays	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvement Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PLUS: One-Time Transition Cost (Vacation Payout)	\$ -	\$ 52,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expected Cost of Contractual Fire Service	\$ 5,514,428	\$ 6,107,445	\$ 6,493,411	\$ 6,950,823	\$ 7,433,677	\$ 7,937,218	\$ 8,470,233	\$ 9,041,400

Cooperative Fire Agreement Sensitivity Analysis

For scenario two we continued with projecting costs using the most likely, worst case, and best case assumptions. In addition to inflation and economic assumptions, we added a worst case scenario where the Measure X income tax allocation increases at a slower rate. (i.e. 2% vs. 2.3%) This change materially affected the future net budget impact to the City of Pinole and is one of the single largest future cost variables. Under the best case scenario, we assumed Measure X would continue for every year services are contracted and would increase annually at a reasonable growth rate.



We calculated the future expected budget outcome and annual budget variance between the CCCFPD scenario two and City provided scenario one cost forecasts. These are intended to provide the City of Pinole a reasonable range of likely future cost of service as well as the favorable (unfavorable) results of each.

Budget Projections								
	2022-23 Budget	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Most Likely	\$ 5,514,428	\$ 6,107,445	\$ 6,493,411	\$ 6,950,823	\$ 7,433,677	\$ 7,937,218	\$ 8,470,233	\$ 9,041,400
Worst Case	\$ 5,514,428	\$ 6,107,445	\$ 6,666,285	\$ 7,318,910	\$ 8,027,683	\$ 8,791,886	\$ 9,624,636	\$ 10,532,201
Best Case	\$ 5,514,428	\$ 6,107,445	\$ 6,311,462	\$ 6,566,494	\$ 6,830,573	\$ 7,098,221	\$ 7,377,331	\$ 7,668,436

Budget Impact (Favorable) Unfavorable by Outcome								
	2022-23 Budget	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Worst Case	\$ -	\$ -	\$ 172,875	\$ 368,087	\$ 594,006	\$ 854,668	\$ 1,154,402	\$ 1,490,802
Best Case	\$ -	\$ -	\$ (181,949)	\$ (384,329)	\$ (603,104)	\$ (838,997)	\$ (1,092,902)	\$ (1,372,964)

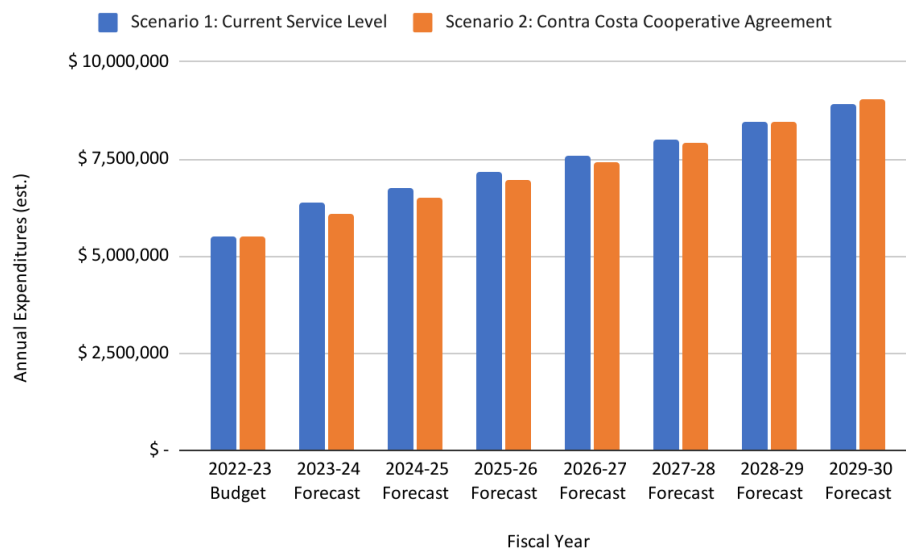
Budget (Favorable) Unfavorable Change Compared to Scenario 1								
	2022-23 Budget	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Most Likely	\$ -	\$ (255,870)	\$ (253,562)	\$ (204,976)	\$ (142,126)	\$ (68,113)	\$ 27,382	\$ 135,665
Worst Case	\$ -	\$ (207,542)	\$ (64,070)	\$ 143,346	\$ 374,885	\$ 627,482	\$ 911,733	\$ 1,231,198
Best Case	\$ -	\$ (17,342)	\$ (18,208)	\$ 24,112	\$ 67,332	\$ 105,640	\$ 146,582	\$ 190,329

Additional Information & Analysis

Cost Comparison of Scenarios

	City of Pinole	CCCFPD Contract
Scenario Reference	001	002
Active Stations	1	2
Full Time Firefighters	15	18
Expected Annual Cost - Yr 1 of Contract (Gross)	\$6,363,316	\$7,300,987
Measure X Allocation	\$0	\$2,000,000
Expected Annual Cost - Yr 1 of Contract (Net)	\$6,363,316	\$5,300,987
City Annual Cost (On-going)	\$0	\$753,489
City Cost (one-time)	\$0	\$52,970
Total Cost - Yr 1	\$6,363,316	\$6,107,445
Expected Monthly Cost - Yr 1 of Contract	\$530,276	\$508,954
Expected Cost - 7-Yr Plan Average	\$7,599,401	\$7,490,601
Expected Monthly Cost - 7-Yr Plan Average	\$633,283	\$624,217

Based on the most likely assumptions and the annual sinking fund for capital outlays, the CCCFPD (“scenario two”) option provides the lowest net budget impact to the City of Pinole in FY 2023-24 (“Yr 1”) . Over time, the CCCFPD contract is expected to cost less than the current operations by \$108,800 per year on average. This amount assumes the Measure X allocation grows at 2.3% for all years a contract for service is in place. Note the City’s current staffing of fifteen full time equivalents (15 firefighters) supplies one station currently, whereas CCCFPD staffs two stations.



Contra Costa County Fire Protection District Administrative Cost

Below is a list of indirect costs that together represent the rationale behind the 10% proposed administrative cost.

- Administration - Fire Chief, Deputy Fire Chief, Fire Marshal
- Public Information Officer
- General and automobile liability
- Information Technology Support and Infrastructure
- Payroll, Accounting, Fire District Human Resources
- Fire Investigation Services
- Training Administration, Vector Solutions
- EMS Training and Quality Improvement
- County General (legal, County Administration, Auditor) Charges

Contra Costa County Fire Protection District Revenue Sufficiency

For this report, we assume year one (“Yr 1”) for scenario two is FY 2023-24. Based on the assumptions, the anticipated monthly CCCFPD cost of service incurred and billed to Pinole Fire Department during the first three years would be as follows:

	Yr 1	Yr 2	Yr 3
Estimated Annual Cost of Service, gross	\$ 7,300,987	\$ 7,728,401	\$ 8,185,038
Less: Measure X Allocation	\$ (2,000,000)	\$ (2,046,000)	\$ (2,093,058)
Net Cost of Service Billable to Pinole	\$ 5,300,987	\$ 5,682,401	\$ 6,091,980
Percentage of FY 2023 Budget	96%	103%	110%
Percentage of Scenario One Expected Cost	83%	84%	85%
Percentage of FY 2023 Measure S Sources	16%	17%	18%
Estimated Monthly Charge for Service	\$441,749	\$473,533	\$507,665

City of Pinole Financial Feasibility & Sustainability

The City of Pinole maintains five separate funds which have supported the Fire Department over the past few fiscal years. Two of those funds relate to the City of Pinole's Measure S funds. (i.e. 2006 & 2014) For the 2023 fiscal year budget, the total Measure S funds are estimated at \$4,902,000. Historically, the Fire Department has received approximately 25%, or \$1,039,873, of the total Measure S funding. The City of Pinole's Measure S funds do not currently have a predetermined sunset or expiration date. As of the FY 2023 budget, there were \$4.9M of Measure S funds appropriated, which represented 13% budget growth year over year.

Funding Sources	FY 2021/22 Budget	FY 2022/23 Budget	% Change
General Fund Revenues (all sources)	\$21,627,288	\$28,111,479	30%
2014 Measure S	\$2,173,000	\$2,451,000	13%
2006 Measure S	\$2,163,746	\$2,451,000	13%
	\$25,964,034	\$33,013,479	27%
Fire Department Expenditure Budget	\$5,092,242	\$5,514,428	8%
Fire Department Utilization - Measure S (in dollars)	\$1,124,737	\$1,301,724	16%
Fire Department Utilization - Measure S (in percent)	\$0	\$0	
Measure S as Percent of General Fund Revenues	20%	17%	-13%
Fire Department Budget as Percent of General Fund Revenues	24%	20%	-17%
Fire Department Funding Sources by Fund:			
General Fund	\$3,967,505	\$4,212,704	6%
Measure S 2006	\$679,488	\$727,182	7%
Measure S 2014	\$445,249	\$574,542	29%
Governmental Reserves	6/30/2020	6/30/2021	% Change
General Fund Balance	\$38,763,912	\$41,473,658	7%
Cash and investments	\$17,713,884	\$19,457,868	10%
Unassigned General Fund Balance	\$10,828,937	\$12,488,562	15%

Source: City of Pinole Budget (FY 2021-22, FY 2022-23, & ACFR 06/30/2020 & 06/30/2021)

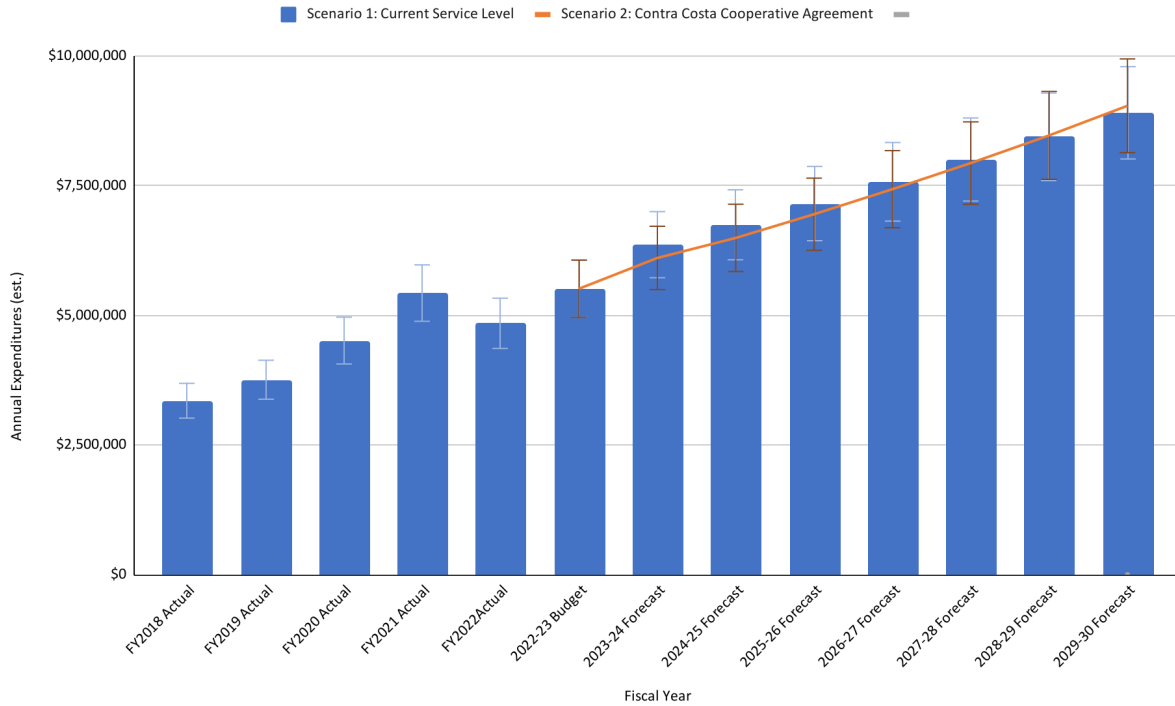
Looking beyond the Measure S funds, the Fire Department has averaged \$187,748 in department specific revenues that are expected to remain as a local funding source.

Additionally each year the City Finance Department prepares a detailed budget and annual report that has certain financial policies to drive decisions. One such policy is a general reserve policy of 50%. That reserve level is currently met and the last audited financial statement reflects a General Fund Unassigned balance of \$12,488,526. This amount is up 15% year over year and creates an unrestricted funding source to help stabilize operations in a period of budget contraction.

Based on the anticipated lower cost of scenario two, Measure S revenues, Measure X allocation, and the annual appropriation process, it appears that the City of Pinole has the financial means to enter into an agreement if their fiscal body finds that appropriate.

City of Pinole Financial Feasibility & Sustainability

The City of Pinole Fire Department's actual expenditures have increased an average of 10% per year between FY 2018 and FY 2022. Based on the current assumptions, the annual cost escalation under scenario one is 7.09%. Comparatively, scenario two is expected to grow by 7.32% per year based on the current assumptions. Below is a comparison of actuals versus projected future cost under both scenarios. To be conservative with forward estimates, the forecast for both scenarios include a plus or minus 10% margin of safety.



CalPERS Fire Department Unfunded Accrued Liability

Using the most recent June 30, 2020 valuation report the cumulative unfunded accrued liability (UAL) is \$22,253,952 across the PERS-PEPRA Safety Fire and PERS-Safety plan. In order to allocate the amount retained by the City of Pinole, the percentage of full-time Fire Department employees vs total safety related positions could be used. At the time of this report, the pro rata portion of total CalPERS unfunded liability and amortization payments was allocated to the Fire Department was 23%. Therefore, for the 2022-23 budget cycle the remaining UAL budget impact that would remain with the City of Pinole is estimated to be \$406,927.

PERS-PEPRA Safety Fire:

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio
06/30/2014	\$12,401	\$12,927	(\$526)	104.2%
06/30/2015	70,859	66,043	4,816	93.2%
06/30/2016	95,388	81,870	13,518	85.8%
06/30/2017	95,847	83,023	12,824	86.6%
06/30/2018	113,140	97,740	15,400	86.4%
06/30/2019	194,870	174,467	20,403	89.5%
06/30/2020	241,958	212,197	29,761	87.7%

PERS-Safety:

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio
06/30/2011	\$46,103,119	\$36,824,707	\$9,278,412	79.9%
06/30/2012	47,888,593	36,109,991	11,778,602	75.4%
06/30/2013	51,681,999	41,436,450	10,245,549	80.2%
06/30/2014	56,111,018	46,686,286	9,424,732	83.2%
06/30/2015	57,996,772	45,575,302	12,421,470	78.6%
06/30/2016	60,809,793	44,325,488	16,484,305	72.9%
06/30/2017	64,072,583	47,307,038	16,765,545	73.8%
06/30/2018	70,371,785	50,957,506	19,414,279	72.4%
06/30/2019	72,486,976	52,024,491	20,462,485	71.8%
06/30/2020	74,783,071	52,558,880	22,224,191	70.3%

UAL Cost Projection:

	Year 0 2022-23 Budget	Year 1 2023-24 Forecast	Year 2 2024-25 Forecast	Year 3 2025-26 Forecast	Year 4 2026-27 Forecast	Year 5 2027-28 Forecast	Year 6 2028-29 Forecast	Year 7 2029-30 Forecast
Projected UAL Payment (PERS Safety)	\$1,762,095	\$1,900,000	\$2,039,000	\$2,128,000	\$2,212,000	\$2,266,000	\$2,321,290	\$2,377,930
Future Projected Growth		8%	7%	4%	4%	2%	2%	2%
Fire Department Allocation	23%	23%	23%	23%	23%	23%	23%	23%
Allocated UAL (est.)	\$405,282	\$437,000	\$468,970	\$489,440	\$508,760	\$521,180	\$533,897	\$546,924
Projected UAL Payment (PERS PEPRA Fire)	\$1,645	\$2,100	\$2,500	\$2,700	\$2,900	\$2,900	\$2,900	\$2,900
Future Projected Growth		28%	19%	8%	7%	0%	0%	0%
Fire Department Allocation	100%	100%	100%	100%	100%	100%	100%	100%
Allocated UAL (est.)	\$1,645	\$2,100	\$2,500	\$2,700	\$2,900	\$2,900	\$2,900	\$2,900
Total Remaining UAL	\$406,927	\$439,100	\$471,470	\$492,140	\$511,660	\$524,080	\$536,797	\$549,824

Budget Impacts - Remaining Items

Below is the current budget for the Pinole Fire Department itemized by expenditure account. Were the City to enter a contract for service with CCCFPD, certain expenditure amounts would remain the responsibility of the City of Pinole and be incurred above and beyond the contractual services agreement cost. The current 2022-23 budget includes \$1,105,953 for 41004 - Employee Benefits PERS Retirement. This amount includes the CalPERS Unfunded Accrued Liability ("UAL") related to the Fire Department. Under scenario two, a portion of that budget expense would become the responsibility of Contra Costa County. However, the UAL portion would remain the financial responsibility of the City of Pinole. Therefore, we have estimated the allocation and incorporated the remaining UAL component within the retained budgetary expenditures.

Remains in City of Pinole Budget	
Account	2022-2023 Budget Estimate
41004 - Emp Benefits/PERS Retirement ("UAL")	\$406,927
42108 - Prof Svcs/Building-Structure Maintenance	\$14,370
42512 - Admin Exp/Abatement	\$120,000
43101 - Utilities/Telephone	\$100
43102 - Utilities/Water	\$10,000
43103 - Utilities/Electricity & Power	\$40,000
43105 - Utilities/Cable	\$500
46126 - Legal Charges	\$10,000
46201 - Insurance/General Liability	\$151,592
Sub-Total	<u>\$753,489</u>

Budget Impacts - Transitioning Items

Below is the current budget itemized by the expenditure account. The expenditure accounts are anticipated to be included within the cost of contractual services agreement cost.

Transitions to Contractual Service			
Account	2022-2023 Budget Estimate	Account	2022-2023 Budget Estimate
40101 - Salary & Wages/Full Time	\$2,080,171	42201 - Office Expense	\$4,000
40102 - Salary & Wages/Part Time	\$0	42202 - Office Exp/Printing & Binding	\$0
40103 - Salary & Wages/Vacation Leave	\$5,262	42203 - Office Exp/Shipping & Mailing	\$0
40105 - Salary & Wages/Floating Holiday Leave	\$123,893	42301 - Travel & Training/Conf-Registration	\$98,845
40106 - Salary & Wages/Admin Leave	\$0	42302 - Travel & Training/Mileage	\$500
40201 - Overtime	\$250,000	42303 - Travel & Training/M meal Allowance	\$0
40202 - FLSA Overtime	\$59,936	42401 - Dues & Pub/Memberships	\$1,175
40303 - Other Pay/Acting	\$43,861	42506 - Admin Exp/Bonds	\$0
40305 - Other Pay/Uniform Allowance	\$13,200	42508 - Admin Exp/Settlement	\$0
40306 - Other Pay/Medical In Lieu	\$14,400	42509 - Admin Exp/Misc Expense	\$0
40307 - Other Pay/Education Incentive	\$6,570	42510 - Admin Exp/Software Purch	\$15,000
40311 - Other Pay/Cell Phone	\$0	42514 - Admin Exp/Special Depart	\$58,000
40314 - Other Pay/Paramedic	\$66,447	43201 - Taxes/Property Tax	\$3,000
41001 - Emp Benefits/Medical-Active	\$285,646	44301 - Other Mat & Sup/Fuel	\$25,000
41002 - Emp Benefits/Dental	\$18,893	44304 - Other Materials Supp/Permit Fee	\$0
41003 - Emp Benefits/Vision Care	\$3,796	44306 - Other Materials Supp/Maintenance Supplies	\$0
41004 - Emp Benefits/PERS Retirement, net UAL	\$699,026	44410 - Safety Clothing	\$41,000
41005 - Emp Benefits/Employee Assistance Prg	\$794	46121 - Admin Credits	\$0
41007 - Emp Benefits/Life-ADD	\$1,679	46122 - Admin Debits	\$0
41008 - Emp Benefits/Long Term Disability	\$5,667	46124 - IS Charges	\$119,465
41009 - Emp Benefits/Workers Comp	\$138,122	47101 - FF&E/Equipment	\$4,000
41010 - Emp Benefits/FICA - Medicare	\$38,625	47102 - FF&E/Computer Equipment	\$0
41012 - Emp Benefits/Unemployment Insurance	\$3,156	47103 - FF&E/Furniture	\$0
42101 - Prof Svcs/Professional Service	\$386,110	47104 - FF&E/Vehicles	\$0
42104 - Prof Svcs/Paramedic Service	\$53,600	47105 - FF&E/Equipment (not-capitalized)	\$0
42105 - Prof Svcs/Network Maintenance	\$0	47106 - FF&E/Computer Equipment (not-capitalized)	\$0
42106 - Prof Svcs/Software Maintenance	\$15,000	47201 - Improvements/Building	\$0
42107 - Prof Svcs/Equipment Maintenance	\$77,100	48101 - Debt Principal	\$0
		48102 - Debt Interest	\$0

END OF REPORT

AGREEMENT
between the
CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT
and the
CITY OF PINOLE
for Fire Protection Services

THIS FIRE PROTECTION AGREEMENT ("Agreement") is dated January 1, 2023 (the "Effective Date") and is between the CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT, a fire protection district formed under the Fire Protection District Law of 1987 (Health and Safety Code Sections 13801 et seq.) and governed by the Board of Supervisors of the County of Contra Costa as its Board of Directors ("District"), and the CITY OF PINOLE ("City"), a municipal corporation, referred to herein collectively as the "Parties."

RECITALS

- A. The City desires to expand and supplement the current fire protection services provided within the City. Currently only one of the City's two fire stations (Fire Station 73) is operational. Fire Station 74 has been closed since 2011.
- B. The District is willing and able to provide a level of fire protection services within the City that would exceed current service levels. The Parties intend that the District will be paid for all direct and indirect costs incurred in the performance of services under this Agreement.
- C. The Parties intend to leverage those Measure X funds that are available for increasing the level of fire protection services in the City to facilitate this partnership for services between the District and the City. The Parties acknowledge that pursuant to Resolution No. 2022/332, the Contra Costa County Board of Supervisors has allocated from Measure X funds \$2,000,000 annually, adjusted annually as provided in the resolution, through Fiscal Year 2027/28 for this purpose.
- D. Because the City is not within the District service boundary, the Parties propose to enter into this fire protection agreement pursuant to Government Code section 56134. The Parties acknowledge that the services provided for in this Agreement may not commence unless and until the Contra Costa County Local Agency Formation Commission authorizes the District to provide the services contemplated herein.
- E. Simultaneous with the execution of this Agreement, the City and the District are entering into two leases, one for Fire Station 73 and one for Fire Station 74 (each a "Lease" and together, the "Leases") that set forth the terms under which the District will occupy the two stations during the term of this Agreement. The Leases and any amendments thereto are incorporated into this Agreement by reference.

AGREEMENT

In consideration of the mutual promises contained herein, the Parties agree as follows:

Section 1. Recitals.

The foregoing recitals are true and correct.

Section 2. Definitions.

As used in this Agreement:

- a. "Board of Directors" means the Contra Costa County Board of Supervisors acting as the Board of Directors of the Contra Costa County Fire Protection District and governing body of the District.
- b. "Board of Supervisors" means the Contra Costa County Board of Supervisors acting as the governing body of the County of Contra Costa.
- c. "District" means the Contra Costa County Fire Protection District or any successor organization or successor governmental entity.
- d. "City" means the City of Pinole.
- e. "City Council" means the City Council of the City of Pinole.
- f. "City Manager" means the City Manager of the City of Pinole.
- g. "County" means the County of Contra Costa.
- h. "Fire Chief" means the fire chief of the District.
- i. "Fiscal Year" means the annual period commencing on July 1 and ending June 30.
- j. Fire specific terminology used in this agreement (e.g. Shift, Company, Quint, Engine, etc.) shall be used in a manner consistent with the definitions published by the National Fire Protection Agency (NFPA) on its website at <https://www.nfpa.org/Codes-and-Standards/Resources/Glossary-of-Terms>, as revised from time to time.

Section 3. Scope of Services.

Within the boundaries of the City, the District will provide and be fully responsible for the following services.

a. Incident Response.

1. General Service Criteria.

A. Response Area.

The District will provide the services identified below to the areas within the incorporated limits of the City, as shown on Exhibit 1.

B. Station Location/Staffing.

There are two fire stations located in the City. The stations will be staffed at a minimum as described below.

Response Configuration

Fire Station 73 880 Tennent Avenue Pinole, CA 94564	1 Engine Company	3 Personnel
Fire Station 74 3700 Pinole Valley Road Pinole, CA 94564	1 Engine Company	3 Personnel

Within the City boundaries, the District will maintain a minimum staffing level of six (6) personnel, consisting of two three-person companies per shift. Each company will consist of one Captain, one Engineer, and one Firefighter. Each company will be staffed at a minimum with one paramedic and two EMT-I trained personnel. In the absence of ranked positions, personnel working "out-of-class" (acting) will be used. A Type 1 Fire Engine shall be located at each of the two fire stations within the City's boundaries throughout the year. In addition, from June through October, a Type VI Wildland Unit shall be located at each of the two fire stations within the City's boundaries, except that a Type III Wildland Unit may be located at one of the fire stations in lieu of a Type VI Wildland Unit. The Fire Chief may substitute the required apparatus for other apparatus on a limited, temporary basis when necessary for maintenance or other operational needs.

If engine companies stationed in the City leave the City for automatic aid within the District's Battalion 7 area (Pinole, El Sobrante, San Pablo, Hercules, and Rodeo), the District will arrange for appropriate back-up coverage to ensure that the City has adequate response capability. When companies stationed in the City leave the City for any planned (e.g., administrative or training) needs, the District will arrange for appropriate back-up coverage to ensure that the City has adequate response capability, with a minimum of one (1) Advanced Life Support ("ALS") company.

The response configuration above will only be changed upon mutual agreement between the Fire Chief and City Manager.

C. Response Levels.

The District will respond to incidents consistent with the District standard alarm assignments with the same level of response it provides to other areas served by the District and in a manner consistent with approved Contra Costa Operational Area policies.

D. Response Time.

On a single fire unit Priority 1 or Priority 2 emergency medical response, the District will endeavor to arrive at the scene within eight minutes and 30 seconds or less from the time that the company is first dispatched for 90% of all incidents. In multiple unit fire incidents, the District will endeavor to have the first due company arrive at the scene of an emergency incident within eight minutes and 30 seconds or less from the time that the company is first dispatched for 90% of all such incidents. The District will endeavor to have the remaining District first alarm units arrive at the scene of the incident within 18 minutes or less from the time that the first due company is dispatched for 90% of all such incidents.

In the event that the District is unable to meet the above response times, the Fire Chief and the City Manager will confer regarding the District's ability to meet the above response times. The Fire Chief and

the City Manager will discuss strategies to ensure such response times are met in the future.

Data on response times will be provided to the City Manager within 30 days of the end of the calendar quarter in which the responses occur. Data on response times will be reviewed on a quarterly basis as part of the scheduled meetings between the Parties.

E. Chief Officer Coverage.

The District will provide a Battalion Chief response for all first alarm fire and multiple apparatus incidents. For incidents of three alarms or greater, the District will also provide an Assistant Fire Chief (or greater rank) response and sufficient management staff to ensure appropriate management of the emergency.

F. Mutual Aid.

The District will continue to meet the District's pre-existing obligations with respect to mutual aid in accordance with but not limited to the Contra Costa County Fire Mutual Aid Plan, and all appropriate State of California interagency service agreements. The parties anticipate that the resulting mutual aid provided within the City will be equivalent to, or greater than, mutual aid provided to the City immediately prior to the Commencement Date. The District will work to develop expanded mutual aid, automatic aid, and mutual response areas with other fire departments adjacent to the City. The Parties acknowledge that the District has no obligation to independently meet the City's mutual aid obligations, if any, while performing services under this Agreement. The City shall notify its mutual aid partners that the City will not directly provide mutual aid during the term of this Agreement.

2. Fire Suppression.

Fire Suppression services will be provided in accordance with Section 3(a)(1) above, as applicable.

3. Emergency Medical Response.

Emergency Medical Response Service will be provided in accordance with Section 3(a)(1) above, as applicable and except as otherwise provided in this Section 3(a)(3).

The District will fulfill and does hereby assume the City's obligations under the City's First Responder Agreements with the Contra Costa County Emergency Medical Services ("EMS") Agency, with the exception of response times which the District will make every reasonable effort to fulfill, which are hereby assigned to the District. The District's duty to fulfill the City's obligations under the First Responder Agreements with the EMS Agency will not affect any rights the City may have to receive revenues from the EMS Agency due to the City under the above agreements, as they may be amended from time to time, which revenues may be used by the City to pay the District for services performed under this Agreement. However, if the Contra Costa County EMS Agency pays any such revenues directly to the District due to the District's fulfillment of the City's obligations, those revenues paid directly to the District will be credited to the City as if payment had been made by the City to the District for the performance of services under this Agreement.

4. Hazardous Materials Response.

Response to Hazardous Material incidents will be in accordance with the provisions of Section 3(a)(1) above, as applicable and except as otherwise provided in this Section 3(a)(4).

The District will provide a Type II (as defined by FIREScope) Hazardous Materials Team level of service to the City.

The District will provide trained personnel to perform hazardous materials operations when required in the City. These positions are staffed and equipped each day. Response time to the City will be the time necessary for notification and travel of the closest available District resource that meets the needs of the emergency incident.

5. Rescue Services.

The District will provide the City with rescue services in accordance with the provisions of Section 3(a)(1) above, as applicable and except as otherwise provided in this Section 3(a)(5).

The District will provide Type II (as defined by FIREScope) rescue services to the City. This service is available as needed.

The District will provide trained Urban Search and Rescue Team (USAR) personnel to perform confined space and trench rescue operation when required in the City. These positions are staffed and equipped each day. Response time to the City will be the time necessary for notification and travel of the closest available District resource that meets the needs of the emergency incident.

6. Response to Mass Casualty Incidents.

The District will respond to mass casualty incidents in the City with the same level of response it provides to other areas served by the District.

7. Other Calls for Service.

The District will respond to all other calls for services, including, but not limited to fire alarms, hazardous conditions, flooding conditions, smoke investigations, and public service calls, in accordance with the provisions of Section 3(a)(1) above, as applicable.

8. Homeland Security.

The District will represent the City, and proactively participate on its behalf, in the planning, coordination, and development of programs to address homeland security threats. The District will maintain a state of awareness and readiness to respond to incidents related to homeland security within the City.

9. Major Disaster Response.

In the event of a major disaster, the District will supplement the fire personnel assigned to the City by providing additional resources for direct response to an incident or move-up coverage from District stations outside of the City provided that supplemental resources are available.

Upon activation of the City's Emergency Operations Center ("EOC"), the District will provide sufficient staff to operate assigned functions in the EOC. Release of personnel and resources may occur after evaluation of local conditions and upon mutual agreement by the City Manager and the Fire Chief.

The District will work cooperatively with the City to participate in the development and

implementation of the Emergency Operations Plan ("EOP") by ensuring that it is reviewed, revised and updated as necessary, and exercised regularly. The District will recommend to the City plan updates to the EOP pertaining to fire, rescue, and emergency medical services issues.

The District will continue to participate in local or regional organizations necessary to ensure the City is represented in disaster preparedness and response.

10. Evacuation Coordination.

The District will coordinate with the Pinole Police Department for all evacuations in a manner consistent with standardized and unified incident command principles and procedures.

b. Dispatch Service.

The District manages the Contra Costa Regional Fire Communication Center which supplies fire and ambulance dispatch services to various areas in the County, including to the City, on a cost reimbursement basis. The City will continue to pay its proportionate share of annual dispatch-related fees and charges ("Communication Center Allocation"), which is billed annually and will be included as part of the annual fiscal year budget proposal pursuant to Section 5(a)(1). The City's obligation to pay its proportionate share of annual dispatch-related fees and charges is not co-terminus with this Agreement and survives termination of this Agreement.

c. Community Education.

1. Fire Safety Programs.

To help preserve life and property, the District will coordinate the planning, development, and implementation of fire prevention and safety education training programs, which will be tailored to educate City residents and other members of the Pinole community, such as schools, businesses, community associations, and childcare providers. Fire prevention and safety training programs to be provided by the District will include the following programs, with such changes and adjustments as mutually agreed to by the Fire Chief and the City Manager.

- Carbon Monoxide Alarm installations
- CERT Fire training
- CPR courses, BP checks
- Eldercare and safety
- Elementary School Fire Safety Programs
- Exit Drills in the Home (EDITH)
- Fire extinguisher use
- Fire safety
- Firewise Communities
- Injury and fall prevention
- Juvenile fire-starter program
- Smoke alarm installations
- Wildland fire and evacuation preparedness

2. CPR Training.

The District will provide opportunities for CPR training to members of the Pinole community at no

charge to the participant. This training will be provided within the boundaries of the City.

3. Community Emergency Response Team (CERT) Training.

The District will work with City departments to offer fire-based Community Emergency Response Team training to members of the Pinole community. The District and the City will work together to ensure the training complements the City's current disaster preparedness programs.

4. Miscellaneous.

The District will respond to specific requests from the Pinole community including but not limited to fire station tours and ride-alongs.

d. Fire Prevention.

1. General.

The District, through its Fire Prevention Bureau, will provide fire prevention services consistent with the level of prevention services provided to other areas served by the District.

2. Fire Prevention Staffing.

The District will provide Fire Prevention Bureau staff to conduct annual state-mandated occupancy inspections and Fire Code enforcement. The City and District will coordinate the District's Fire Code enforcement activities with the City's code enforcement activities, subject to any procedures mutually agreed upon by the City and District. Additional staff may be provided as necessary as determined by the District to review plans for new construction and inspect new construction.

3. Pre-development/Preliminary Planning.

The Fire Prevention Bureau will provide pre-development planning services. Pre-development planning will include but not be limited to the following activities:

- A. Adherence to the pre-development/preliminary planning project review process established by the City's Community Development Department and as may be modified at the City's discretion.
- B. Preparation of written comments based upon development/construction submittals made to the City.
- C. Attendance (in person or virtually) at scheduled meetings with applicants as reasonably requested by the City.
- D. Participation (in person or virtually) in requested modifications to the City's pre-development/preliminary planning process as reasonably requested by the City.
- E. Attendance (in person or virtually) at development review meetings as reasonably requested by the City.

4. Plan Submittal Review.

The District will review and provide comments on proposed construction plans and fire protection system plans to ensure compliance with the City's adopted codes and applicable standards. Applications and plans shall be submitted by the applicant directly to the Fire District's Fire Prevention Bureau at 4005 Port Chicago Highway, Suite 250, Concord. Written comments, in a format consistent with District policies and procedures, will be attached to approved plans to inform applicants of District requirements. District review of submitted plans will be completed within the timelines established by the City and the District, provided the review can be performed with the staffing levels provided by this Agreement.

The City and District will establish mutually agreed upon procedures for accepting and reviewing plan submittals. In establishing such procedures, the Parties will determine timelines for review and strive to make the process as easy as possible for applicants, including by providing an option for applicants to submit applications and plans at City Hall (in which case the City and District will determine how to transfer such application and plans to the District for review). The Parties agree that, initially, the City will require applicants to submit one full set of plans in hard-copy for the District's review. The Parties agree to cooperate on fully accepting the electronic submission of plans as well as the use of electronic review and commenting platforms, but acknowledge that a transition period will be necessary before this will be feasible. The City and District share the common goal of full integration of District and City plan review and permitting processes.

The City's current practice is to meet with applicant when plan check process extends beyond three reviews. As reasonably requested by the City, the District will attend (virtually or in person) meetings with applicants to discuss plan check comments when the plan check process extends beyond three revisions.

5. Fire Inspections.

The District will provide inspection and permit issuance services in accordance with the City's adopted Fire Code. All inspections will be conducted by qualified personnel. The City and District will agree upon policies and procedures for the conduct and tracking of inspections and permits, with the goal of eventually transitioning to the use of an electronic permitting and tracking system, consistent with the parties' goals of making the process as streamlined as possible for applicants.

A. General Inspections. In accordance with the City's adopted Fire Code, the District personnel will perform fire inspections relating to each of the following:

- i. The hazard of fire and explosion arising from the storage, handling, or use of structures, materials, or devices.
- ii. Conditions hazardous to life, property, or public welfare in the occupancy of structures or premises.
- iii. Fire hazards in the structure or on the premises from occupancy or operation.
- iv. Matters related to the construction, extension, repair, alteration, or removal of fire suppression or alarm systems.

B. Fire Protection System Inspections. As part of the City's permitting process,

District personnel will inspect fire protection system installations approved for permit by the District to verify compliance with the approved plans and applicable codes and standards.

- C. Mandated Inspections. District personnel will conduct inspections of those occupancies mandated by the California Office of the State Fire Marshal.
- D. Construction Permit Inspections. District personnel will perform fire inspections for any required construction permit issued in accordance with the City's adopted Fire Code.
- E. Operational Permit Inspections. District personnel will perform fire inspections for any required operational permit prior to initial issuance in accordance with the City's adopted Fire Code. Operational permit inspections will be completed based on the current District inspection schedule for non-State mandated occupancies.
- F. Business License Fire Inspection Program. Following a request by the City, the District will conduct business inspections for fire code compliance.

6. Pre-fire Plan Inspections for Target Hazard Occupancies.

The District will perform pre-fire plan inspections for relevant target hazard occupancies. Results of the inspections will be shared with other City departments as requested.

7. Fire Code Administration.

- A. The District will administer and enforce City's adopted Fire Code, and applicable ordinances, and applicable state and federal codes and regulations.
- B. The District will monitor changes to fire codes and provide the City with recommendations regarding proposed changes. The District's Fire Marshal will work with City Staff to complete the code adoption process.

8. Weed Abatement and Wildfire Management.

- A. Weed Abatement Enforcement. The City will continue to provide weed abatement through its Code Enforcement Division. The District will assist in administering fire prevention related aspects of the City's weed abatement program including inspection of those parcels potentially needing abatement, but the District is not responsible for conducting abatement of hazard parcels. The District will provide the City with information and supporting documentation, as requested and necessary, relating to any parcels that require additional enforcement and abatement. All work and abatement orders will be initiated and completed by the City for weed abatement issues.
- B. Wildfire Mitigation Project. The City and the District will coordinate regarding wildfire mitigation projects that are not directly related to weed abatement issues, but the District is not responsible for conducting abatement of hazard parcels. Additionally, when applicable, the City and the District will coordinate in the preparation and submittal of grant funding applications relating to wildfire

mitigation and in developing processes to prioritize and initiate wildfire mitigation projects.

9. Fire Investigation Service.

District fire investigators will be assigned to determine the cause of every major fire (2nd or 3rd Alarm), or where an injury or fire fatality occurs as a result of a fire incident within the City, and will conduct an investigation of every incident in which there is knowledge or suspicion that the crime of arson may have been committed. The District will attempt to determine the cause of all fires within the City as required by the Fire Code. District fire investigators will work with the Pinole Police Department and any other appropriate law enforcement agencies in the investigation process, as needed.

e. Administration.

1. Contract Administration.

The District designates the Fire Chief, or the Fire Chief's designated representative, to represent the District in all matters pertaining to the administration of this Agreement.

The City designates the City Manager, or the City Manager's designated representative, to represent the City in all matters pertaining to the administration of this Agreement.

The Parties desire to work cooperatively to ensure that the City receives cost effective services. Accordingly, the Parties desire to set forth a process for reaching agreement on mutually acceptable alterations to service delivery standards and material changes to the budget.

The District will formally notify the City prior to a service delivery change. The notification will provide adequate time for the City to provide comment, express concerns, and to allow for agreement on the aforementioned changes and modifications. Except for temporary changes lasting fewer than ten (10) days, the District will obtain written approval from the City prior to making a service delivery change. Any changes to the staffing levels per company or fire stations identified in Section 3(a)(1)(B) are modifications to the Agreement subject to Section 9(j).

2. Fire Chief Designation.

The Fire Chief is hereby designated by the City as the City of Pinole Fire Chief and will have and possess such authority as the City Municipal Code and general laws provide for the City's Fire Chief.

3. Liaison to City.

A. The District designates the Fire Chief or designee (at no time below the rank of Assistant Fire Chief) as the direct liaison to the City Manager. Liaison responsibilities will include but are not limited to:

- i. Attendance by the Fire Chief or designee at City Council meetings when requested by the City Manager upon reasonable advance notice; and
- ii. Meetings with the City Manager as requested by either the Fire Chief or City Manager to discuss budget, operational, or other issues which may arise.

- B. The District will promptly notify the City Manager when any of the following significant incidents occur within the City.
- i. Incidents involving deaths or serious injuries to citizens or first responders.
 - ii. Mass casualty incidents involving more than six patients.
 - iii. Second-alarm, and better, structure fires.
 - iv. Structure fires resulting in displacement of multiple residents.
 - v. Third-alarm wildland fires, or any wildland fires utilizing air support resources.
 - vi. Hazardous materials incidents requiring entry.
 - vii. Incidents with significant impacts on residents based on size, scope, or duration.
 - viii. Any incident that has attracted, or is expected to attract, significant media attention.

4. Community Events.

As reasonably requested by the City Manager, the District will participate in the planning and implementation of community activities, such as local fireworks celebration, tree lighting ceremonies, Chamber of Commerce functions, and similar events, to address fire safety issues.

5. Reports and Records.

- A. The District will maintain sufficient records to enable the City to meet its reporting obligations and needs as they relate to the provision of services as provided for in this Agreement, including but not limited to the District's obligation to provide quarterly reports on response times. The records maintained by the District will also include: (i) the total number of calls for service responded to by each of Fire Station 73 and 74; (ii) the number of calls for service responded to by each of Fire Station 73 and 74 for incidents occurring outside of the City; and (iii) the number of calls for service responded to by the District from locations other than Fire Stations 73 or 74 for incidents occurring within the City.
- B. The District will maintain financial records related to the performance of services under this contract.
- C. The District will provide the City Manager with financial reports reasonably requested by the City Manager.
- D. Upon request by the City Manager, the District will make available its records related to services performed under this Agreement for audit and inspection by the

City Manager, or the City Manager's designated representative.

- E. Upon request, the District shall provide the City with copies of any records related to this Agreement that are subject to disclosure pursuant to the California Public Records Act.
- F. The District will conduct or have conducted a yearly independent audit of the District's overall financial performance. The District will provide the audit reports to the City Manager within 30 days of publication. The District will provide any financial information required by the Governmental Accounting Standards Board for the City's financial reporting that is in the District's possession or control.

6. Fire Complaints and Requests for Service.

- A. The District will inform the City Manager of any and all complaints received by the District regarding the services provided to the City by the District.
- B. The District will strive to provide a high level of customer service to the City in accordance with the District and the City's customer service philosophies.

7. Fire System Planning.

- A. The Fire Chief will assist the City in planning the extension of fire services and facilities as the City grows.
- B. If, as a result of annexation of territory, the City requires additional contract services to provide fire and emergency services to areas not currently served by the City through its contract with the District, the Fire Chief and the City Manager may negotiate a mutually acceptable amendment to this Agreement to provide such services. Any amendment to this Agreement will become effective upon its approval by the governing bodies of the District and the City.
- C. This paragraph does not apply to those services provided under mutual aid, automatic, and/or other interagency response agreements.

8. Fees.

- A. The District will assist the City in the development of an appropriate fee schedule for fire services rendered in the City by the District. The District will provide the documentation necessary to support the imposition of fees by the City.
- B. All fees attributable to the services provided by the District under this Agreement shall accrue to and are the property of the District. Nothing herein shall limit the City's ability to charge fees attributable to services provided by the City.
- C. Any fees collected by the City for services performed by the District will be accounted for by the City and remitted to the District.

9. Miscellaneous Revenue Collection.

- A. The District will endeavor to implement a program consistent with District policy for seeking reimbursement for the cost of the District's response to accidents or other events. Any cost reimbursements received by the District for incidents occurring within the City will be credited to the City as if payment had been made by the City to the District for the performance of services under this Agreement.
- B. The District will use reasonable efforts to obtain grants for one-time and ongoing capital and operational expenditures.

Section 4. Facilities, Apparatus, and Equipment.

a. Buildings and Real Property.

1. Use of Pinole Fire Station Nos. 73 and 74.

The City will provide the District use of the City-owned fire stations described as Fire Station 73, 880 Tennent Avenue, Pinole, CA 94564, and Fire Station 74, 3700 Pinole Valley Road, Pinole, CA 94564, for performance of services under this Agreement. The City will provide the District use of these facilities at no cost to the District. Responsibility for maintenance of the buildings and grounds are as set forth in the Leases.

To the extent there is a conflict between this Agreement and the Leases concerning the use and maintenance of Fire Stations Nos. 73 and 74, the terms of the Leases shall control. In all other respects, the terms of this Agreement shall control.

2. Office Space.

Fire Station 73 includes office space for use by District fire inspectors. In accordance with the Lease for Fire Station 73, the City will provide the District use of these facilities at no cost to the District.

3. Return Upon Termination.

Upon termination of this Agreement, the District will vacate Fire Station Nos. 73 and 74, and will remove any and all materials, equipment, and improvements that are not to remain on the premises as set forth in the Leases.

b. Apparatus/Equipment.

1. Transfer of Apparatus and Equipment.

The City will transfer to the District ownership of the apparatus and equipment identified in Exhibit 2 (City Fire Apparatus/Equipment Inventory) in consideration of the District's performance of services under the terms of this Agreement. The District will be responsible for maintaining registration and licensing of all transferred apparatus and equipment.

2. Maintenance.

The District will be responsible for maintenance and repair of all apparatus and equipment. The

City will pay the District a fee, fixed annually and specified in the budget approved pursuant to Section 5 (Cost of Services), for the costs of maintenance and repair of apparatus and equipment utilized in the performance of services under this Agreement.

3. Reserve Apparatus.

The District will provide a reserve apparatus that will be placed in service as soon as possible if a frontline apparatus is to be out of service for an extended period of time.

4. Apparatus and Equipment Replacement.

The timing of apparatus and equipment replacement shall be determined by the District, consistent with the District's standard equipment and apparatus replacement practices and schedules. The District will submit a proposed apparatus replacement schedule to the City indicating the anticipated dates for replacement of major pieces of apparatus. The District will provide the City with advanced notice regarding the need to replace apparatus and equipment.

The City will pay the District a fee, fixed annually and specified in the budget approved pursuant to Section 5 (Cost of Services), for the costs to replace apparatus and equipment utilized in the performance of services under this Agreement. The District will use reasonable, good faith efforts to submit applications on behalf of the City for grants to defray the replacement cost for apparatus and major equipment utilized in the performance of services under this Agreement.

5. Return Upon Termination.

Upon termination of this Agreement, the District will return to the City the apparatus and equipment identified in Exhibit 2 (City Fire Apparatus/Equipment Inventory) that was transferred to the District pursuant to Section 4(b)(1) if the apparatus and equipment are fit for service. The Parties acknowledge their mutual intent that the District return to the City, if necessary, the same equipment and apparatus that was transferred to the District pursuant to Section 4(b)(1), and that some or all of the equipment or apparatus may no longer be fit for service at the time of return. If some or all of the equipment or apparatus are no longer fit for service or are otherwise not able to be returned to the City, the District will endeavor to lease to the City such apparatus and equipment necessary for the City to conduct fire protection activities within the City, for a reasonable period of time and upon terms agreeable to both parties, until the City has procured replacement apparatus and equipment. The Parties will identify the specific apparatus and equipment to be returned or leased to the City in the transition plan to be developed pursuant to Section 9(b).

6. New Equipment.

The District may purchase new equipment as necessary in order to maintain adequate service levels and to ensure safe working conditions. The City will pay the District a fee, fixed annually and specified in the budget adopted pursuant to Section 5 (Cost of Services), for the costs to purchase new equipment related to the performance of services under this Agreement

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Section 5. Cost of Services.

a. Fire Budget.

1. Operating Budget.

For purposes of budgeting and billing for both the direct and indirect cost of services to be provided under this Agreement, the Fire Chief will annually prepare and submit a proposed budget for the succeeding fiscal year, as well as an updated 5-year cost projection, to the City Manager by January 15th. Prior to preparation of the proposed budget, the Fire Chief and City Manager, or their designees, shall meet to discuss factors potentially affecting the budget necessary to cover costs for the upcoming fiscal year.

Budgeted costs include but are not limited to those costs listed in Exhibit 3. Excluding labor-related costs (for example, employee salaries and benefits), if a proposed budget exceeds the approved budget from the immediately preceding fiscal year by more than 5%, the Fire Chief and City Manager will meet and confer in an attempt to identify potential cost savings and/or increases in revenue. The Fire Chief and City Manager will use their best efforts to, by March 1 of the same year, agree on a recommended budget that will be recommended for approval by their respective governing bodies.

If the City Manager and Fire Chief are unable to reach agreement concerning a recommended budget or the recommended budget is reduced to provide specified cost savings or the City does not approve the budget jointly recommended by the Fire Chief and the City Manager, the Parties acknowledge that services provided under this Agreement may be reduced accordingly.

For the term of this Agreement, the District has provided a 5-year cost projection as shown in Exhibit 4 (5-Year Cost Projection Provided by the District). The City acknowledges that Exhibit 4 contains projected costs, and that while the District will make good faith efforts to provide annual budgets in accordance with these projections, the amounts set forth in the annual budgets will differ from the 5-year cost projection.

The annual fire budget for Fiscal Year 2022/23, the first fiscal year during which services are provided under this Agreement, is attached as Exhibit 5. The Parties approve the attached Fiscal Year 2022/23 budget upon approval of this Agreement. Payments by the City pursuant to the Fiscal Year 2022/23 budget, and any Offsetting Revenues (as defined below) for Fiscal Year 2022/23, will be appropriately prorated based on the Commencement Date.

2. Offsetting Revenues.

- A. The budget will reflect known revenues, other than those due and payable by City, that will be paid directly to the District and credited to the City as if payment had been made by the City to the District for the performance of services under this Agreement (each an "Offsetting Revenue" and together, "Offsetting Revenues"). Offsetting Revenues may include but are not limited to grant funds obtained by the District on behalf of the City, revenues paid by the EMS Agency directly to the District due to the District's fulfillment of the City's obligations under the First Responder Agreements, and Measure X funds allocated by the Board of Supervisors.
- B. The Parties acknowledge that by Resolution No. 2022/332, attached as Exhibit 7, the Board of Supervisors has allocated from Measure X funds \$2,000,000 annually

through Fiscal Year 2027/28 to increase the level of fire protection services in the City. As provided in Resolution No. 2022/332, the Measure X allocation will be adjusted annually beginning in Fiscal Year 2023/24 by the percentage change in the Consumer Price Index-All Urban Consumers for the San Francisco-Oakland-Hayward Area for the twelve-month period ending with the February index of the calendar year in which the adjustment is made, but not to exceed 4 percent per year. The Parties also acknowledge that the continued allocation of funds by the Board of Supervisors is critical to the maintenance of service levels provided for in this Agreement. The Parties will utilize each annual allocation of \$2,000,000, as adjusted, as an Offsetting Revenue under this Agreement.

3. Capital Requirements.

The Fire Chief will recommend any capital needs for Fire Station 73 or 74, as well as modifications to services that the City provides to directly support the provision of the District's contractual services. These recommendations will be submitted along with the annual fire budget and will be reflected in the recommended budget, as necessary.

4. Management of Budget.

- A. If during the fiscal year, the Fire Chief believes in good faith that due to unanticipated circumstances the approved fire budget is insufficient in any respect to ensure the provision of service at the service levels required by this Agreement, the Fire Chief will immediately notify the City Manager in writing specifying the budgetary deficiency, along with a request for a budget modification that identifies all reasons for the proposed modification. "Unanticipated circumstances" means circumstances that the Fire Chief was not aware of prior to the District's approval of the fire budget; it does not include cost overruns that could reasonably have been anticipated or planned for.
- B. The District will obtain written approval from the City, which will require authorization from the City Council, prior to making a modification to the budget approved by the City. If the budget modification is not approved by City, then the Parties acknowledge that there may be a decrease in service levels commensurate with the deficiency identified in the budget modification request.
- C. Notwithstanding Sections 5(a)(4)(A) and (B) above, where new labor agreements are approved by the District Board of Directors that result in an increase to labor-related costs under this Agreement, the budget shall be deemed modified to account for such cost increases upon 5 days' written notice from the District to the City of such new labor agreements and associated budget modification, and without further approval by the City.
- D. The Fire Chief shall notify the City Manager of matters pertaining to labor relations between the District and its recognized employee organizations, when the matters and the resolution of them will affect the service levels to the City or the City's costs pursuant to this Agreement.

b. Payment for Services.

1. City Payment.

A. The City will pay to the District the approved budget amount in consideration for the District providing any and all services to the City under this Agreement. Budget modifications are subject to Section 5(a)(4).

2. Method of Billing and Payment.

A. The City will pay the District monthly in advance within 30 calendar days of receipt of the monthly invoice. The monthly invoice amount will be equal to the difference of the annual fire budget and the sum of Offsetting Revenues and the Communication Center Allocation, divided by 12, plus any Budget Modification Prorations. A "Budget Modification Proration" is calculated by dividing a budget modification made pursuant to Section 5(a)(4) by the number of months remaining in a fiscal year at the time the budget modification is made. Budget modifications that occur mid-fiscal year will result in post-modification monthly invoice amounts that differ from pre-modification monthly invoice amounts.

B. In the event that an invoice is not paid (partially or in full) by the due date, a late fee of 1% simple interest of the unpaid balance will be assessed for each month or portion thereof that the invoice remains unpaid. The late fee will be assessed on the 1st day of each month following the due date.

c. Costs Associated with Development within the City.

The Parties acknowledge that development within the City may necessitate new or additional apparatus and equipment to enable the District to provide the fire protection services under this Agreement. The Parties also acknowledge that the City and developers, but not the District, should bear the costs of new or additional apparatus and equipment required due to development within the City. In the event that the Fire Chief determines that development within the City is likely to require new or additional apparatus or equipment, including, for example, a ladder truck, the Fire Chief shall notify the City Manager. The Parties will meet and confer as provided for in Sections 3(e)(1) and 5(a)(3) to discuss planned and prospective development within the City, the associated impacts to the services provided under this Agreement, and the options for funding of any changes to services or the need for new or additional equipment or apparatus. The City currently collects Fire Development Impact Fees on new development in the City, and will make such fees available to address capital improvement and apparatus needs as development within the City occurs. Regardless of the availability of Fire Development Impact Fees, the City will remain responsible for paying the above-described costs associated with development within the City.

Section 6. Personnel.

a. The Parties anticipate that as a result of this Agreement and the District's provision of fire protection services to the City, some or all of the persons identified in Exhibit 6 (City of Pinole List of Fire Department Employees) may elect to leave City employment to become District employees.

b. Except through payments made pursuant to Section 5 (Cost of Services), the City is not responsible for paying salaries, wages, or other compensation to District personnel performing services under this

Agreement for the City, nor is the City liable for any District retirement obligation or other post-employment benefit to any District employee arising out of their employment with the District. The City is not liable for compensation or indemnity to any District employee for injury or sickness arising out of their employment with the District, except as part of the City's payment of indirect expenditures and Risk Management costs to the District and as otherwise provided in this Agreement. This Section does not negate any of the City's obligations pursuant to Section 5 (Cost of Services) above.

c. The District is not liable for compensation or indemnity to any District employee for injury or sickness arising out of their employment with the City. The District is not liable for any City retirement obligation or other post-employment benefit to any District employee arising out of their employment with the City.

Section 7. Indemnification.

a. Indemnification by the City.

The City shall defend, indemnify, and hold harmless the District, its governing body, officers, employees, representative, and agents from any and all demands, losses, claims, costs, suits, liabilities, and expenses for any damage, death, or injury to persons or property from any cause whatsoever arising directly or indirectly from or connected with any act or omission of or purported act or omission of the City, its governing body, officers, employees, representative, or agents in connection with or arising out of the performance by the City, its governing body, officers, employees, representative, or agents of this Agreement, and with regard to any alleged illegality or unconstitutionality of a City ordinance. The City shall reimburse the District for any expenditures, including reasonable attorney's fees and costs, the District may make by reason of such matters and, if requested by the District, shall defend any such suit at the sole cost and expense of the City. The City's obligations under this subsection shall exist regardless of concurrent negligence or willful misconduct on the part of the District or any other person; provided, however, that the City shall not be required to indemnify the District for the proportion of liability a court determines is attributable to the negligence or willful misconduct of the District, its governing body, officers, employees, representative, or agents.

The District agrees to give the City prompt written notice of any claims or other matter as to which the District believes this indemnification provision is applicable. The City will, at its sole cost and expense, provide counsel reasonably acceptable to the District, to contest or defend any such claim. Neither party, nor their successors or assigns, shall admit any liability to any matter for which indemnification is sought, or settle, compromise, pay, or discharge the same without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, and the District shall reasonably cooperate with the City in the contest and defense thereof.

b. Indemnification by the District.

The District shall defend, indemnify, and hold harmless the City, its governing body, officers, employees, representative, and agents from any and all demands, losses, claims, costs, suits, liabilities, and expenses for any damage, death, or injury to persons or property from any cause whatsoever arising directly or indirectly from or connected with any act or omission of or purported act or omission of the District, its governing body, officers, employees, representative, or agents in connection with or arising out of the performance by the District, its governing body, officers, employees, representative, or agents of this Agreement. The District shall reimburse the City for any expenditures, including reasonable attorney's fees and costs, the City may make by reason of such matters and, if requested by the City, shall defend any such suit at the sole cost and expense of the District. the District's obligations under this subsection shall

exist regardless of concurrent negligence or willful misconduct on the part of the City or any other person; provided, however, that the District shall not be required to indemnify the City for the proportion of liability a court determines is attributable to the negligence or willful misconduct of the City, its governing body, officers, employees, representative, or agents.

The City agrees to give the District prompt written notice of any claims or other matter as to which the City believes this indemnification provision is applicable. The District will, at its sole cost and expense, provide counsel reasonably acceptable to the City, to contest or defend any such claim. Neither party, nor their successors or assigns, shall admit any liability to any matter for which indemnification is sought, or settle, compromise, pay, or discharge the same without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, and the City shall reasonably cooperate with the District in the contest and defense thereof.

c. Indemnification Obligations Survive Termination.

The obligations created by this Section 7 shall survive the expiration or termination of this Agreement as to activities occurring or being carried out during the term of this Agreement in the performance of this Agreement.

Section 8. Insurance.

a. General and Auto Liability.

The District will maintain general and auto liability insurance, including bodily injury and property damage, with a single combined liability limit of not less than \$10 million insuring all liability of the District and its authorized representatives arising out of and in connection with the provision of service by the District under this Agreement, including the use and/or occupancy of City-owned real property and premises.

The City will be named as an additional insured and the policy must contain cross liability endorsements. An endorsement must be provided which states that the District's insurance coverage shall be primary. The District may self-insure to these limits of coverage. The District will furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The District will provide complete certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications, to the City upon request.

b. Property Insurance.

The District will not maintain any insurance for City-owned real property and buildings, including but not limited to City-owned fire stations, or the contents of the City-owned buildings, except as otherwise specified in this Agreement or in the Leases. The District will maintain a standard All Risk policy to ensure its own personal property.

c. Workers' Compensation Insurance.

The District will maintain Workers' Compensation Insurance as required by the State of California in Employers Liability Insurance. Employers Liability Insurance shall have limits of no less than \$1 million per accident for bodily injury or disease. The District may self-insure to the limits of coverage. The District will provide the City with a waiver of subrogation against the City, its officers, officials, employees, and volunteers for all claims on or after the Commencement Date arising during the term of this Agreement.

d. Workers' Compensation Claims for Employees in Exhibit 6.

1. The City is fully responsible for all Workers' Compensation claims with date of injury prior to the Commencement Date, with respect to the persons identified in Exhibit 6 (City of Pinole List of Fire Department Employees). The City will administer the claims and is solely liable for all administration and settlement costs. The City is also responsible for claims that are incurred prior to the Commencement Date AND that are:
 - A. Reopened;
 - B. Incurred but not reported;
 - C. Submitted for new and further disability; or
 - D. Incurred subsequently and consequently to the original claim
2. The District is responsible for Workers Compensation claims of District employees that are not the responsibility of the City pursuant to paragraph 1 above or another entity. The District will administer the claims and is solely liable for all administration and settlement costs.
3. The District will administer cumulative trauma claims that span the City and the District; however, the District will, immediately upon receipt of a cumulative trauma claim, send a copy of said claim to the City. The Parties will meet and confer prior to the District taking any action on the claim, unless the District is required to take immediate action or circumstances do not allow adequate time to meet and confer, in which case the District will notify the City as soon as possible. The cost of administration and settlement shall be pro-rated between the District and the City based on the length of services for each employer. Should the claim involve prior employers, the City will be responsible for the service time. The City and the District agree to cooperate with each other in the administration of the claims that involve both Parties, including any decisions or determinations regarding industrial disability retirement. This includes, but is not limited to, the sharing of notes, reports, and other documents. The City will have the right to review and contest any determination of a recurrence of a prior injury. In the event that an agreement cannot be reached, the City and the District will accept the Worker's Compensation Appeals Board decision as the final decision and without further appeal rights on this limited issue.

e. Industrial Disability Retirement.

The City will be solely responsible for making the determination of industrial disability retirement for CalPERS retirement application for the employees listed in Exhibit 6.

Section 9. Miscellaneous.

a. Term and Extension by Mutual Agreement: Commencement of Services.

This Agreement will commence at 12:01 a.m. on the Effective Date, and will continue until 11:59 p.m. on June 30, 2028, unless extended as mutually agreed upon in writing by both Parties in accordance with the provisions herein. The District will commence services provided for under this Agreement on a date ("Commencement Date") mutually agreed upon and authorized in writing by the Parties, which authorization may be given by the Fire Chief for the District and the City Manager for the City. In order to provide notice to the affected employee organization, the Parties will endeavor to mutually agree upon

and authorize a Commencement Date at least 30 days prior to the Commencement Date. Prior to the Commencement Date, the District and City will jointly participate in a mutually agreed upon communications effort to educate the public about the transition of fire services.

The term of this Agreement and the term of the Leases may be extended for one 5-year term by mutual written agreement of the Parties executed by the Fire Chief and by the City Manager for City. Unless otherwise agreed by the Parties, the extension agreement must be fully executed at least 12 months prior to the then-effective termination date.

The City and the District agree to jointly prepare a review and analysis of services provided to the City by March 31, 2027. The District will prepare an updated 5-year cost projection, for the purpose of inclusion in an extension agreement, if any such extension agreement is agreed to and executed by the Parties.

b. Termination.

Notwithstanding Section 9(a) above, this Agreement may be unilaterally terminated by either party by giving 12 months' written notice of termination to the other party. The contract termination date specified in the notice of termination may be extended by mutual agreement. The Parties acknowledge that the termination of this Agreement would require extensive operational adjustments for both Parties. The Parties further acknowledge that any fire service interruption would result in risks to public welfare. Within 60 days of a notice of termination by either party, the Parties will coordinate to develop a transition plan. The transition plan will include specific implementation deadlines, including any modification to the contract termination date, and will address matters including but not limited to service levels during the transition period and the return or lease of apparatus and equipment by the District to the City.

The Parties will meet and confer in good faith regarding any dispute between the Parties over the implementation of any provisions in this Section 9(b). Any dispute that is not resolved by meeting and conferring will be submitted to non-binding mediation conducted by a JAMS mediator. The Parties agree to meet and confer as soon as practically possible regarding the selection of the mediator and, if possible, agree to mediate the dispute within 45 calendar days. However, nothing in this provision shall be construed so as to delay any of the time periods above, including the development of a transition plan and implementation thereof.

c. Notices.

All notices required or permitted hereunder will be deemed sufficiently given if delivered by hand or mailed, by United States mail, postage prepaid, certified or registered mail, addressed to the Parties at the addresses set forth below or to such other address as may from time to time be designated in writing.

To DISTRICT:
Contra Costa County Fire Protection District
Attn: Fire Chief
4005 Port Chicago Highway, Suite 250,
Concord, CA 94520

With a copy to:
Contra Costa County
Public Works Department
Attn: Principal Real Property Agent

40 Muir Road
Martinez, CA 94553

To CITY:
City of Pinole
Attn: City Manager
2131 Pear Street
Pinole, CA 94564

d. Further Obligations.

The Parties recognize that this Agreement cannot represent a complete expression of all issues that may arise during the performance of the Agreement. Accordingly, the District and City agree to meet and confer in good faith over any issue not expressly described herein.

e. No Assignment.

Neither party may assign, delegate, sell, mortgage, hypothecate, or otherwise transfer their respective interests or obligations in this Agreement without the express prior written consent of the non-transferring party.

f. Exhibits.

All exhibits referred to herein are attached hereto and are, by this reference, incorporated herein. Exhibits to this Agreement include:

- | | |
|------------|--|
| Exhibit 1: | Service Area Map |
| Exhibit 2: | City Fire Apparatus/Equipment Inventory |
| Exhibit 3: | List of Budgeted Costs |
| Exhibit 4: | 5-Year Cost Projection Provided by the District |
| Exhibit 5: | Fiscal Year 2022/23 Fire Budget |
| Exhibit 6: | City of Pinole List of Fire Department Employees |
| Exhibit 7: | Contra Costa County Board of Supervisors Resolution No. 2022/332 |

g. Severability.

If any provision of this Agreement (including without limitation any phrase, provision, covenant, or condition) is found to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall continue in full force and effect.

h. Governing Law, Jurisdiction, and Venue.

The interpretation, validity, and enforcement of this Agreement is governed by and interpreted in accordance with the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement is to be filed and heard in a court of competent jurisdiction in the County of Contra Costa.

i. Alternative Dispute Resolution.

Except as otherwise provided for in this Agreement, all claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application, or enforcement of this Agreement, including, but not limited to, breach thereof, shall be referred to non-binding mediation before, and as a

condition precedent to, the initiation of any legal proceeding. The Parties will jointly select a qualified professional with expertise in the subject matter of the dispute. In order to commence the mediation process, a party must notify the other party in writing of its intent to commence mediation. Each party will propose one or more mediators within 14 days of the date notice is sent. The proposed mediators must be available to conduct the mediation within the following 60 days. The Parties will make a good faith effort to agree to a mediator within 30 days of the date the notice is sent. If the Parties cannot agree to a mediator, then each party shall select one mediator, and the two mediators selected by the Parties shall meet to jointly select the mediator to conduct the mediation. The cost of mediation shall be divided equally between the Parties.

j. Amendment of Agreement.

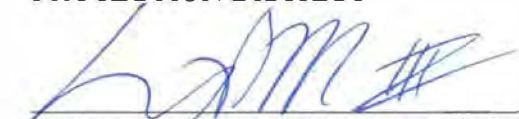
This Agreement may be amended or modified only by the mutual agreement of the Parties. No amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both Parties.

k. Authority.

Each party, or the representative(s) signing this Agreement on behalf of a party, represents and warrants that it has full power and authority to enter into this Agreement and to perform the obligations set forth herein.

[SIGNATURES ON FOLLOWING PAGE]

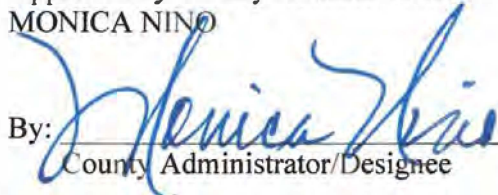
CONTRA COSTA COUNTY FIRE
PROTECTION DISTRICT


Lewis T. Broschard III, Fire Chief

Attest:
Clerk of the Board

By: 
Deputy Clerk


Approved by County Administrator:
MONICA NINO

By: 
County Administrator/Designee

Approved as to form:
MARY ANN McNETT MASON,
County Counsel

By: 
County Counsel/Designee

CITY OF PINOLE


Andrew Murray, City Manager

Attest:

 for
Heather Bell, City Clerk

Approved as to form:


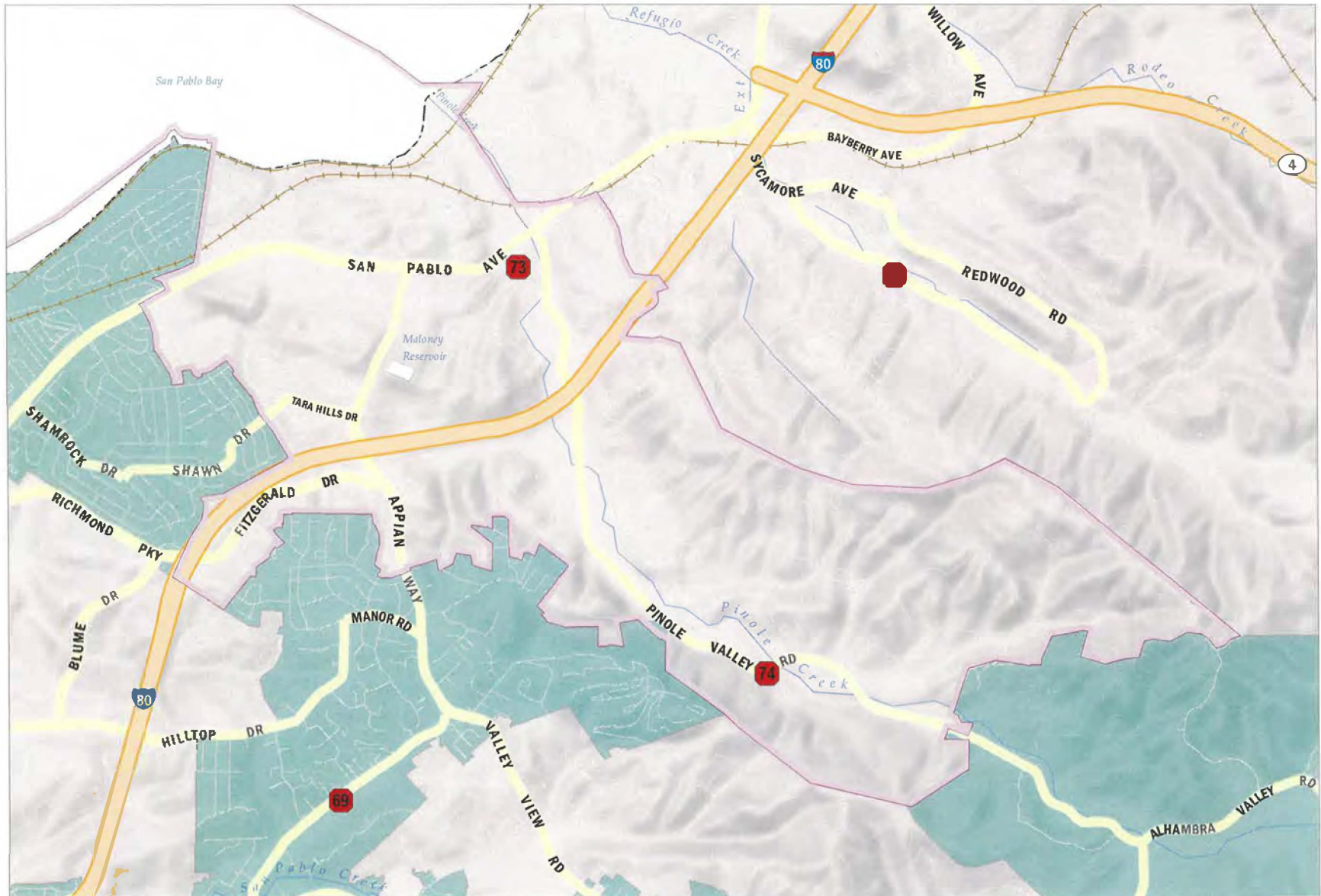

Eric Casher, City Attorney

Exhibit 1
Service Area Map

EXHIBIT 1



-  Fire Station
-  CCC Fire Protection District

Source: CCCFPD 2022;

PINOLE CITY LIMITS

Exhibit 2
City Fire Apparatus/Equipment Inventory

EXHIBIT 2

City of Pinole Apparatus and Capital Equipment Inventory

APPARATUS

qty	Description	Manufacturer	Model	VIN	Year of Manufacture
1	Type I Fire Engine	Seagrave	Capitol	1F9EN28TOLCST2024	2020
1	Type I Fire Engine	Spartan	Metro Star	4S7CT2D96EC078960	2014
1	Type VI Fire Engine	Ford	F-550	1FDAF57F51ED01440	2001
1	Type III Fire Engine	International/Rosenbauer	7400	1HTWEAZR58J674916	2008
1	Chief Officer Car	Ford	Interceptor	1FM5K8ATXFGA70298	2015
1	Chief Officer Car	Ford	Expedition	1FMJU1GT0KEA29207	2019
1	Chief Officer Car	Ford	Expedition	1FMFU16578LA84072	2008
1	Utility Pickup	Ford	F-250	1FTSW21P86EB84873	2006
1	UTV	Polaris	Ranger Crew 1000	4XAT6E991L8877944	2020

EQUIPMENT (Replacement Cost exceeding \$5,000 per item)

qty	Description	Manufacturer	Model	City Asset Number (if any)	Year of Purchase
1	Monitor/Defibrillator	Physio Control	LP15	N/A	2019
1	Monitor/Defibrillator	Physio Control	LP15	N/A	2012
1	Monitor/Defibrillator	Physio Control	LP15	N/A	2012
17	Motorola Portable Radio	Motorola	APX 7000 XE	N/A	2011
7	Motorola Mobile Radio	Motorola	APX 7500	N/A	2011
1	Motorola Mobile Radio	Motorola	APX 7500	N/A	2015
2	Motorola Mobile Radio	Motorola	APX 7500	N/A	2020
2	Motorola Base Radio	Motorola	APX 7500	N/A	2011
1	Motorola Base Radio	Motorola	APX 7500	N/A	2020
1	Extrication Equipment Spr	Hurst	e-draulic	N/A	2015
1	Extrication Equipment Cut	Hurst	e-draulic	N/A	2015
1	Extrication Equipment Ram	Hurst	e-draulic	N/A	2015
1	Extrication Equipment Spr	Amkus	Ion	N/A	2020
1	Extrication Equipment Cut	Amkus	Ion	N/A	2020
1	Extrication Equipment Ram	Amkus	Ion	N/A	2020

Exhibit 3
List of Budgeted Costs

Permanent Salaries – 18 positions
Holiday Pay
Scheduled FLSA Overtime
Uniform Allowance
Retirement
Health Insurance
Workers' Compensation Insurance
FICA
Fuel
Apparatus Replacement
Firefighting and EMS Supplies and Equipment
Apparatus Maintenance and Repair
Overtime and Backfill Compensation
Training and Classes
Misc. Household Expenses
Personal Protective Equipment
Battalion Chief Allocation
Shift Training Captain Allocation
Administration Allocation
Communication Center Allocation

Exhibit 4
5-Year Cost Projection Provided by the District

EXHIBIT 4

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Personnel Costs	\$2,540,000	\$2,616,200	\$2,694,686	\$2,775,527	\$2,858,792	\$2,944,556
Employee Benefits	\$3,461,572	\$3,738,498	\$4,037,578	\$4,360,584	\$4,709,430	\$5,086,185
Materials and Supplies	\$173,872	\$187,782	\$202,804	\$219,029	\$236,551	\$255,475
Equipment Replacement	\$305,000	\$320,250	\$336,263	\$353,076	\$370,729	\$389,266
Communication Center Allocatic	\$172,498	\$179,398	\$186,574	\$194,037	\$201,798	\$209,870
Administration Allocation	\$648,044	\$686,927	\$728,142	\$771,831	\$818,141	\$867,229
 Total Operating Costs	 \$7,300,986	 \$7,729,054	 \$8,186,046	 \$8,674,082	 \$9,195,442	 \$9,752,581
 Measure X Allocation*	 -\$2,000,000	 -\$2,080,000	 -\$2,163,200	 -\$2,249,728	 -\$2,339,717	 -\$2,433,306
 Net Costs of CCCFPD Contract	 \$5,300,986	 \$5,649,054	 \$6,022,846	 \$6,424,354	 \$6,855,725	 \$7,319,275

*Includes maximum 4% escalator for Measure X contributions

Exhibit 5
Fiscal Year 2022/23 Fire Budget

EXHIBIT 5

Fiscal Year 2022/23 Fire Budget (Prorated 1/1/23-6/30/23)

Amount	Description
\$635,000	Permanent Salaries - 9 positions
\$51,054	Holiday Pay
\$16,574	Scheduled FLSA Overtime
\$2,943	Uniform Allowance
\$439,365	Retirement
\$109,544	Health Insurance
\$28,575	Worker's Compensation Insurance
\$9,208	FICA
\$11,000	Fire Station Utilities
\$15,525	Fuel
\$62,500	Apparatus Replacement
\$13,750	Firefighting & EMS Supplies and Equipment
\$12,500	Apparatus Maintenance and Repair
\$114,300	Overtime & Backfill Compensation
\$5,000	Training & Classes
\$2,500	Misc. Household Expenses
\$5,000	Personal Protective Equipment
\$77,000	Battalion Chief Allocation
\$19,775	Shift Training Captain Allocation
\$163,111	Administration Allocation

\$1,794,222 Total Single Fire Station Operating Costs

\$3,588,444 Two Fire Stations - staffing and total costs

\$172,498 Communication Center Allocation*

(\$1,000,000) Prorated Measure X Contribution

\$2,760,942 Total Contract Costs

*Communication Center Allocation is not prorated - this is an annual set cost

Exhibit 6
City of Pinole List of Fire Department Employees

EXHIBIT 6

Name	Pinole FD Classification	Hire Date
Dale Blume	Fire Engineer	10/23/2017
Seaborn Chiles	Firefighter/Paramedic	02/07/2022
Andrew Corwin	Firefighter/Paramedic	05/17/2021
Michael Crooks	Fire Captain	10/05/1998
Steven Dorsey	Fire Captain (Admin)	04/10/2001
Cory Higgins	Fire Engineer	10/18/2019
Eric Holt	Fire Engineer	10/23/2017
Daniel Houts	Firefighter/Paramedic	05/17/2021
Javier Lopez	Fire Captain	01/13/2014
Matthew Ludwig	Fire Captain	07/01/2013
Kyle Metzler	Firefighter/Paramedic	05/17/2021
Gregory Sekera	Fire Captain (Admin)	06/01/2004
Charles Trester	Firefighter/Paramedic	02/07/2022
Clint Ballard	Firefighter/Paramedic	06/01/2022
James Brooks	Fire Battalion Chief	01/02/1999

Exhibit 7

Contra Costa County Board of Supervisors Resolution No. 2022/332

EXHIBIT 7

D1

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 09/20/2022 by the following vote:

AYE: ☒ 4 John Gioia
Candace Andersen
Karen Mitchoff
Federal D. Glover

NO: ☐

ABSENT: ☒ 1 Diane Burgis

ABSTAIN: ☐

RECUSE: ☐



Resolution No. 2022/332

In the Matter of: Allocating Measure X Funds for Ongoing Fire Protection Services

WHEREAS on November 3, 2020, voters in Contra Costa County approved Measure X, a Countywide, 20-year, half-cent sales tax with the intent "to keep Contra Costa's regional hospital open and staffed; fund community health centers, emergency response; support crucial safety-net services; invest in early childhood services; protect vulnerable populations; and for other essential county services.";

WHEREAS on November 16, 2021, the Board of Supervisors adopted a Measure X expenditure allocation plan that included annual funding of \$9.0 million through June 30, 2024, for the provision of fire protection services in the service area of the former East Contra Costa Fire Protection District and in the cities of Antioch and Pinole;

WHEREAS the Contra Costa County Fire Protection District (District) and the City of Pinole intend to leverage Measure X funds for an increased level of fire protection services in the City of Pinole;

WHEREAS the Board of Supervisors acknowledge the ongoing funding needs of the Contra Costa County Fire Protection District beyond the initial allocation through June 30, 2024, to support the provision of fire protection services by the District in the service area of the former East Contra Costa Fire Protection District and in the cities of Antioch and Pinole; and

WHEREAS the Board of Supervisors acknowledge that increased funding allocations are necessary to maintain service levels and to offset annual increases in the operating costs of funded programs.

NOW THEREFORE, the Contra Costa County Board of Supervisors resolves as follows:

1. The Board of Supervisors makes the following annual allocations of Measure X funds to the District through June 30, 2028:

- \$2.0 million to support the provision of fire protection services, subject to the execution of a fire protection service agreement between the District and the City of Pinole.
- \$3.5 million to support the provision of fire protection services in the service area of the former East Contra Costa Fire Protection District and the reopening of Fire Station 54 in the City of Brentwood.
- \$3.5 million to support the provision of fire protection services in the District through the reopening of Fire Station 81 in the City of Antioch.

2. Beginning with Fiscal Year 2023/24, each of the above funding allocations will be adjusted annually by the percentage change in the Consumer Price Index-All Urban Consumers for the San Francisco-Oakland-Hayward Area for the twelve-month period ending with the February index of the calendar year in which the adjustment is made, but not to exceed 4 percent per year.

Contact: Paul Reyes 925.655.2049

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 20, 2022

Monica Nix, County Administrator and Clerk of the Board of Supervisors

Jane McHuen, Deputy

cc:

Contra Costa County Fire Protection District
Contracted Fire Services to City of Pinole
Plan for Services

September 2022

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Executive Summary

In November 2021, the Contra Costa County Board of Supervisors approved certain expenditures of Measure X funds. Included in this decision was an intent to provide \$2 Million in funding from Measure X to assist in providing full funding, when combined with City of Pinole ("PFD") funds, to reopen Fire Station 74 in Pinole Valley as part of a contract for fire services to be provided by Contra Costa County Fire Protection District ("CCCFPD") for the full operation of fire, rescue, emergency medical, fire prevention, training, and administration to the City of Pinole.

In May 2022, a consultant was contracted to conduct a fiscal analysis and review of the service plan in accordance with LAFCO requirements for a fire protection contract (CA Government Code 53164). This analysis was completed in July 2022.

Background information related to the contract for service:

- PFD has previously experienced a significant reduction in staffing as a result of the great recession. Fire Station 74 in Pinole Valley was closed in 2011.
- PFD and CCCFPD represent two of the three agencies in the Battalion 7 automatic aid response area. The Rodeo-Hercules Fire Protection District is the other agency included in the current Battalion 7 agreement.
- The contract will provide for the reopening and staffing of Fire Station 74 in Pinole Valley.

The proposal for an out-of-area fire protection contract, with services to be provided by CCCFPD, will reopen a closed fire station and provide staffing, as described in this service plan, to improve fire, rescue, and emergency medical services in the areas served by the contract. Additionally, fire prevention, public education programs, and administrative support functions will be improved and delivered in a consistent manner throughout the proposed service area.

Background and Setting

Legal Context

Applicable Law

This application is being submitted pursuant to the Cortese-Knox-Hertzberg Act, Government Code section 56000 et seq. This application is submitted by the Contra Costa County Board of Supervisors, as the governing board of the Contra Costa County Fire Protection District (CCCFPD), under Government Code section 56134. CCCFPD is enabled under the Fire Protection District Law of 1987 (Health & Safety Code 13800, et seq.).

Environmental Documentation

The proposed contract is Categorically Exempt from CEQA pursuant to 14 CCR 15320. Class 20 consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised.

Summary of Proposed Contract

As agreed by the two agencies and indicated in the Resolution of Application, the Contra Costa County Fire Protection District proposes to provide fire protection services to the City of Pinole, to include all areas of the City of Pinole, through a contract for services, following which, the City of Pinole Fire Department would be dissolved.

Proposed Contract Conditions

1. Provider Agency. Upon and after the Commencement Date of the contract and LAFCO's approval, Contra Costa County Fire Protection District will be the provider of all fire, rescue, emergency medical responses, as well as all fire prevention and fire administration for the City of Pinole.
2. Employees. From and after the Commencement Date of the contract, all employees of the dissolved Pinole Fire Department at the Battalion Chief, Fire Captain, Fire Engineer, and Firefighter rank shall become employees CCCFPD.
3. Duties. CCCFPD, under contract with the City of Pinole, shall function under and carry out all authorized duties and responsibilities assigned to a Fire Protection District as outlined in Division 12, Part 2.7, Chapter 1, Health & Safety Code, Fire Protection District Law of 1987 (commencing with Section 13800) and other applicable laws within the City of Pinole.
4. Service Demand. CCCFPD will continue to staff Fire Station 73 (downtown Pinole) and will reopen and staff Fire Station 74 (Pinole Valley).

History of the Affected Agencies

Contra Costa County Fire Protection District

The Contra Costa County Fire Protection District (CCCYPD) was originally formed in 1964 as a result of the Central Fire Protection District and Mt. Diablo Fire Protection District consolidation. Since then, ten other fire protection districts in the region have merged with CCCYPD.

On July 1, 2022, CCCYPD completed the annexation of the East Contra Costa Fire Protection District.

As of July 1, 2022, CCCYPD's primary service area comprises approximately 555 square miles. More than 150 additional square miles comprise the response area for ambulance service and transport. Data from the U.S. Census Bureau indicates a 2020 resident population of 750,000. About half CCCYPD's jurisdiction is considered "urban," 25% "suburban," and the remaining 25% "rural" or "remote."

Governance

The five-member elected Contra Costa County Board of Supervisors serves as CCCYPD's Board of Directors. The Board oversees the Fire Chief, sets general policies, and approves the budget. The Fire Chief is responsible for the administrative functions and daily operations of CCCYPD.

District Services

CCCYPD is an all-hazards fire district providing traditional fire protection, wildland firefighting, emergency medical services, Advanced Life Support (ALS), ambulance transport, various special operations (e.g., water rescue, hazardous materials response, marine firefighting, technical rescue, etc.), and a comprehensive life-safety and prevention program that includes inspections, a dedicated fire investigation unit, code enforcement, plan reviews, and public education. In 2005, CCCYPD was given an Insurance Services Office (ISO) Public Protection Classification (PPC®) score of 3/3Y. The ISO PPC is a standardized fire department classification and ranking system established by the ISO and used by many insurance companies for determining capability of the fire department serving the insured property. CCCYPD is accredited through the Commission on Accreditation of Ambulance Services (CAAS).

Effective with the annexation of the East Contra Costa Fire Protection District in July 2022, and the reopening of Fire Station 4 in July 2022, CCCYPD deploys 34 staffed apparatus from 31 staffed fire stations located throughout the District. An additional three-person company is anticipated to be placed in service in Antioch and another in Brentwood in March 2023. An additional station is utilized for CCCYPD's reserve firefighters and staffed on a rotational basis. CCCYPD operates a wide variety of fire apparatus and ambulances (more detail provided under "Capital Facilities & Apparatus").

CCCYPD follows the National Fire Protection Association (NFPA) Standard 1710 for providing an effective firefighting force of at least 17 personnel on the initial response to a single family

residential structure fire. Across CCCFPD's jurisdiction, the travel time for the full first alarm contingent of 17 personnel is achieved at the NFPA 1710 standard of 12 minutes, 90% of the time, for suburban areas.

Ambulance Transport

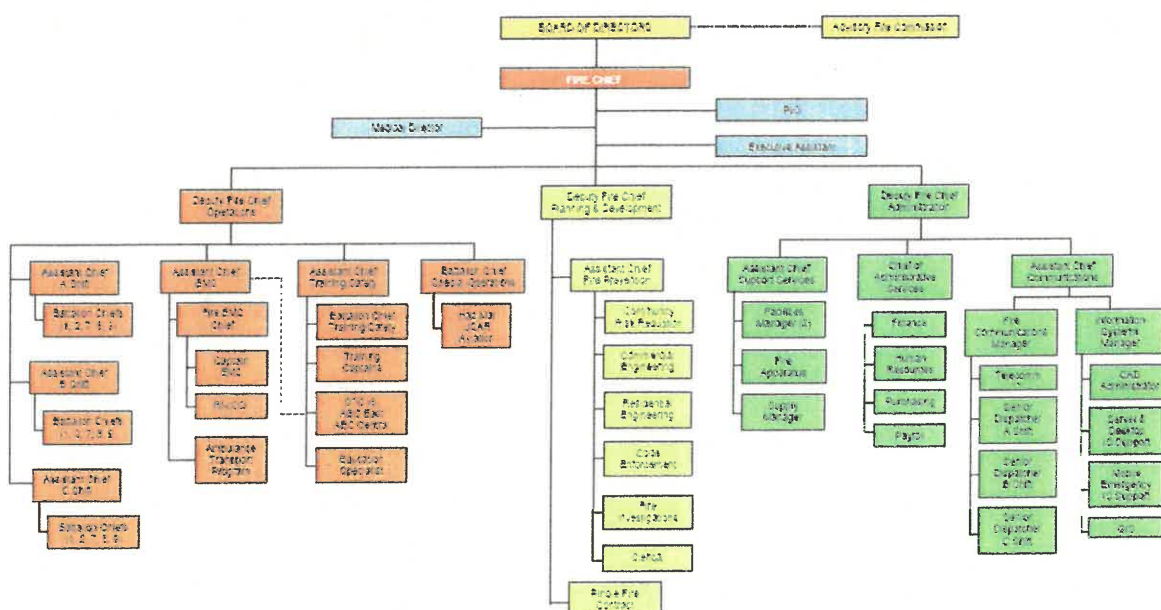
In 2016, CCCFPD developed a unique arrangement with American Medical Response, Inc. (AMR) that they refer to as the "Alliance." The program utilizes AMR EMS personnel to staff CCCFPD's ALS ambulances, assisted by district firefighters certified as EMTs or Paramedics and functioning in a first-responder capacity.

Regional Fire Communications

CCCFPD operates the Contra Costa Regional Fire Communications Center (CCR FCC), which serves as a secondary Public Safety Answering Point (PSAP) for most fire and EMS 911 calls in the County. CCR FCC provides dispatch to its own district, RHFPD, and four other fire agencies. The Center dispatches more than 140,000 emergency and non-emergency fire and EMS incidents annually. CCR FCC's 911 Call-Takers are all certified in Emergency Medical Dispatch through the *International Academies of Emergency Dispatch* (IAED) and provide pre-arrival instructions to callers reporting medical emergencies. In mid-2022 the center will be accredited by the IAED.

CCCFPD Organizational Structure

CCCFPD currently maintains approximately almost 500 funded positions, including staff in the dispatch center. Sixteen of these positions are financed via the District's EMS Transport Fund. The figure below shows the 2022 organizational structure of CCCFPD. As shown, the Fire Chief and Deputy Fire Chiefs supervise seven divisions, each of six managed by an Assistant Fire Chief and one by the Chief of Administrative Services.



Pinole Fire Department

The Pinole Fire Department (PFD) is an all-hazards municipal fire department providing traditional structural fire suppression, wildland firefighting, Advanced Life Support (ALS) level emergency medical services (EMS), rescue, and hazardous materials response. PFD deploys its apparatus and personnel out of Station 73 located in downtown Pinole. It is a partner agency, with the Contra Costa County Fire Protection District (CCCYPD) and the Rodeo-Hercules Fire Protection District (RHFPD), in the Battalion 7 agreement, which enables automatic aid among the three agencies. The department normally operates one fire engine, staffed by a captain, engineer, and firefighter, at least one of which is a certified paramedic. The FY 2022/23 budget for the department is anticipated to be \$5.5 Million.

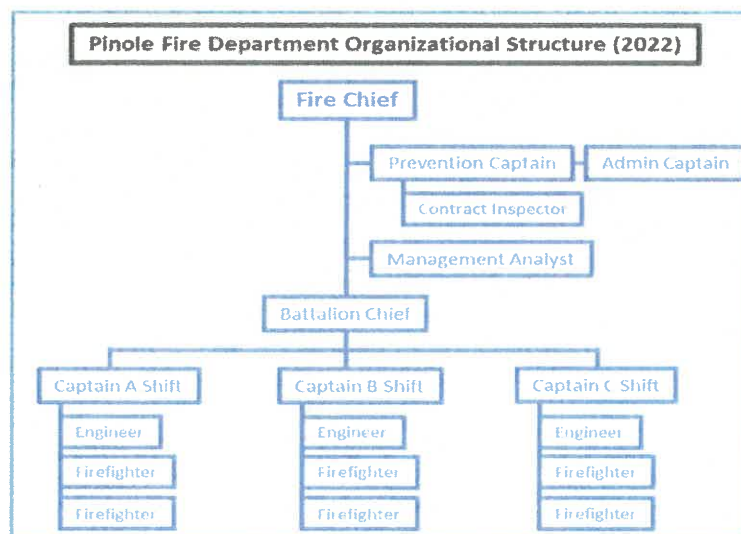
PFD's Fire Prevention Bureau provides inspections, code enforcement, plan reviews, fire investigations, and various public education programs. In addition, the Bureau conducts inspections of public and private properties for compliance with its weed abatement ordinance.

In 2003, Pinole opened a second fire station, Station 74, which was shuttered in 2011 due to unsustainable municipal funding sources.

PFD's Organizational Structure

The Pinole Fire Department employs 17 uniformed and non-uniformed personnel, which includes six Firefighters, three Engineers, five Captains, and one Battalion Chief. The Fire Chief supervises the Battalion Chief, an Administrative Captain, a Prevention Captain, and a Management Analyst. The Battalion Chief is responsible for the B shift operationally, and all three shifts (A, B, and C) administratively (A Shift and C shift operations are overseen by RHFPD and CCCYPD Battalion Chiefs, respectively, under the Battalion 7 agreement). The Prevention Captain supervises a contracted fire inspector.

The following figure illustrates the current 2022 organizational structure of the Pinole Fire Department.

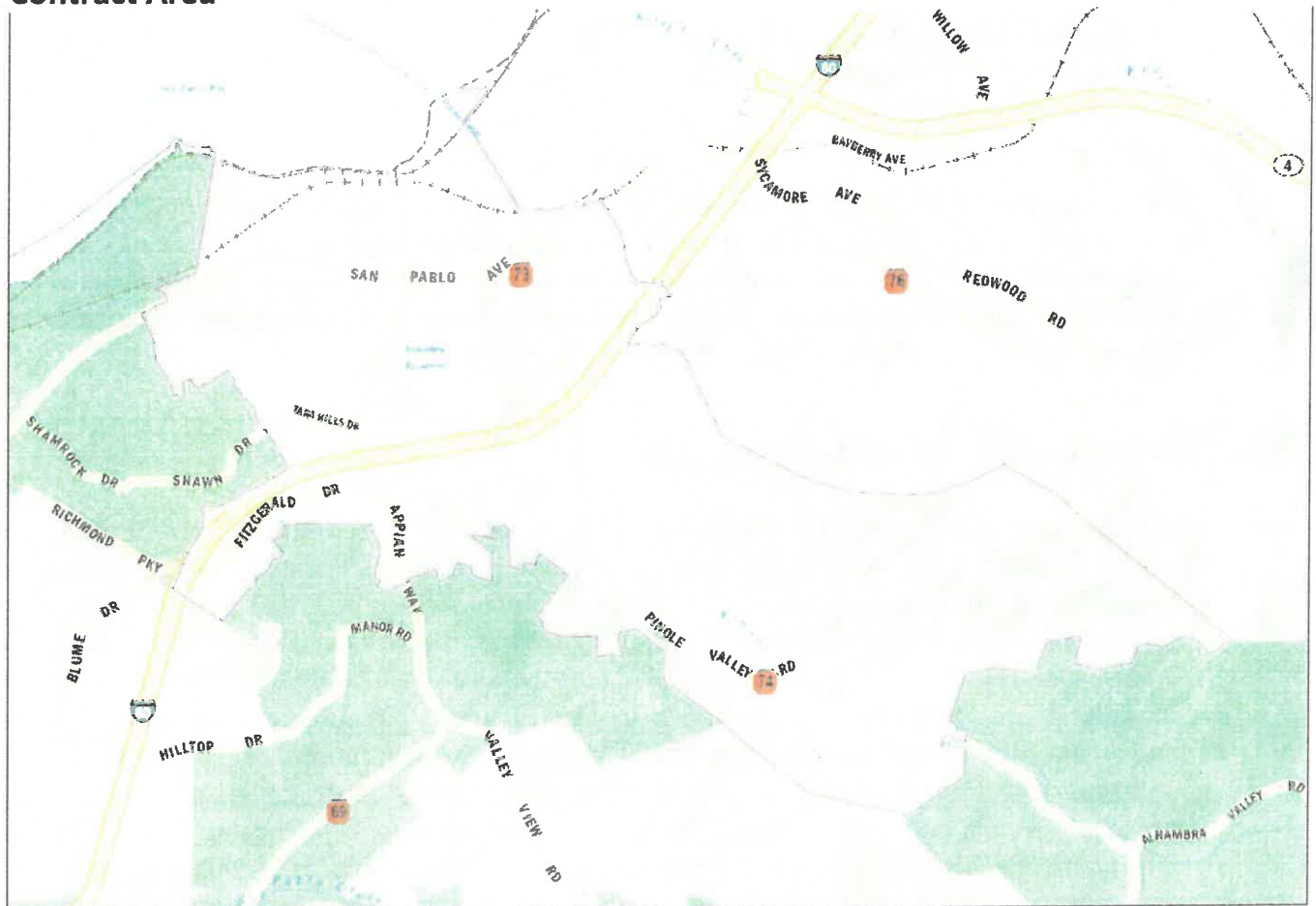


Proposed Contract Territory Description

Boundaries

The image below shows the proposed contract area which consists of the boundaries of the City of Pinole. Upon the effective date of the contract for services, CCCFPD's coverage area will increase by approximately five square miles.

Contract Area



Topography

The contract area contains waterfront, suburban, urban, and rural service areas. The topography spectrum includes flat urban environments as well as wildland-urban interface (WUI) areas in the Pinole Valley hills. The topography is typical of that found throughout the County.

Population

The population of Pinole is approximately 20,000 residents.

Justification

Augmented Service Levels

Within the areas currently served by the Pinole Fire Department there will be increases in total operational resources available by opening and staffing Fire Station 74. This will increase the total available fire companies from one to two within the first months of the contract effective date.

For the Pinole service area, additional enhancements will include access to specialized rescue and firefighting resources not currently provided directly by that city. These include water rescue teams, heavy fire equipment resources such as fire bulldozers, as well as technical rescue apparatus, equipment, and personnel for confined space, trench, and building collapse. Fire and arson investigation services will be enhanced through use of Contra Costa County Fire Protection District's dedicated Fire Investigation Unit.

Fire prevention service will be standardized and, in some cases, augmented beyond the current level of service being provided by the city. Comprehensive community risk reduction, code enforcement, plan review and new construction inspections, and development planning will be provided by full-time personnel. Public education and outreach efforts will be augmented through dedicated CCCFPD staff to perform this important service.

Enhanced Standardization

The combined organization will standardize training delivery of recruit firefighters through the Contra Costa County Fire Protection District's academy. Continued training of firefighters will occur through one Training Division under a consistent, well-staffed, and properly supported system. Operational policies and procedures will become consistent and standardized under one organization. Fire prevention and code enforcement services will be based on one fire code and supporting ordinances throughout the new service area. Procurement of apparatus and equipment will be contained under one standard within the organization, reducing training issues and increasing flexibility in deployment and fleet sustainability. Operational and large incident management will be standardized under the single organization's leadership and emergency management goals and objectives. Responses to incidents, currently at varying levels based on each agency's own service policies, as described above, will become standardized to meet a single standard for deployment.

Standardization of responses across the expanded service area will ensure consistent response levels of equipment and personnel to structure fires, technical rescues, and vegetation or wildland fires matching with the current response matrix for CCCFPD.

Service Efficiency

This contract will increase both the effectiveness and efficiency of the service delivery system and the efficiency of the administrative functions. A challenge often faced by smaller fire service agencies is the necessity of individuals to serve in multiple capacities. An advantage to this contract will be increased administrative and support services available to the contract area (e.g., information technology, human resources, finance, contracts management, fleet maintenance, logistics and supply, etc.).

Operationally, the City and CCCFPD work together with an existing automatic aid agreement. Emergency operations will be further enhanced and efficiencies gained beyond the current automatic aid agreement as one fully functional organization.

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Plan and Description of Services

Services to be Extended

Fire, rescue, and emergency medical services are currently provided by both the City of Pinole and CCCFPD. Fire prevention, community risk reduction, and fire investigation services are provided at different levels in either full-time or contractual arrangements. Administrative and support services are also provided in different formats amongst the agencies. All services would be provided consistent with the current configuration and delivery models within Contra Costa County Fire Protection District. The method to finance the services provided would be through the combined revenue streams of the City of Pinole supplemented by a contribution of Measure X funds through the Board of Supervisors.

The contract would only affect the provision of fire, rescue and emergency medical services within the current boundaries of areas proposed for annexation. The reorganization will not alter or affect other municipal services provided by the City of Pinole.

Current Service Delivery Levels

Service and Staffing Overview

An overview of services provided and description of staffing levels for each of the subject districts was previously discussed in the *History of the Reorganizing Districts* section.

Dispatch/Communications

CCCFPD operates the Contra Costa Regional Fire Communications Center (CCRFCC), which serves as a secondary Public Safety Answering Point (PSAP) for most fire and EMS 911 calls in the County. CCRFCC provides dispatch to its district, plus PFD, and four other fire agencies (Moraga-Orinda FPD, El Cerrito FD, Crockett-Carquinez FPD, and the Rodeo-Hercules FPD). The Center dispatches more than 140,000 emergency and non-emergency fire and EMS incidents annually.

In 2018, the Center made substantial improvements to the system by adding more staff and upgrading radio, telephone, and information technology services.

CCRFCC's 911 Dispatchers and Senior Dispatchers are all certified in Emergency Medical Dispatch through the *International Academies of Emergency Dispatch* (IAED) and provide pre-arrival instructions to callers reporting medical emergencies. In mid-2022 the center will be accredited by the IAED.

Along with CCCFPD staff, CCRFCC houses 13 System Status Management Dispatchers employed by American Medical Response.

Level of Demand

Total 911 Call Volume – City of Pinole

The PFD responded to 1,112 incidents within the City limits in 2021, and had a total of 1,479 responses in 2021. Responses outside the city limits for automatic or mutual aid accounts for the difference in totals.

PINOLE FD RESPONSES

Year	Pinole FD Responses within City limits	Total Pinole FD Responses
2018	1360	1815
2019	1510	1991
2020	1260	1579
2021	1112	1479

The City of Pinole received automatic or mutual aid to 382 incidents in 2021, where there was no PFD response, either due to Engine 73 being already committed to a call or otherwise unavailable for response.

Aid Provided to Pinole with no PFD response

Year	Total
2018	247
2019	293
2020	199
2021	382

The data provided above excludes ambulance-only responses where there was no PFD response.

Response Times

The PFD had an average response time, as calculated from the time of notification at the fire station to arrival at scene, of 7 minutes, 33 seconds in 2021 for all calls within the city limits.

Pinole FD Response Times

Year	Average	90%
2018	7:09	9:57
2019	7:26	10:54
2020	7:29	10:52
2021	7:33	10:50

Response times will be reduced within the city by reopening Fire Station 74 and providing a closer fire unit to the Pinole Valley area of the city. Further, in those instances where a second incident occurs and Engine 73 is already committed, the response time from Fire Station 74 will be less than the current response time of automatic aid resources from other jurisdictions.

The total time for an effective firefighting force to arrive at a structure fire will be reduced with the addition of Fire Station 74, reducing the dependence on a response from an automatic aid engine from farther away.

Pinole FD Facilities

The PFD currently owns two fire stations, of which one is staffed with personnel and apparatus and the other is used to house the Battalion Chief, but has been closed since 2011. Both facilities are in good condition and serviceable and fully capable of supporting their intended use.

Fire Station 73, located in the downtown area, is attached to the City Public Safety Building while Fire Station 74, located in the Pinole Valley area, is a separate detached fire station. It is anticipated there are no significant infrastructure needs for either station. Fire Station 74 is anticipated to need new carpet, flooring, and interior paint with some minor maintenance and repair work.

Fire Department Apparatus

Contra Costa County Fire Protection District

The CCCFPD has a large fleet of frontline engines, aerial apparatus, and support vehicles. Additionally, CCCFPD has a fleet of reserve, or spare, apparatus and additional engines assigned to the Training Division.

Along with its substantial fleet of engines, ambulances, aerials, and other apparatus, CCCFPD maintains a range of special operations vehicles (e.g., hazmat unit, UTVs, command units, fire

boat, rescue boat, etc.) and other equipment utilized for wildland and other operations (e.g., bulldozer, backhoe, dump truck, etc.).

CCCFPD owns multiple pickup trucks, SUVs, and other vehicles but has access to nearly 75 other pickup trucks, staff cars, cargo vans, and assorted miscellaneous vehicles from the “Enterprise Fleet.”

CCCFPD maintains an adequate inventory of reserve engines, aerial apparatus, rescue squads, and other vehicles. The Training Division has been assigned five Type 1 engines along with two aerial apparatus (one being a Quint and the other a tiller), and several other apparatus.

Pinole Fire Department

The following figure lists the current inventory of PFD’s frontline fleet. The City’s apparatus fleet comprises Type 1 (structural) and Type 2 or Type 6 (wildland) engines. The City formerly provided a ladder truck from Fire Station 73, but it was not replaced when taken out of service several years ago.

Pinole FD Frontline Apparatus Inventory (2022)

Unit	Type	Manufacturer	Year	Condition	Features
Engines (Type 1)					
Engine 73	Type 1	Seagrave	2020	Excellent	1500 gpm, 500 gal.
Engine 73A	Type 1	Spartan	2014	Good	1500 gpm, 500 gal.
Engines (Type 3 or Type 6)					
Engine 273	Type 2	Rosenbauer	2008	Good	750 gpm, 500 gal.
Engine 673	Type 6	Ford	2001	Fair	120 gpm, 500 gal.

Collective Apparatus Inventories

The following figure lists the frontline fleet inventories of the two agencies combined.

Collective Inventory of the Fire Districts’ Frontline Fleets (2022)

Fire District	Engines ^A	Aerials	Ambulances	Tenders	Wildland ^B	Others
CCCFPD	49	11	50	3	23	24 ^C
Pinole	2	—	—	-	2	—
Totals:	51	11	50	3	25	24

^AIncludes Type 1 only. ^BIncludes Type 2, 3 & Type 6. ^CApproximate.

In the preceding figure, the “Wildland” category represents Type 2, 3, and 6 apparatus. The “Others” category represents a broad range of vehicles from bulldozers to water craft.

Automatic and Mutual Aid

All agencies participate in local automatic aid agreements. Current automatic aid agreements with the Battalion 7 agencies and Richmond Fire Department will continue, and service will be provided by CCCFPD to those partner agencies. Additionally, local and statewide mutual aid is provided under local agreement or under the California Master Mutual Aid Agreement and will continue to be provided by CCCFPD under this contract.

Public Education Programs

CCCFPD provides a staffed Public Education Unit within the Fire Prevention Bureau. The unit provides the following programs which would be extended to the City of Pinole.

- Carbon Monoxide Alarm installations
- CPR courses
- Elementary School Fire Safety Programs
- Exit Drills in the Home (EDITH)
- Eldercare and safety
- Fire extinguisher use
- Fire safety programs
- Injury and fall prevention
- Juvenile fire-starter program
- Smoke alarm installations
- CERT Fire training
- Firewise Communities
- Wildland fire and evacuation preparedness

Support Services

Apparatus & Vehicle Maintenance

Contra Costa County Fire Protection District

The majority of Contra Costa County FPD’s fleet maintenance is performed internally by the District’s Apparatus Shop. The Fire Apparatus Manager supervises a Fire Service Coordinator, Driver/Clerk, and six Fire Equipment Mechanics (FEM). The FEMs are certified by the *National Institute for Automotive Service Excellence* (ASE) in vehicle repair and the *California Fire Mechanics Academy* (CFMA) to maintain fire apparatus.

Fire Prevention

CCCFPD has a fully staffed prevention bureau (“FPB”). The FPB provides annual inspections in compliance with state mandated inspection programs, high hazard occupancy inspections, fire code operational permit inspections, new construction plan review and inspections, fire sprinkler and fire alarm plan review and inspections, and specialized code enforcement inspections.

New construction plan submittals and plan review services will be provided at the District's main administrative offices in Concord. As with all other cities, FPB staff will coordinate with City Building Department staff for plan reviews, issuance of fire district permits, and field inspections related to new construction.

Annual occupancy inspections for compliance with state mandated programs will be performed by FPB Fire Inspectors. Non-mandated occupancy inspections will be performed in accordance with current FPB practices on a multi-year cycle. Additional inspections, such as those that may be required for issuance of city business license permits, will be coordinated with the city as needed.

Exterior hazard and weed abatement processes will remain with the City. FPB Inspectors will assist with inspections and recommendations for hazard reduction, hazard abatement, and wildfire mitigation. Abatement processes and implementation will remain with the City. The District will coordinate with the City on potential wildland fire mitigation grants that may be available to areas of the City.

Fire-Cause Determination & Investigation

CCCYPD has full-time staff who are certified peace officers with arresting powers and the capacity to perform all functions of a fire-cause investigation. The fire investigation team for CCCYPD conducted almost 900 investigations in 2020. Significant fires, those that include 2nd alarm or greater, fires that involve an injury or fatality, or those that are intentionally set will be investigated by the District's Fire Investigation Unit. The Fire Investigation Unit will coordinate with the City Police Department on all investigations.

Proposed Service Delivery Plan

Service Overview

The District will provide fire, rescue, and first responder emergency medical services, including special operations capabilities, to the City of Pinole in a manner consistent with services provided in the existing Contra Costa County Fire Protection District. Full-time and full-service fire prevention and fire investigation services, along with internal apparatus and fleet maintenance programs, administrative and support services will be provided. An increase in service level due to the reopening of Fire Station 74 is anticipated within the first 90 days of the effective date of the contract.

Staffing

Additional firefighters and fire, rescue, and emergency medical services response capacity will be deployed as a result of this contract from Fire Station 74. This will double the 24-hour staffing of firefighters within the City. Existing fire prevention and administrative capacity in the District will be used to carry out related activities within the City under the scope of services outlined in the contract.

Dispatch/Communications

There would be no changes to dispatch and emergency communications. There would be increased support provided by Contra Costa County Fire Protection District staff for radio and communication servicing, repairs, and radio programming under the contract.

Level of Demand

It is anticipated that immediately following the effective date of the contract demand for services, as defined by calls for service, would total the sum of the existing demand in the two service areas (City and District). In subsequent years, demand would likely increase within the city in conjunction with anticipated population increases, new development and infrastructure, and other factors influencing need for fire protection, rescue, and EMS services.

Response Times

Current response times would be significantly improved in the areas served by the PFD with the opening of Fire Station 74. As a result of this, the reliance on units from Rodeo-Hercules should be reduced, increasing response reliability and availability of those units. Response times within the surrounding areas of CCCFPD would also be improved by the reopening of Fire Station 74. Instances where CCCFPD or Rodeo-Hercules FPD stations are uncovered due to responses into Pinole will be reduced proportionally.

Automatic and Mutual Aid

CCCFPD will continue to support automatic and mutual aid commitments at the local level. The ability to respond to regional and statewide mutual aid would be enhanced by additional capacity and personnel.

Public Outreach/Education

Public education and public information services would be provided with dedicated staff of the already existing Contra Costa County Fire Protection District.

Fire Prevention

Fire prevention will be provided through the District's Fire Prevention Bureau with its 22 Fire Inspectors and Fire Prevention Captains. Fire investigations will be provided through the full-time dedicated staff of the District's Fire Investigation Unit consisting of four uniformed Fire Investigators and one Captain. CCCFPD will conduct annual occupancy inspections of all state-mandated facilities within the city and provide new construction plan review and related inspections for all new construction projects within the city.

Fire Code Adoption

The City already adopts a fire code with amendments that are identical to CCCFPD. CCCFPD will work with city staff to effect the adoption of the fire code for the triennial period with an effective date of January, 2023.

Administration

CCCCFPD would provide a 13% administrative/support staffing to line staffing based on current staffing levels. This is consistent with similarly sized organizations.

Maintenance

Vehicle maintenance would be performed by the Contra Costa County Fire Protection District apparatus shop. This will increase consistency and uniformity in quality by ASE certified fire mechanics.

Training

Training of recruit firefighters will be conducted through the Contra Costa County Fire Protection District academy. This state Accredited Local Academy will increase consistency in the training provided and the quality and capability of the recruits who will become firefighters serving the various communities of the combined organization upon graduation. Continuing training will be delivered using the systems developed under the Contra Costa County Fire Protection District's Training Division.

In 2021 the Training Division increased staffing by adding one 40-hour Training Captain and one training specialist. In mid-2022, the Training Division will increase the deployment of Shift Training Captains, who also provide incident based safety officer response, from one to two per 24-hour shift.

Personnel/Recruitment

Recruitment processes will be standardized under the current practices of the Contra Costa County Fire Protection District based on existing district practices and policies

Level and Range of Proposed Services

Capacity Availability

Current capacity will be increased in the areas served by the contract. The previously closed fire station will be reopened serving the City of Pinole and adjoining communities under automatic aid agreement. Capacity within the fire prevention bureau will be evaluated on an ongoing basis, as is the current practice, to match staffing with service demand, particularly given potential development and new construction trends.

Willingness to Serve

Contra Costa County Fire Protection District is prepared to serve the areas under the proposed contract. The ability to serve the new areas is complemented by additional personnel and the reopening of Fire Station 74 through dedicated Measure X funding.

Service Adequacy

The level of service provided in the City of Pinole will be consistent with current CCCFPD practices, policies, and standards for fire, rescue, and emergency medical services, as well as fire prevention, fire investigation, and training.

Infrastructure Needs/Planned Improvements

There are no significant infrastructure needs.

Facilities

The City will retain ownership of all facilities (Fire Station 73 & Fire Station 74) with the District leasing those facilities for \$1 per year. The City will be responsible for utilities, maintenance, and repair costs of the facilities. The Fire District Facilities Manager will work closely with city staff regarding necessary repairs, ongoing maintenance, and other facility related issues. There are no significant upgrades anticipated for either facility.

Apparatus

The District will provide one Type 1 engine and one wildland engine (Type 3 or Type 6) at each fire station. An appropriate vehicle for the Battalion Chief will be provided. Reserve apparatus will be provided, as necessary, due to maintenance or out-of-service issues through the existing District fleet.

The City will transfer ownership of the apparatus and vehicles to the District. The District will be responsible for all maintenance, repair, and scheduled replacement of the apparatus in a manner consistent with District standards. Replacement costs of apparatus are factored into the annual contract amount and it is anticipated the District will need to replace one Type 6 engine within the next 24 months, one Type 3 engine within the next five years, and one Type 1 engine within five to seven years. The total anticipated cost of replacing this apparatus is approximately \$1,650,000.

Equipment

The City will transfer ownership of all fire, rescue, and emergency medical equipment to the District. The District will be responsible for all maintenance, repair, and scheduled replacement of the equipment in a manner consistent with District standards.

Transition Plan

Apparatus and Equipment Transfer

All PFD equipment and apparatus existing as of the contract commencement date which are owned by the City of Pinole shall be transferred to the Contra Costa County Fire Protection District under the conditions outlined in the contract for service.

Fire Station 74 Staffing

It is anticipated Fire Station 74 will be reopened on March 1, 2023 to coincide with the addition of personnel through the CCCFPD Academy 58 which graduates in mid-February, 2023.

Personnel and Employment Agreements

All personnel from PFD at the Battalion Chief, Captain, Engineer, and Firefighter rank are planned to be absorbed into CCCFPD as of the effective date of the contract. Personnel will be transitioned into positions matched with their current job descriptions. CCCFPD will work with impacted labor groups and County HR representatives to determine appropriate salary steps, actions, and processes to perform a smooth transition of all impacted personnel.

Information Required Pursuant to Government Code Section 56134(e)

1) The total estimated cost to provide the new or extended fire protection services in the affected territory.

The total costs are estimated at \$7.5 million annually based on FY 2022-23 budget.

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Personnel Costs	\$2,540,000	\$2,616,200	\$2,694,686	\$2,775,527	\$2,858,792	\$2,944,556
Employee Benefits	\$3,461,572	\$3,738,498	\$4,037,578	\$4,360,584	\$4,709,430	\$5,086,185
Materials and Supplies	\$173,872	\$187,782	\$202,804	\$219,029	\$236,551	\$255,475
Equipment Replacement	\$305,000	\$320,250	\$336,263	\$353,076	\$370,729	\$389,266
Communication Center Allocation	\$172,498	\$179,398	\$186,574	\$194,037	\$201,798	\$209,870
Administration Allocation	\$648,044	\$686,927	\$728,142	\$771,831	\$818,141	\$867,229
 Total Operating Costs	 \$7,300,986	 \$7,729,054	 \$8,186,046	 \$8,674,082	 \$9,195,442	 \$9,752,581
 Measure X Allocation*	 \$2,000,000	 \$2,080,000	 \$2,163,200	 \$2,249,728	 \$2,339,717	 \$2,433,306
 Net Costs of CCCFPD Contract	 \$5,300,986	 \$5,649,054	 \$6,022,846	 \$6,424,354	 \$6,855,725	 \$7,319,275

*Includes maximum 4% escalator for Measure X contributions

2) The estimated cost of the new or extended fire protection services to customers in the affected territory.

It is estimated that extending fire protection services would increase current costs by \$0 - \$250,000. The current Pinole fire budget of approximately \$5.5M annually, augmented by the annual \$2M County Measure X allocation, would fund \$7.5M annually for extended services under the proposed contract. Approximately \$250,000 of costs related to building maintenance, utilities, and fire fuel (vegetation) management will remain with the City; however, these costs are balanced by terms in the contract that benefit the City (such as vehicle replacement), which are not currently included in the City's annual fire budget forecasts. There are no new costs anticipated to be borne by the residents of the City of Pinole under the conditions contained in the contract. Existing revenue sources of the City combined with an annual Measure X contribution are estimated to cover the costs of services.

3) An identification of existing service providers, if any, of the new or extended services proposed to be provided and the potential fiscal impact to the customers of those existing providers.

The City of Pinole, through its fire department, provide existing fire protection services except that Fire Station 74 has been closed since 2011. There are no new costs anticipated to be borne by the residents of the City of Pinole under the conditions contained in the contract. Existing revenue sources of the City combined with an annual Measure X contribution are estimated to cover the costs of services.

4) A plan for financing the exercise of the new or extended fire protection services in the affected territory.

The extended fire services under the proposed contract will be funded by the City's payment of the anticipated direct and indirect costs incurred by the District for providing fire protection services in the City (which is anticipated to be similar to the approximate \$5.5M spent annually by the City on fire protection services), augmented by a \$2M allocation of Measure X funds from the County, adjusted annually to offset cost increases.

5) Alternatives for the exercises of the new or extended fire protection services in the affected territory.

None – extended services and Measure X funding to support the same are contingent upon the contract agreement.

6) An enumeration and description of the new or extended fire protection services proposed to be extended to the affected territory.

Under the proposed contract for out-of-area fire protection services provided by the District, the District would provide fire, rescue, and emergency medical services (EMS) response services, fire prevention and fire investigation services, training, and typical fire department administrative services within the City limits. The District would continue operating the currently operational City Fire Station 73 and would reopen the currently closed City Fire Station 74. The District would staff each station as described in the service plan to improve fire, rescue, and emergency medical services in the areas served by the contract.

7) The level and range of new or extended fire protection services.

Under the proposed contract, the District would provide the extended services (i.e., fire, rescue, and emergency medical services (EMS) response services, fire prevention and fire investigation services, training, and typical fire department administrative services within the City limits) at the same levels of service as provided by the District within its own service area. The District would continue operations at the one fire station that is currently open within the City, Fire Station 73, and reopen and staff the currently closed second fire station, Fire Station 74, in the City. This level of service would represent an increase in fire, rescue, and emergency medical services in the City (and the immediately surrounding unincorporated areas) due to the reopening of station 74 and increased staffing.

8) An indication of when the new or extended fire protection services can feasibly be extended to the affected territory.

Projected implementation of extended services to the affected territory is March 1, 2023 (the "operational date").

9) An indication of any improvements or upgrades to structures, roads, sewer or water facilities, or other conditions the public agency would impose or require within the affected territory if the fire protection contract is approved.

None.

10) Determination supported by documentation that the proposed fire protection contract meets either of the 25% thresholds.

It is anticipated that the current City employees with the Fire Department, with the exception of the Fire Chief (who will retire) and one administrative support position (who will remain with the City), will become District employees upon the operational date of the proposed contract and the reopening of Pinole Station 74, thus exceeding the 25% threshold for affected employees. Additionally, under the proposed contract, responsibility for providing fire protection services will be transferred from the City to the District in 100% of the area within City boundaries, which exceeds the 25% threshold for providing fire protection services within the jurisdictional boundaries of the City.

RESOLUTION NO. 2022-83

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE APPROVING AN AGREEMENT FOR FIRE PROTECTION SERVICES WITH THE CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT (CCCFPD), AUTHORIZING THE CCCFPD TO SUBMIT AN APPLICATION TO THE CONTRA COSTA COUNTY LOCAL AGENCY FORMATION COMMISSION TO PROVIDE FIRE PROTECTION SERVICES IN PINOLE, AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE OTHER RELATED DOCUMENTS NECESSARY TO IMPLEMENT THE CONTRACT FOR SERVICES

WHEREAS, the City Council previously directed staff to engage in dialogue with the Contra Costa County Fire Protection District ("CCCFPD") regarding closer cooperation and partnership; and

WHEREAS, the City has two fire stations, Station 74 and Station 73, but Station 74 has been closed since 2011 due to lack of funding; and

WHEREAS, CCCFPD is an all-hazards fire district providing traditional fire protection, wildland firefighting, emergency medical services, Advanced Life Support (ALS), ambulance transport, various special operations, and a comprehensive life-safety and prevention program; and

WHEREAS, CCCFPD currently maintains approximately 500 funded positions, and deploys 34 staffed apparatuses from 31 staffed fire stations located throughout its service area; and

WHEREAS, voters in Contra Costa County passed Measure X in November 2020, which adopted a 20 year sales tax increase, the proceeds of which could be used to fund expanded fire protection, health, and other services; and

WHEREAS, the County Measure X Advisory Board recommended \$2 million dollars be allocated toward reopening Pinole Station 74 through an integrative agreement with CCCFPD; and

WHEREAS, the City and CCCFPD have undertaken a multi-month long process to identify an arrangement through which CCCFPD could provide fire protection services in Pinole, and determined that CCCFPD operating both Station 73 and 74 was the best and most feasible approach; and

WHEREAS, the City and CCCFPD have negotiated an Agreement for Fire Protection Services (the "Proposed Agreement") whereby CCCFPD will operate both Station 73 and 74, and all current uniform Pinole Fire Fighters, except for the Fire Chief, will become employees of CCCFPD; and

WHEREAS, the cost for CCCFPD to operate both stations, plus related City expenses, will be roughly equal to the amount of City funds normally allocated to the Fire Department plus the \$2 million from Measure X; and

WHEREAS, the Contra Costa County Board of Supervisors has adopted Resolution No. 2022/332, whereby it allocated \$2 million of Measure X funding for the reopening of Station 74 for each fiscal year through FY 2027/28, with the Measure X allocation to be adjusted annually beginning in Fiscal Year 2023/24 by the percentage change in the Consumer Price Index-All Urban Consumers for the San Francisco-Oakland-Hayward Area for the twelve-month period ending with the February index of the calendar year in which the adjustment is made, but not to exceed 4 percent per year; and

WHEREAS, in order for CCCFPD to provide fire protection services within the City of Pinole, State law requires that the Contra Costa County Local Agency Formation Commission ("LAFCo") approve the proposal; and

WHEREAS, in order for an application to be approved by LAFCo, the City must first authorize CCCFPD to submit the application; and

WHEREAS, the application also requires the City and CCCFPD to both execute a side letter with Local 1230, the bargaining unit representing the firefighters impacted by the Proposed Agreement; and

WHEREAS, the Stone Municipal Group has undertaken an independent fiscal analysis to analyze the impacts of the proposed contract, and that analysis has concluded that the City has the fiscal ability to enter into and sustain an agreement with CCCFPD to provide fire and emergency response services; and

WHEREAS, the financial analysis showed that the City will pay only modestly more, when accounting for the allocation of Measure X funding, for CCCFPD to operate both Stations 73 and 74 compared to the City's current cost to operate only one station because CCCFPD achieves economies of scale and scope, while reducing administrative overhead; and

WHEREAS, the Proposed Agreement is for an initial term of five years, which may be extended for an additional five year term by mutual written agreement of the City Manager and the CCCFPD Fire Chief, with each party retaining the authority to terminate the agreement with 1 year's notice; and

WHEREAS, the City will retain ownership of Station 73 and 74, but the stations will be leased to CCCFPD for a nominal amount and the City responsible for ongoing maintenance, with such lease agreements to be negotiated by the City Manager; and

WHEREAS, under the Proposed Agreement, the City will transfer ownership of its existing apparatus and equipment to CCCFPD, and CCCFPD will be responsible for

all maintenance, repair, and scheduled replacement of the apparatus in a manner consistent with CCCFPD standards; and

WHEREAS, the Proposed Agreement would provide increased service to Pinole residents, by improving response times, and significantly increasing the percentage of calls which meet the City's target response time; and

WHEREAS, the Proposed Agreement will provide the City access to CCCFPD's greater operational resources, including specialized rescue and firefighting personnel and equipment; and

WHEREAS, greater fire protection services in Pinole would also help accommodate for the scarcity of West County hospital emergency room services since the closure of Doctor's Medical Center in Pinole, which has increased the reliance on firefighters as first-line medical assistance; and

WHEREAS, the City Council considered a draft proposed agreement at a special City Council meeting held in workshop format on September 13, 2022; and

WHEREAS, the City Council has determined that entering into the proposed Agreement with CCCFPD will improve the public health, safety, and welfare of the residents of Pinole and surrounding areas; and

WHEREAS, the City Council desires to approve the Proposed Agreement and authorize the City Manager to take other related actions.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Pinole hereby declares as follows:

1. The above recitals are true and correct, and incorporated into this Resolution.

2. The Agreement for Fire Protection Services with the Contra Costa County Fire Protection District is approved. The City Manager is authorized to execute the Agreement with such minor changes as approved by the City Attorney.

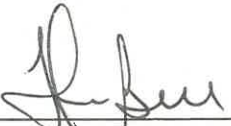
3. The Contra Costa County Fire Protection District is authorized to submit an application to Contra Costa Local Agency Formation Commission to provide fire protection services in Pinole.

4. The City Manager is authorized to negotiate and execute such other agreements and documents necessary to implement the contract for services, in a form approved by the City Attorney, including but not limited to lease agreements for Stations 73 and 74 as well as a Side Letter with Local 1230.

PASSED AND ADOPTED at a special meeting of the Pinole City Council held on the 10th day of October, 2022, by the following vote:


AYES: COUNCILMEMBERS: **Martínez-Rubin, Murphy, Salimi, Tave, Toms**
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing Resolution was introduced, passed, and adopted on the 10th day of October, 2022.



Heather Bell, CMC
City Clerk

Pinole City Council:



Vincent Salimi, Mayor



Devin Murphy, Mayor Pro Tem



Norma Martínez -Rubin, Council Member



Anthony Tave, Council Member



Maureen Toms, Council Member

THE BOARD OF DIRECTORS OF THE CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT

Adopted this Resolution on 10/11/2022 by the following vote:

AYE: **John Gioia**
Candace Andersen
Diane Burgis
Karen Mitchoff
Federal D. Glover

NO:

ABSENT:

ABSTAIN:

RECUSE:

**Resolution No. 2022/13**

In the Matter of Application by the Board of Directors of the Contra Costa County Fire Protection District to the Contra Costa Local Agency Formation Commission Requesting Approval to Provide Fire Protection Services Within the City of Pinole.

WHEREAS, the City of Pinole ("City") desires to expand and supplement the current fire protection services provided within the City;

WHEREAS, only one of the City's two fire stations is currently operational;

WHEREAS, the Contra Costa County Fire Protection District ("District") is able to provide a level of fire protection services within the City that would exceed current service levels, while reopening and staffing the fire station that is currently non-operational;

WHEREAS, the District and City have negotiated terms of a proposed fire protection services agreement ("Agreement"), attached to this Resolution and incorporated by reference as Exhibit A;

WHEREAS, the parties have also negotiated two leases for the two fire stations located within the City that set forth the terms under which the District would occupy the two stations during the term of the Agreement;

WHEREAS, the District would be paid by the City for budgeted direct and indirect costs incurred in the performance of services under this Agreement;

WHEREAS, the County of Contra Costa by Resolution No. 2022/332, has allocated from Measure X funds the amount of \$2,000,000 annually, adjusted annually by the percentage change in the Consumer Price Index- All Urban Consumers for the San Francisco-Oakland-Hayward Area for the twelve-month period ending with the February index of the calendar year in which the adjustment is made, but not to exceed four percent per year, through fiscal year 2027/28 to facilitate this partnership for services between the District and the City;

WHEREAS, because the City is not within the District's service boundary, services under the Agreement may not commence until the Agreement is submitted to and approved by the Contra Costa Local Agency Formation Commission ("LAFCO") pursuant to Government Code section 56134, which provides that a "public agency may provide new or extended services pursuant to a fire protection contract only if it first requests and receives written approval from the [local agency formation] commission in the affected county pursuant to the requirements of this section" (Gov. Code, § 56134, subd. (b));

WHEREAS, the District has prepared an application for a fire protection service contract, as required by LAFCO, and a service plan ("Service Plan"), in accordance with Government Code section 56134, subdivision (e), that details the cost of the new or extended fire protection services, the plan for financing these services and the services to be provided under the Agreement, among other provisions, which are attached to this Resolution and incorporated by reference as Exhibits B and C, respectively;

WHEREAS, the City, in coordination with the District, has had an independent fiscal analysis prepared in accordance with Government Code section 56134, subdivision (f), which shows that the financial terms of the contract are feasible and sustainable. This analysis is attached to this Resolution and incorporated by reference as Exhibit D, and;

WHEREAS, in accordance with Government Code section 56134, subdivision (d)(1)(A), the District has prepared a written agreement with the City of Pinole, Local 1230 and UCOA, whereby each entity consents to the Agreement, which is attached to

this Resolution and incorporated by reference as Exhibit E.

NOW, THEREFORE, IT IS RESOLVED by the Board of Directors of the District as follows:

1. This Resolution of Application is hereby adopted and approved by the District's Board of Directors. LAFCO is hereby requested to approve new or extended fire protection services to be provided by the District within the jurisdictional boundaries of the City as set forth in the Agreement and further described in the Service Plan.
2. The officers and staff of the District are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which, in consultation with District counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed.

**Contact: Lewis T. Broschard III, Fire Chief (925)
941-3300**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: October 11, 2022

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By:  June McHuen, Deputy



cc:



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

Patricia Bristow
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

November 9, 2022 (Agenda)

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

November 9, 2022
Agenda Item 8

2nd Round Municipal Services Review and Sphere of Influence Updates
Contra Costa Mosquito & Vector Control District and
Contra Costa Resource Conservation District

Dear Members of the Commission:

OVERVIEW AND PROCESS:

In November 2021, Contra Costa LAFCO initiated its 2nd Round *Municipal Services Review (MSR)* and *Sphere of Influence (SOI)* updates covering countywide mosquito & vector control and resource conservation services.

MSRs provide an assessment of the scope and adequacy of municipal services provided in Contra Costa County (CCC) and a basis for making LAFCO determinations relating to *growth & population; location/characteristics of disadvantaged communities; capacity of public facilities, services and infrastructure; financial ability of agencies to provide services; opportunities for shared facilities; and accountability, governance structure and operational efficiencies.*

The MSR culminates in updating the SOIs for the subject agencies. The MSR is an important tool for LAFCO in fulfilling its legislative mandate to coordinate the efficient and logical development of local government agencies and services and in establishing future service boundary changes.

Economic & Planning Systems, Inc. (EPS) prepared the mosquito & vector control and resource conservation services MSR.

On August 10, 2022, the Commission received an overview of the *Public Review Contra Costa Mosquito & Vector Control District (CCMVCD)* and *Contra Costa Resource Conservation District (CCRCDD)* MSR. The 2nd round “CCMVCD and CCRCDD” MSR focuses on the following:

- ✚ Updating agency profile data including growth and population, financial position and capacity (i.e., expenses, revenues, debt, reserves, fees, net position, other fiscal indicators), and staffing/management
- ✚ Capacity of public services, capital needs, and service to disadvantaged communities
- ✚ Shared services/facilities and collaboration
- ✚ Accountability, structure and efficiencies
- ✚ Governance structure options

Following the August 10th LAFCO public hearing, the consultants updated the MSR to reflect Commissioner, local agencies, and public comments (see Attachment 1 - Comment Log). The *Final Draft CCMVCD* and *CCRCD* MSR was posted on the LAFCO website on October 6th.

On November 9th, the Commission will hold a public hearing at which time the consultants will provide comments regarding updates to the MSR and be available to respond to questions. The Commission will receive public comment, consider accepting the Final MSR, make the required MSR and SOI determinations, and update the SOIs for the districts.

DISCUSSION: This MSR covers CCMVCD and CCRCD. A brief description of the districts is provided below.

🚦 **CCMVCD** was formed in 1926 as an independent special district to provide mosquito abatement services in response to mosquito overpopulation and encephalitis and malaria outbreaks. Since formation, the District added other vector control programs to its services, including yellowjackets, honey bees, ticks, rats, mice, and skunks. In addition, CCMVCD provides identification of ticks, and education about honey bees, along with various educational and outreach programs. The District's service area is countywide and coterminous with the CCC boundary. The principal act that governs the District is the *Mosquito Abatement and Vector Control District Law* (Health and Safety Code §2000 et seq.). The principal act empowers such districts to conduct surveillance programs and other studies of vectors and vector-borne diseases, take appropriate actions to prevent the occurrence of vectors and vector-borne diseases, and take necessary actions to abate or control vectors and vector-borne diseases.

CCMVCD is governed by a 22-member Board of Directors appointed by the CCC Board of Supervisors and City Councils of each incorporated city within the District's boundary. There are currently 18 members of the Board, with vacancies in the Clayton, El Cerrito, and San Pablo positions.

🚦 **CCRCD** was formed in 1941 as an independent special district, and the District's service area is countywide and coterminous with CCC's boundary. The principal act that governs CCRCD is *Division 9 of the California Public Resources Code*, beginning at §9001. The principal act empowers resource conservation districts to control runoff, prevent and control soil erosion, protect water quality, develop, and distribute water, improve land capabilities, and facilitate coordinated resource management efforts for watershed restoration and enhancement.

CCRCD is governed by a voluntary, five-member Board of Directors appointed by the CCC Board of Supervisors. CCRCD also has five Associate Board members. CCRCD has a total of 10 staff members (full and part-time).

This 2nd round *MSR* includes an analysis of the MSR and SOI determinations which are summarized below and included in the attached LAFCO resolutions (Attachment 1 and Attachment 2).

MSR Determinations - In accordance with the MSR, LAFCO must prepare written determinations relating to the following factors:

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the SOI (LAFCO looks at "disadvantaged communities" which includes both incorporated and unincorporated areas)
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any DUCs within or contiguous to the SOI

4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

The MSR report includes an analysis of each of these factors as noted in the LAFCO resolutions (attached). The table below provides a summary of MSR determinations for both districts.

Determination	CCMVCD	CCRCD
<i>Growth and Population</i>	Both districts are countywide. Current population is approximately 1,156,555 (California Dept. of Finance 2022). Annual growth rate is 0.71%, which will add approximately 156,000 residents by 2040 - a total increase of about 13%.	
<i>Location of Disadvantaged communities (DACs)</i>	There is one city – City of San Pablo, and one Census Designated Place (CDP) – Bethel Island that meet the disadvantaged definition as a whole. The remaining DACs reflect census tracts and block groups that do not align with city or CDP boundaries. Both districts are countywide and include the same DACs.	
<i>Present & Planned Capacity and Adequacy of Public Services, Infrastructure Needs & Deficiencies</i>	<p>Existing CCMVCD-owned facilities allow for adequate service levels, but staff indicates the office space is suboptimal. The District is exploring plans to renovate the office to better serve CCC residents and property owners.</p> <p>The services provided by CCMVCD are more comprehensive since the last MSR in terms of scope, number of programs, and professional management practices. Urbanized areas have greater demand for source control services targeted at manmade structures, such as swimming pools; while control services in rural areas are targeted at natural and agricultural vector sources, such as offering technical expertise to landowners regarding improved drainage or surveying marshland. Services continue to evolve to address emerging vectors of concern.</p>	<p>Existing CCRCD-owned and leased facilities are sufficient. The District leases shared workspace at Industrious Concord and at the National Resource Conservation Services' office. CCRCD services have expanded and are more comprehensive since the 2010 MSR in terms of scope, number of programs, and professional management practices.</p> <p>About 55% of CCC's land area is farmland. Prime farmland in CCC decreased by 32% (2000 to 2018), and the number of Williamson Act contracts declined over the last 20 years. Farming activities are an indicator of the demand for resource conservation services.</p> <p>CCRSD substantially expanded its watershed and working lands programs since the prior MSR, with six new watershed programs and eight new working lands programs since 2010. New working lands programs include a carbon farm planning project focused on carbon sequestration, creation of the EcoStewards Conservation Program, and urban agriculture technical assistance.</p>
<i>Financial Ability of the Agencies to Provide Services</i>	CCMVCD reports adequate revenue to provide services. Revenue sources include property tax (75%) and benefit assessments (23%). Both revenues sources are reliable. The District reports its budget is adequate to provide services, and it has had a positive net income for the past seven fiscal years.	CCRCD reports adequate revenue to provide services. Revenue sources include grants & contracts (78%) and property tax (19%). CCRCD is successful at applying for and securing grant revenue and relies heavily on revenue from grants/contracts. The MSR notes that grants are competitive and can fluctuate; and that CCRCD should monitor expenditures.

Status of and Opportunities for Shared Facilities	CCMVCD does not share facilities; however, it benefits from cooperative relationships with other agencies, including California Dept. of Public Health, UC Davis, and many other regional agencies.	CCRCD does not share facilities; however, it benefits from cooperative relationships with other agencies.
Community Service Needs (governmental structure, operational efficiencies)	CCMVCD is accountable to its service population and provides transparent governance and operations information. The District's website provides access to the agendas and minutes for the Board meetings, as well as annual budgets and audits.	CCRCD is well-managed, conducts annual employee and agency performance evaluations, maintains up-to-date financial information and budgets, and conducts strategic planning for future service needs. CCRCD is accountable to its service population and provides transparent governance and service information. CCRCD's website provides access to the Board agendas/minutes, financial and other information.
Other Matters Related to Effective or Efficient Service Delivery	COVID-19 affected demand for the CCMVCD's services and its ability to offer educational programs and activities. CCMVCD is working to reestablish all programs.	COVID-19 affected CCRCD's ability to offer educational programs and activities, and the District is working to reestablish all programs.

Sphere of Influence (SOI) Determinations - In accordance with the MSR, LAFCO must prepare written determinations relating to the following relevant factors:

1. Present and planned land uses in the area, including agricultural and open-space lands
2. Present and probable need for public facilities and services in the area
3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide
4. Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency
5. Nature, location, and extent of any functions or classes of services provided by the existing district

The MSR report includes an analysis of each of these factors as reflected in attached LAFCO resolutions. The table below provides a summary of SOI determinations for CCMVCD and CCRCD.

SOI Determination	CCMVCD	CCRCD
Present and planned land use	CCMVCD's boundary encompasses a wide variety of land uses as its bounds include the entirety of CCC. CCMVCD provides mosquito abatement and vector control services including yellowjackets, honey bees, ticks, rats, mice, and skunks along with various educational and outreach programs.	CCRCD's boundary encompasses a wide variety of land uses as its bounds include the entirety of CCC. Agricultural land made up 55% of the District's land area (2018). CCRCD provides services to conserve natural resources including agricultural areas, by retaining the existing SOI, the District will continue to promote the conservation of agricultural and open space lands throughout CCC.
Present and probable need for	There is a present and probable need for mosquito & vector control services in CCC	There is a present and probable need for resource conservation services which are

<i>public facilities & services</i>	due to public health concerns of existing and future vector-borne diseases. No changes in public facilities or services provided by CCMVCD will result from retaining the existing coterminous SOI.	pertinent to rural and urban areas. As CCC urbanizes, CCRCD services will gradually shift to focus more on urban needs. The recent trend to be more environmentally conscious, along with increased public awareness of ecological needs, will likely increase demand for CCRCD services.
<i>Capacity of public facilities and adequacy of public services</i>	CCMVCD provides adequate mosquito & vector control services and continues to improve and expand its programming. The District's facilities are adequate but in need of renovations. Retaining the current SOI will not impact the present capacity of public facilities and adequacy of public services that CCMVCD provides.	CCRCD provides adequate resource conservation services and continues to improve and expand its programming. The present facilities have adequate capacity for CCRCD to provide services well into the future. Retaining the current SOI will not impact the present capacity of public facilities and adequacy of public services that CCRCD provides.
<i>Social or economic communities of interest</i>	CCMVCD serves all of CCC, which includes DACs. Retaining the current SOI will not affect the existence of social or economic communities of interest.	CCRCD serves all of CCC, which includes DACs. Retaining the current SOI will not affect the existence of social or economic communities of interest.
<i>Nature, location, functions and classes of service</i>	CCMVCD serves all of CCC. Retaining the coterminous SOI will have no direct impact on other local agencies.	CCRCD serves all of CCC. Retaining the coterminous SOI will have no direct impact on other local agencies.
<i>Recommendation</i>	Retain existing coterminous SOI	Retain existing coterminous SOI

ENVIRONMENTAL ANALYSIS

The MSR is a study, intended to serve as an informational tool to help LAFCO, local agencies and the public better understand the public service structure in CCC. The MSR study and determinations are statutorily exempt from the California Environmental Quality Act (CEQA) under §15262 of the CEQA Guidelines as a feasibility or planning study. The LAFCO SOI updates are categorically exempt from CEQA under §15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

RECOMMENDATIONS

1. Receive the staff and consultants' comments and open the public hearing to receive public comments;
2. After receiving public comments close the hearing;
3. Provide comments as desired;
4. Determine that the MSR project is statutorily exempt from CEQA pursuant to §15262 of the CEQA Guidelines;

RECOMMENDATIONS -CONTINUED

5. Receive the staff and consultants' comments and open the public hearing to receive public comments;
6. After receiving public comments close the hearing;
7. Provide comments as desired;
8. Determine that the MSR project is statutorily exempt from CEQA pursuant to §15262 of the CEQA Guidelines;
9. Determine that the SOI updates are categorically exempt from CEQA pursuant to §15061(b)(3) of the CEQA Guidelines;
10. Accept the final 2nd round *CCRCD and CCMVCD Final MSR and SOI Updates*; and
11. Adopt the MSR/SOI determinations for CCRCD and CCMVCD by resolutions attached hereto.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution

Exhibits

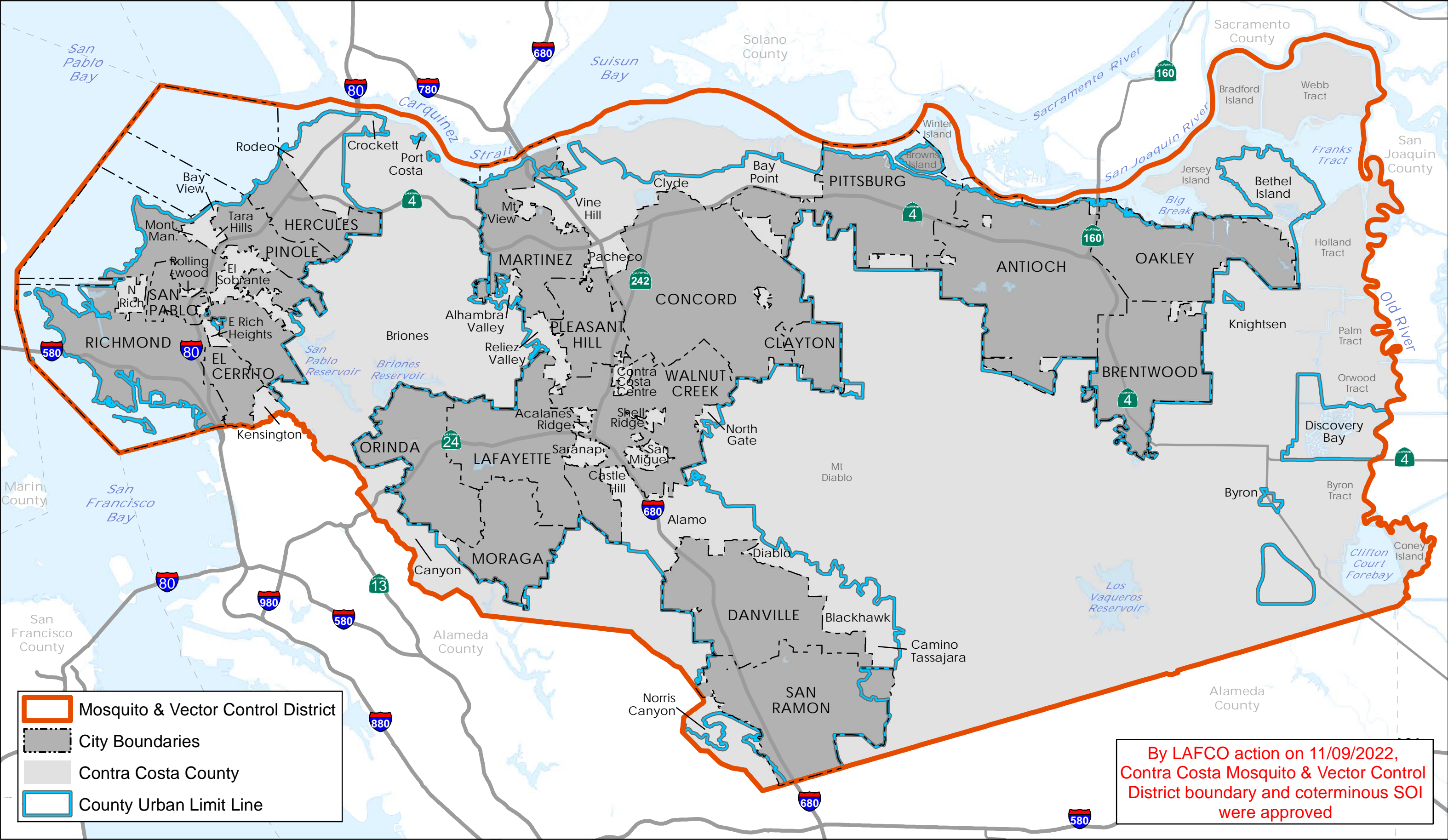
- A. Boundary/SOI Map – CCMVCD
- B. Boundary/SOI Map – CCRCD

Attachments

1. MSR and SOI Resolution – CCMVCD
2. MSR and SOI Resolution – CCRCD
3. Comment Log

Mosquito & Vector Control District and Coterminous SOI

Exhibit A



**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION
COMMISSION ADOPTING MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE DETERMINATIONS FOR THE
CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT**

WHEREAS, the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code §56000 et seq.) provides that a Local Agency Formation Commission (LAFCO) shall adopt Spheres of Influence (SOIs) for each local governmental agency within its jurisdiction [§56425(a)] and update SOIs every five years, as necessary [§56425(g)]; and

WHEREAS, the SOI is the primary planning tool for LAFCO and defines the probable physical boundary and service area of a local agency as determined by LAFCO; and

WHEREAS, §56430 requires that in order to update SOIs, the Commission shall prepare a Municipal Service Review (MSR) prior to or in conjunction with the SOI update; and

WHEREAS, the Commission undertook its 2nd round “*Contra Costa Resource Conservation District (CCRCD) and Contra Costa Mosquito & Vector Control District (CCMVCD)*” MSR covering the two countywide districts in Contra Costa County; and

WHEREAS, this MSR, as prepared by Economic & Planning Systems, Inc. (EPS), focuses on 1) updating profile data including growth and population, finances (expenses, revenues, debt, reserves, fees, net income, and other fiscal indicators) and staffing/management; 2) capacity and capital needs; 3) service to disadvantaged communities; 4) shared services/facilities and collaboration; and 5) accountability, structure, and efficiencies; and

WHEREAS, on August 10, 2022, the Commission held a public hearing to receive an overview of the *Public Review Draft CCRCD and CCMVCD MSR*, receive public comments, and provide input; and

WHEREAS, on November 9, 2022, the Commission held a public hearing to receive the *Final Draft MSR* and recommended MSR and SOI determinations and SOI updates for CCRCD and CCMVCD; and

WHEREAS, at the public hearing, the Commission heard and received all oral and written comments, evidence, and protests which were made, presented, and filed, and all persons present were given an opportunity to hear and be heard with respect to the MSR and SOI updates; and

WHEREAS, the MSR contains the determinations required by §§56425 and 56430 relative to the SOI update and MSR, respectively, for the CCMVCD incorporated in this resolution; and

WHEREAS, the proposed action consists of adopting the MSR and SOI determinations and updating the SOI for each district, including CCMVCD, as presented in the 2nd round “*CCRCD and CCMVCD MSR*”; and

WHEREAS, adoption of the MSR is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA), as MSRs are feasibility and planning studies for possible future actions that have not been approved, adopted, or funded, pursuant to State CEQA Guidelines Section 15262; and

WHEREAS, as set forth in State CEQA Guidelines section 15061(b)(3), approval of the SOI update is exempt from CEQA because it can be seen with certainty that there is no possibility that the SOI update will have a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED that Contra Costa LAFCO hereby adopts the following MSR determinations for CCMVCD pursuant to §56430; retains the existing coterminous SOI for CCMVCD as shown in Exhibit A (attached); and adopts the following SOI determinations pursuant to §56425.

MSR DETERMINATIONS

1. Growth and Population Projections

- a) The residential population served by CCMVCD is approximately 1,156,555 as of 2022 based on California Department of Finance estimates.
- b) The District's residential population is projected to increase at an average of 0.71%, with expected growth of approximately 13%, or 156,000 people, between 2022 and 2040, for a total population in 2040 of approximately 1,312,536 people.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a) There are several disadvantaged communities in Contra Costa County, all of which appear to have reasonable access to mosquito and vector-control services.
- b) In disadvantaged communities, CCMVCD makes an extra effort to reach community members where they are, whether at school, on social media, at work, or at community events.
- c) During the past 5 years, CCMVCD's Public Affairs Department provided 103 forms of outreach to disadvantaged communities. These forms of outreach included brochures, social media posts, presentations, and in-person opportunities for residents to ask questions and receive immediate answers.

3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies

- a) Existing CCMVCD-owned facilities allow the District to provide adequate service levels, but staff indicates the office space is suboptimal. The District is exploring plans to renovate the office to better serve County residents and property owners.
- b) The services provided by CCMVCD are more comprehensive since the prior MSR was prepared and continue to evolve to address emerging vectors of concern in an evidence-based and environmentally sensitive manner.

4. Financial Ability of Agencies to Provide Services

- a) The District reports that the current budget is sufficient for adequate service provision.
- b) In FY20/21, approximately 75% of the District's revenues came from property taxes, with 23% from benefit assessments. These two revenue items comprise nearly 100% of annual CCMVCD revenues in all years examined in this report and have historically proven to be consistent and reliable revenue streams for the District to fund its operations.
- c) The District reported a positive net income for the past seven fiscal years which serves as an indication of the District's financial ability to provide services.

5. Status of, and Opportunities for, Shared Facilities

- a) While CCMVCD does not share any facilities, the District benefits from cooperative relationships with other agencies, such as the California Department of Public Health and UC Davis, as well as many other regional agencies, to provide efficient services.

6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

- a) CCMVCD is accountable to its service population and provides transparent governance and operations information. The District's website provides access to the agendas and minutes for the Board meetings, as well as annual budgets and audits.

b) The District responded to LAFCO's requests for information in a timely manner.

7. Any Other Matter Related to Efficient Service Delivery, As Required by Commission Policy

a) COVID-19 affected demand for CCMVCD's services and affected the District's ability to offer educational programs and activities, but the District is working to reestablish all programs.

SOI DETERMINATIONS

1. Present and planned land uses in the area, including agricultural and open-space lands.

CCMVCD's boundary encompass a wide variety of land uses as its bounds include the entirety of Contra Costa County. Agricultural land comprises 55% of the District's land area (2018). Urban, built-up, and other land uses comprise 33% and 11% of land area respectively. Incorporated areas comprise 37% of the County's total land area. The SOI recommendation is to retain the existing coterminous SOI;

2. Present and probable need for public facilities and services in the area.

There is a present and probable need for mosquito and vector control services in the area due to public health concerns of existing and future vector-borne diseases. No changes in public facilities or services provided by CCMVCD will result from retaining the existing coterminous SOI.

3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

CCMVCD provides adequate mosquito and vector control services and continues to improve and expand its programming. The District's facilities are adequate but in need of renovations so that the District may continue to provide services well into the future. Retaining the current SOI will not impact the present capacity of public facilities and adequacy of public services that CCMVCD provides or is authorized to provide.

4. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

CCMVCD serves the entirety of Contra Costa County, which includes various disadvantaged areas. Retaining the current SOI will not affect the existence of any social or economic communities of interest.

5. Nature, location, and extent of any functions or classes of services provided by existing districts. (For Special Districts only.)

CCMVCD serves all of Contra Costa County. Retaining the coterminous SOI will have no direct impact on other local agencies.

PASSED AND ADOPTED this 9th day of November 2022.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

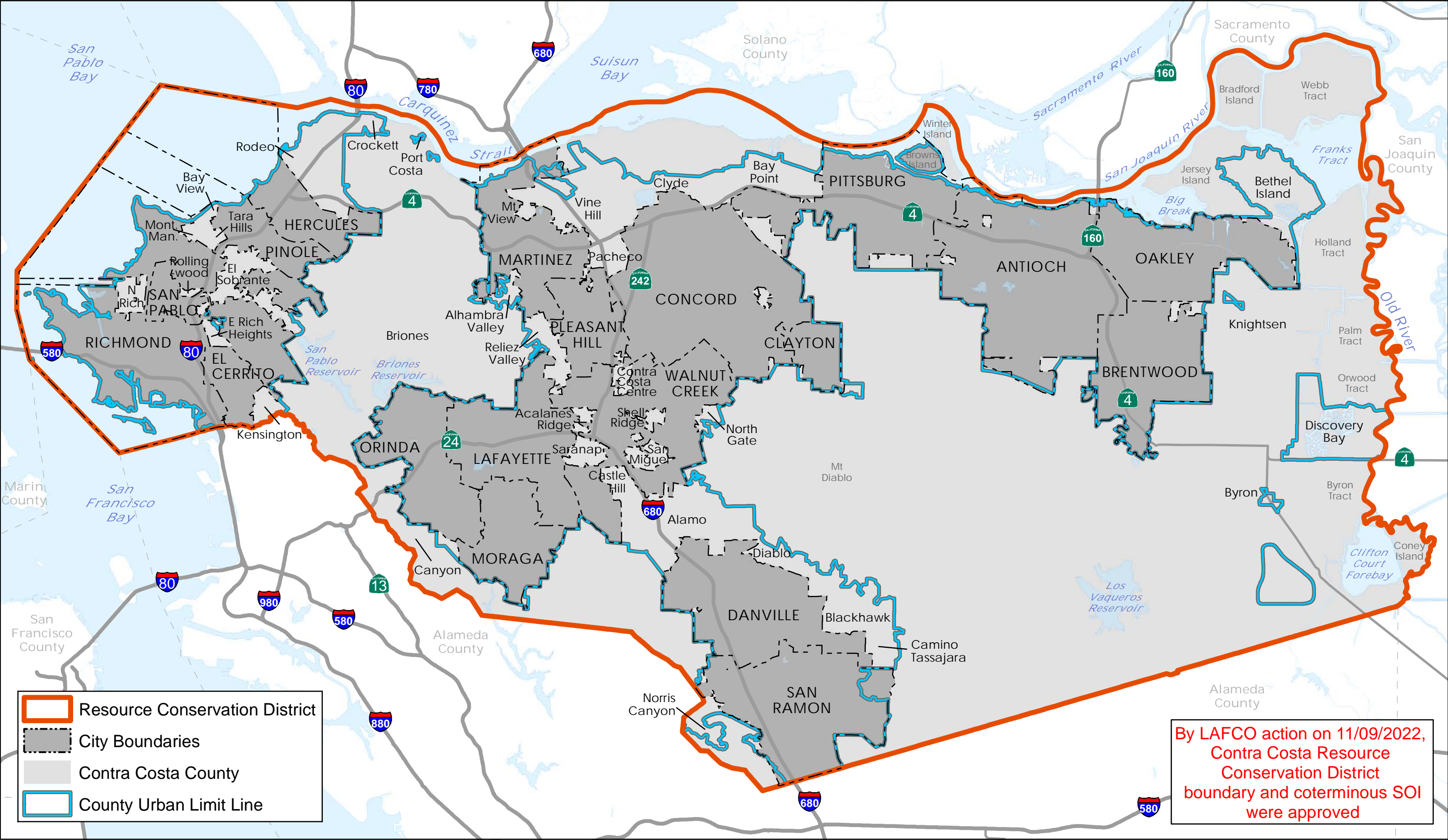
Rob Schroder, Chair, Contra Costa LAFCO

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

Lou Ann Texeira, Executive Officer

Resource Conservation District and Coterminous SOI

Exhibit B



**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION
COMMISSION ADOPTING MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE DETERMINATIONS FOR THE
CONTRA COSTA RESOURCE CONSERVATION DISTRICT**

WHEREAS, the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code §56000 et seq.) provides that a Local Agency Formation Commission (LAFCO) shall adopt Spheres of Influence (SOIs) for each local governmental agency within its jurisdiction [§56425(a)] and update SOIs every five years, as necessary [§56425(g)]; and

WHEREAS, the SOI is the primary planning tool for LAFCO and defines the probable physical boundary and service area of a local agency as determined by LAFCO; and

WHEREAS, §56430 requires that in order to update SOIs, the Commission shall prepare a Municipal Service Review (MSR) prior to or in conjunction with the SOI update; and

WHEREAS, the Commission undertook its 2nd round “*Contra Costa Resource Conservation District (CCRCD) and Contra Costa Mosquito & Vector Control District (CCMVCD)*” MSR covering the two countywide districts in Contra Costa County; and

WHEREAS, this MSR, as prepared by Economic & Planning Systems, Inc. (EPS), focuses on 1) updating profile data including growth and population, finances (expenses, revenues, debt, reserves, fees, net income, and other fiscal indicators) and staffing/management; 2) capacity and capital needs; 3) service to disadvantaged communities; 4) shared services/facilities and collaboration; and 5) accountability, structure, and efficiencies; and

WHEREAS, on August 10, 2022, the Commission held a public hearing to receive an overview of the *Public Review Draft CCRCD and CCMVCD MSR*, receive public comments, and provide input; and

WHEREAS, on November 9, 2022, the Commission held a public hearing to receive the *Final Draft MSR* and recommended MSR and SOI determinations and SOI updates for CCRCD and CCMVCD; and

WHEREAS, at the public hearing, the Commission heard and received all oral and written comments, evidence, and protests which were made, presented, and filed, and all persons present were given an opportunity to hear and be heard with respect to the MSR and SOI updates; and

WHEREAS, the MSR contains the determinations required by §§56425 and 56430 relative to the SOI update and MSR, respectively, for the CCRCD incorporated in this resolution; and

WHEREAS, the proposed action consists of adopting the MSR and SOI determinations and updating the SOI for each district, including CCRCD, as presented in the 2nd round “*CCRCD and CCMVCD MSR*”; and

WHEREAS, adoption of the MSR is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA), as MSRs are feasibility and planning studies for possible future actions that have not been approved, adopted, or funded, pursuant to State CEQA Guidelines Section 15262; and

WHEREAS, as set forth in State CEQA Guidelines section 15061(b)(3), approval of the SOI update is exempt from CEQA because it can be seen with certainty that there is no possibility that the SOI update will have a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED that Contra Costa LAFCO hereby adopts the following MSR determinations for CCRCD pursuant to §56430; retains the existing coterminous SOI for CCRCD as shown in Exhibit A (attached); and adopts the following SOI determinations pursuant to §56425.

MSR DETERMINATIONS

1. *Growth and Population Projections*

- a) The residential population served by CCRCD is approximately 1,156,555 as of 2022 based on California Department of Finance estimates.
- b) The District's residential population is projected to increase at an average of 0.71% annually, with expected growth of approximately 13%, or 156,000 people, between 2022 and 2040, for a total population in 2040 of approximately 1,312,536 people.

2. *The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI*

- a) There are various disadvantaged communities in Contra Costa County, all of which appear to have reasonable access to resource conservation services, including education programming.
- b) CCRCD has made a concerted effort since the 2010 MSR to expand and improve its program offerings to these communities through the undertaking of a water needs assessment, resulting in the implementation of a resource guide and a tap water testing protocol. The District is also holding community workshops to prioritize implementation of projects that address priority issues.

3. *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies*

- a) Existing CCRCD-owned and leased facilities are sufficient for the District to provide adequate service levels. The District leases shared workspace at Industrious Concord and shares space at its partner National Resource Conservation Service (NRCS) office, where records and files are maintained, as well as a weather station in Brentwood. The shared workspace provides adequate space for the needs and purposes of CCRCD, and the District has no intention to move in the near future.
- b) CCRCD services have expanded and are more comprehensive since the 2010 MSR, in terms of scope and number of programs as well as professional management practices.
- c) Farming activities are an indicator of the demand for resource conservation services. As the amount of farming activity increases so does the demand for resource conservation services, to ensure that regenerative farming practices are being used. Approximately 55% of Contra Costa County land area is farmland.
- d) An important aim of a resource conservation district is to provide producers additional resources to ensure economic viability of their land. The total acreage of prime farmland in Contra Costa County has decreased by 32% from 2000 to 2018.
- e) In addition, the California Land Conservation Act (Williamson Act) protects agricultural land by lowering property tax liability for landowners who contract with counties and cities to restrict their land to agricultural and open space uses. Within Contra Costa County, the total area with Williamson Act contracts has been declining over the last two decades. As of 2018, Williamson Act Land comprised 42,055 acres or about 16% of the County's total agricultural area.
- f) CCRCD substantially expanded its watershed and working lands programs since the prior MSR, with six new watershed programs and eight new working lands programs since 2010.
- g) New watershed programs include launching the Countywide Monarch Conservation Program, forming the Carquinez Recover the Waterfront Committee to create a community park and greenspace along the Carquinez Strait, and developing the Marsh Creek Watershed Council, among other project assistance and coordination efforts.

h) New working lands programs include a carbon farm planning project focused on carbon sequestration, creation of the EcoStewards Conservation Program, and urban agriculture technical assistance.

4. Financial Ability of Agencies to Provide Services

- a) CCRCD's current level of financing appear sufficient for adequate service provision.
- b) Since the prior MSR, the District has expanded its staffing levels strategically based on funding availability and has added additional programs.
- c) CCRCD is successful at applying for and securing grant revenue, and the District relies heavily on revenue from grants and contracts. During the past six fiscal years, grants and contracts represent an average of 66% of the District's total revenues. Because grants are often competitive, this funding source is prone to fluctuation. The District should monitor expenditures so that it is not overcommitted to providing services it cannot sustain should grant revenue discontinue.

5. Status of, and Opportunities for, Shared Facilities

- a) No opportunities for facility sharing were identified.
- b) While CCRCD does not share any facilities, the District benefits from cooperative relationships with other agencies to provide efficient services.

6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

- a) CCRCD is a well-managed agency that conducts annual employee and agency performance evaluations, maintains up-to-date financial information and budgets, and conducts strategic planning for future service needs.
- b) The District is accountable to its service population and provides transparent governance and operations information. The District's website provides access to the agendas and minutes for the Board meetings, as well as annual budgets and audits.
- c) The District responded to LAFCO's requests for information in a timely manner.

7. Any Other Matter Related to Efficient Service Delivery, As Required by Commission Policy

- a) COVID-19 affected the District's ability to offer educational programs and activities, but the District is working to reestablish all programs.

SOI DETERMINATIONS

1. Present and planned land uses in the area, including agricultural and open-space lands.

CCRCD's boundary encompasses a wide variety of land uses and includes the entirety of Contra Costa County. Agricultural land comprises 55% of the District's land area (2018). Urban, built-up, and other land uses comprise 33% and 11% of land area respectively. Incorporated areas comprise 37% of the County's total land area. The SOI recommendation to retain the existing coterminous SOI is not anticipated to directly impact agricultural and open space lands; however, as CCRCD provides services to conserve natural resources including agricultural areas, by retaining the existing SOI, the District will continue to promote conservation of agricultural and open space lands throughout the County.

2. Present and probable need for public facilities and services in the area.

There is a present and probable need for resource conservation services which are pertinent to rural as well as urban areas. As the County urbanizes, it is anticipated that the type of services CCRCD provides will gradually shift to focus more on urban needs. In addition, the recent trend to be more environmentally conscious combined with increased public awareness of ecological needs in the area will most likely result in increased demand for CCRCD services in the future.

3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

CCRCD provides adequate resource conservation services and continues to improve and expand its programming. The present facilities have adequate capacity for the District to provide services well into the future. Retaining the current SOI will not impact the present capacity of public facilities and adequacy of public services that CCRCD provides or is authorized to provide.

4. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

CCRCD serves the entirety of Contra Costa County, which includes various disadvantaged areas. Retaining the current SOI will not affect the existence of any social or economic communities of interest.

5. Nature, location, and extent of any functions or classes of services provided by existing districts. (For Special Districts only.)

CCRCD serves all of Contra Costa County. Retaining the coterminous SOI will have no direct impact on other local agencies.

PASSED AND ADOPTED this 9th day of November 2022.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Rob Schroder, Chair, Contra Costa LAFCO

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

Lou Ann Texeira, Executive Officer

Tracking of Responses to the Resource Conservation District and Mosquito & Vector Control District Municipal Service Review and Sphere of Influence Update Public Review Draft Report. Note that page numbers have shifted from the Public Review Draft to the Final Report.

Name	Agency/Role	Comment	Resolution
LAFCO Commissioner	LAFCO Commission	"P. 5 – "CCMVCD completed a study of the possibility of consolidating with Alameda County Mosquito Abatement District..." When was this study completed?"	<ul style="list-style-type: none"> Language added to Page 9 of Final MSR to answer this question
LAFCO Commissioner	LAFCO Commission	"P. 19 - A key measure of farming sustainability in a region is the degree to which prime farmland is being converted to other uses. Prime farmland is land that is most suitable for general intensive agricultural uses because of its ability to sustain long-term production of agricultural crops. An important aim of a resource conservation district is to promote and provide technical assistance for producers in using regenerative farming practices. The total acreage of prime farmland in Contra Costa County has decreased by 32 percent from 2000 to 2018, as shown in Figure 2. Where does this definition come from?"	<ul style="list-style-type: none"> Language added to Page 23 of Final MSR indicating the definition comes from the California Dept. of Conservation
LAFCO Commissioner	LAFCO Commission	"P. 19 - Figure 2 Contra Costa County Prime Farmland, 2000-2018 How does Figure 2 relate to Figure 1?"	<ul style="list-style-type: none"> Language added to Page 23 of Final MSR to indicate the respective data sources for Figures 1 and 2 differ and therefore drawing direct relationships between the two may not be valid.
LAFCO Commissioner	LAFCO Commission	"P. 19 - The 12,000-acre decline in the County's prime farmland between 2000 and 2018 was primarily due to conversion of the land to other farmland categories such as farmland of Local importance. What is this? Citation?"	<ul style="list-style-type: none"> Footnote citation added to Page 23 of Final MSR

LAFCO Commissioner	LAFCO Commission	<p>"Bottom of P. 26 and top of P. 27 – Did you consult with ACRCD to confirm the accuracy of this assessment?"</p> <p><i>(Bottom of Page 30 and top of Page 31 in Final MSR)</i></p>	<ul style="list-style-type: none"> • ACRCD was not directly contacted by the consultant team prior to writing this section. The LAFCO Director contacted staff at ACRCD regarding this subject and indicates that Alameda LAFCO staff is not aware of any potential consolidation discussions.
LAFCO Commissioner	LAFCO Commission	<p>"P. 31 - The principal act that governs the District is the Mosquito Abatement and Vector Control District Law, originally called Mosquito Abatement Act of California of 1915, that was revised in 2003 (through SB 1588). The principal act empowers such districts to conduct surveillance programs and other studies of vectors and vector-borne diseases, take appropriate actions to prevent the occurrence of vectors and vector-borne diseases, and take necessary actions to abate or control vectors and vector-borne diseases. Citation? Add page number."</p>	<ul style="list-style-type: none"> • Footnote citation added to page 35 of Final MSR
LAFCO Commissioner	LAFCO Commission	<p>"P. 39 - Common vector-borne diseases, other than those carried by mosquitoes, include Lyme disease, rabies, hantavirus pulmonary syndrome, and plague. (add commas)"</p>	<ul style="list-style-type: none"> • Commas added as requested to Page 43 of Final MSR
LAFCO Commissioner	LAFCO Commission	<p>"P. 48 - The District is divided into 15 zones and each zone is assigned to a vector control technician. Would a map be useful?"</p>	<ul style="list-style-type: none"> • A map was acquired from MVCD staff and inserted as Figure 11 on page 55 of Final MSR
LAFCO Commissioner	LAFCO Commission	<p>"P. 48 - The department managers report to the General Manager, who reports to the Board at regular Board meetings. How frequent?"</p>	<ul style="list-style-type: none"> • MVCD staff was contacted and language was added to page 54 of Final MSR that answers this question
LAFCO Commissioner	LAFCO Commission	<p>"Figure 11 – CCMVCD Revenues and Expenditures FY 2011 – 2021 – The calls for service seem to be trending down (Figure 10) while the fund balance is steadily increasing – should this be addressed in this MSR?"</p>	<ul style="list-style-type: none"> • Language added to page 58 of Final MSR clarifying the reason for the increasing fund balance



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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Lou Ann Texeira
Executive Officer

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Rob Schroder
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ALTERNATE MEMBERS

Diane Burgis
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Charles R. Lewis, IV
Public Member

Edi Birsan
City Member

November 9, 2022 (Agenda)

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

**November 9, 2022
Agenda Item 9**

2023 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. Regular meetings are held at the Board of Supervisors Chambers, 1025 Escobar Street, Martinez, unless otherwise noticed.

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

**January 11
February 8
March 8**

**April 12
May 10
June 14**

**July 12
August 9
September 13**

**October 11
November 8
December 13**

RECOMMENDATION

It is recommended the Commission approve the 2023 LAFCO meeting schedule as proposed.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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November 9, 2022

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

November 9, 2022
Agenda Item 10

First Quarter Budget Report - Fiscal Year 2022-23

Dear Members of the Commission:

This is the first quarter budget report for FY 2022-23, which compares adopted and actual expenses and revenues for the period July 1, 2022 through September 30, 2022.

The LAFCO operating budget includes several components: salaries/benefits, services/supplies, a contingency/reserve fund, Other Post-Employment Benefits (OPEB) Trust, and retirement pre-funding account. The budget is based on the “bottom line,” which allows for variation within line-item accounts if the overall balance remains positive. Funds may not be drawn from the contingency/reserve without Commission approval.

The LAFCO budget is funded primarily by the County, cities, and independent special districts, with each group paying one-third of the LAFCO expenses. The County pays one-third and the city and district shares are prorated based on general revenues reported to the State Controller’s Office. LAFCO also receives revenue through application fees and interest earnings.

DISCUSSION

On June 8, 2022, LAFCO adopted its final FY 2022-23 budget with total appropriations of \$911,613 which includes an \$90,000 contingency/reserve fund. The FY 2022-23 budget does not include prefunding of LAFCO the Other Post Employment (OPEB) or prefunding of the Contra Costa County Employees’ Retirement Association (CCCERA) liability due to overfunding in both accounts.

With 25% of the fiscal year elapsed, the Commission’s first quarter total expenditures are \$162,259 or approximately 18% of total appropriations. The Commission budgeted \$401,067 in *salaries/employee benefits* (S&EB) for FY 2022-23; at the end of the first quarter, actual S&EB expenses total \$97,245 or 24% of the budgeted amount. The Commission budgeted \$420,546 in *services/supplies*; and at the end of the first quarter, actual expenses total \$65,015 or 15%.

The primary sources of revenue are local agency contributions, application fees, and available fund balance. Total revenues received during the first quarter are \$884,483 (including fund balance) or approximately 97% of projected revenues. In calculating to the agency contributions, the Auditor's Office and LAFCO staff agreed to waive apportionment payments which are less than \$5.00 and have waived payments for RD 2090 and 2017. Further, these agencies reported no revenue to the State Controller's Office. We are pleased to report that all local agencies have remitted their annual payments to LAFCO.

As for application fees, first quarter FY 2022-23 application activity is slower than FY 2021-22 activity. During the first quarter of FY 2022-23, LAFCO received one new application, whereas, during the first quarter of FY 2021-22 LAFCO received four new applications.

Other revenue includes investment earnings through the OPEB trust account, which remains in that account, and fund balance. LAFCO budgets a portion of its fund balance annually to offset agency contributions. The FY 2022-23 budget includes \$200,000 in budgeted fund balance. See table below for a summary of FY 2022-23 first quarter expenditures and revenues.

Account	FY 2022-23 Final Budget	First Quarter Actuals
Salaries & Benefits	\$ 401,067	\$ 97,245
Services & Supplies	420,546	65,015
Contingency/Reserve	90,000	0
OPEB Trust	---	---
CCCERA Pre-Fund	---	---
Total Appropriations	\$ 911,613	\$ 162,260
Agency Contributions	\$ 686,613	\$ 676,650
Application/Other Revenue	25,000	\$ 7,833
Interest Earnings	-	-
Fund Balance	200,000	200,000
Total Revenues	\$ 911,613	\$ 884,483

No budget adjustments are recommended at this time. LAFCO staff will continue to closely monitor the budget, and keep the Commission apprised.

RECOMMENDATION

It is recommended that the Commission receive the FY 2022-23 first quarter budget report.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER



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November 9, 2022

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

November 9, 2022
Agenda Item 11

2022 Legislative Wrap-up

Dear Members of the Commission:

The last day for the Governor to sign/veto bills was September 30, 2022. Bills signed by the Governor will take effect on January 1, 2023. The 2022 legislative session adjourns on November 30, 2022 and the 2023 regular legislative session convenes on December 5, 2023.

This year, CALAFCO tracked a total of 29 bills, and of the tracked bills, CALAFCO supported eight bills in addition to the CALAFCO sponsored *omnibus bill* and *SB 938*. CALAFCO also opposed two bills and took a “Watch” position on 16 bills.

Of the CALAFCO **supported** bills, **AB 897** (Mullin – *Regional Climate Networks*), **AB 1640** (Ward – *Regional Climate Networks*), and **AB 1773** (Patterson – *Williamson Act Subvention Payments*) **died**. **SB 1449** (Caballero – *Annexation Grants*) was **vetoed** by the Governor. Of the two CALAFCO opposed bills, **AB 2081** (Garcia – extend sunset dates on water to tribal lands provisions) **passed** and was **signed into law**, while **SB 739** (Cortese – *Ministerial approvals of annexations of golf courses for high rise housing development*) **died**.

For details regarding these bills and the CALAFCO positions see attached list of CALAFCO tracked bills and total bill count.

Informational only

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment – CALAFCO Tracked Bills

CALAFCO List of Current Bills 9/30/2022

Attachment

AB 1195 (Garcia, Cristina D) Limited Eligibility and Appointment Program: lists.

Current Text: Chaptered: 9/30/2022 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amend: 8/17/2022

Status: 9/30/2022-Signed by the Governor

Location: 9/30/2022-A. CHAPTERED

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

Summary: Current law creates the Limited Examination and Appointment Program (LEAP), which the Department of Human Resources administers, to provide an alternative to the traditional civil service examination and appointment process to facilitate the hiring of persons with disabilities. Current law requires the Department of Human Resources, when an appointing power seeks to fill a vacant position by using an employment list, to provide the appointing power with a certified list of the names and addresses of all eligible candidates, as specified. Current law requires the department to provide a single certified list of eligible candidates if more than one employment list or LEAP referral list exists, and the department is required to combine the names and addresses of all eligible candidates. This bill, as an alternative to receiving a combined list of eligible candidates, would require the department, upon request of an appointing power, to provide a list of eligibles that includes only the names and addresses of candidates, if any, on a LEAP referral list and the names and addresses of candidates, if any, on any applicable reemployment or State Restriction of Appointment list. The bill would authorize the appointing power to notify individuals listed of the opportunity to apply for a vacant position, to screen applications for candidates' eligibility, and to hire from among those eligible applicants whose names appear on the list. The bill would authorize the board to adopt or amend regulations, if necessary, to ensure these procedures are implemented in a manner consistent with merit principles and the California Constitution.

Position

Subject

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.

UPDATE AS OF 2/10/22 - According to the author's office, the author is not intending to move the bill forward at this time. CALAFCO will continue to WATCH and monitor the bill. As a result, the bill was downgraded from a P-1 to a P-3.

GUTTED AND AMENDED on 5/18/2022 to remove previous verbiage regarding water. The bill now addresses the State Department of Human Resources and the Limited Eligibility and Appointment Program (LEAP), which the Department of Human Resources administers, to provide an alternative to the traditional civil service examination and appointment process to facilitate the hiring of persons with disabilities. Downgraded to Watch, from Watch with Concerns. Changed priority to "None."

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AB 2957 (Committee on Local Government) Local government: reorganization.

Current Text: Chaptered: 6/21/2022 [html](#) [pdf](#)

Introduced: 3/2/2022

Last Amend: 4/18/2022

Status: 6/21/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 37, Statutes of 2022.

Location: 6/21/2022-A. CHAPTERED

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 an applicant seeking a change of organization or reorganization to submit a plan for providing services within the affected territory. Current law requires a petitioner or legislative body desiring to initiate proceedings to submit an application to the executive officer of the local agency formation commission, and requires the local agency formation commission, with regard to an application that includes an incorporation, to immediately notify all affected local agencies and any applicable state agency, as specified. This bill would define the term "successor agency," for these purposes to mean the local agency a commission designates to wind up the affairs of a dissolved district.

Position
Sponsor

Subject
CKH General
Procedures

CALAFCO Comments: This is the annual Omnibus bill sponsored by CALAFCO. As introduced it makes 3 minor, technical non-substantive changes in CKH: (1) Replaces "to be completed and in existence" with "take effect" under GCS 56102; (2) Adds GCS 56078.5: "Successor Agency" means the local agency the Commission designates to wind up the affairs of a dissolved district; and (3) Replaces "proposals" with "applications" within GCS 56653(a), 56654(a), (b), and (c), and 56658(b)(1) and (b)(2).

CALAFCO support letter and LAFCo support letter template are in the attachments section.

April 18, 2022 bill amended with additional changes requested by CALAFCO. Amendments include grammatical changes, the correction of a PUC citation in GC Sec 56133(e)(5) from 9604 to 224.3, the extension of the sunset date within R&T Section 99(b)(8)(B) to January 1, 2028, and it renumbers remaining provisions as needed due to the above changes.

SB 739 (Cortese D) Private golf courses: conversion to housing.

Current Text: Amended: 6/13/2022 [html](#) [pdf](#)

Introduced: 2/19/2021

Last Amend: 6/13/2022

Status: 8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was NAT. RES. on 6/20/2022)

Location: 8/31/2022-A. DEAD

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

Summary: Would authorize a development proponent to submit an application to convert land that was previously used as a golf course to market-rate and affordable housing and would provide that the application is subject to a streamlined, ministerial approval process, and not subject to a conditional use permit, if the development satisfies specified objective planning standards. In this regard, the bill would require a development subject to the provisions to be located on a site that was used as a golf course, but has been closed for at least 5 years before the effective date of these provisions and would require that the development include at least 600 housing units. The bill would require the development to dedicate at least 30% of the new housing units to lower income households and persons and families of moderate income, as specified. By requiring local governments to approve development applications submitted under these provisions, the bill would impose a state-mandated local program.

Position

Oppose unless amended

Subject

Ag/Open Space Protection, Annexation Proceedings, Growth Management, Housing, LAFCo Administration, Municipal Services, Planning, Sustainable Community Plans

CALAFCO Comments: SB 739 was gutted and amended on June 13th and now seeks to add provisions to the Government Code to allow for a rapid, and ministerial, conversion of golf courses that have been closed for at least 5 years to housing developments of at least 600 units. As proposed, the bill is to be in effect until January 1, 2030, authorizes a development proponent to submit an application and receive streamlined, ministerial approvals of both county CUPs and the LAFCo process to speed development. Additionally, while not expressly called out in the bill, it contains provisions that address contracting requirements which discuss high rise developments; the implication being that high rise developments of at least 600 housing units would have to be ministerially approved on all levels. CALAFCO is currently in discussions with the author's office.

The Fact Sheet can be found in the attachments section.

SB 938

(Hertzberg D) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.

Current Text: Chaptered: 7/1/2022 [html](#) [pdf](#)

Introduced: 2/8/2022

Last Amend: 6/9/2022

Status: 7/1/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 89, Statutes of 2022.

Location: 7/1/2022-S. CHAPTERED

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

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. Under existing law, in each county there is a local agency formation commission (commission) that oversees these changes of organization and reorganization. Current law authorizes a commission to dissolve an inactive district if specified conditions are satisfied. This bill would also authorize a commission to initiate a proposal for the dissolution of a district, as described, if the commission approves, adopts, or accepts a specified study that includes a finding, based on a preponderance of the evidence, that, among other things, the district has one or more documented chronic service provision deficiencies, the district spent public funds in an unlawful or reckless manner, or the district has shown willful neglect by failing to consistently adhere to the California Public Records Act. The bill would require the commission to adopt a resolution of intent to initiate a dissolution based on these provisions and to provide a remediation period of at least 12 months, during which the district may take steps to remedy the stated deficiencies.

Position

Sponsor

Subject

CKH General Procedures,

CALAFCO Comments: CALAFCO is the sponsor of this bill. SB 839 represents a collaborative three-year effort (by an 18-member working group) to clean up, consolidate, and clarify existing statutory provisions associated with consolidations and dissolutions, as well as codify the conditions under which a LAFCo may initiate dissolution of a district at the 25 percent protest threshold. In response to a recommendation made in the 2017 Little Hoover Commission report (Special Districts: Improving Oversight and Transparency), CALAFCO initiated a working group of stakeholders in early 2019 to discuss the protest process for dissolutions of special districts.

The bill's current format (dated 2/8/22) represents the restructuring of existing protest provisions scattered throughout CKH. There have been some minor technical language added for clarifications. These changes are all minor in nature (by legislative standards).

The bill will be amended to reflect the newly designed process that codifies the ability for LAFCo to initiate a district dissolution at 25% protest threshold. The conditions under which this can occur include one or more of the following, any/all of which must be documented via determinations in a Municipal Service Review (MSR):

1. The agency has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies;
2. The agency spent public funds in an unlawful or reckless manner inconsistent with the principal act or other statute governing the agency and has not taken any action to prevent similar future spending;
3. The agency has consistently shown willful neglect by failing to consistently adhere to the California Public Records Act and other public disclosure laws the agency is subject to;
4. The agency has failed to meet the minimum number of times required in its governing act in the prior calendar year and has taken no action to remediate the failures to meet to ensure future meetings are conducted on a timely basis;
5. The agency has consistently failed to perform timely audits in the prior three years, or failed to meet minimum financial requirements under Government Code section 26909 over the prior five years as an alternative to performing an audit, or the agency's recent annual audits show chronic issues with the agency's fiscal controls and the agency has taken no action to remediate the issues.

The proposed process is:

1. LAFCo to present the MSR in a 21-day noticed public hearing. At that time the LAFCo may choose to adopt a resolution of intent to dissolve the district. The resolution shall contain a minimum 12-month remediation period.
2. The district will have a minimum of 12 months to remediate the deficiencies.
3. Half-way through the remediation period, the district shall provide LAFCo a written report on the progress of their remediation efforts. The report is to be placed on a LAFCo meeting agenda and presented at that LAFCo meeting.
4. At the conclusion of the remediation period, LAFCo conducts another 21-day noticed public hearing to determine if district has remedied deficiencies. If the district has resolved issues, commission rescinds the resolution of intent to dissolve the district and the matter is dropped. If not, commission adopts a resolution making determinations to dissolve the district.
5. Standard 30-day reconsideration period.
6. Protest proceedings at 25% threshold can be noticed with a required 60-day protest period.
7. Protest hearing is held and amount of qualified protests determined based on 25% threshold. LAFCo either orders dissolution, election, or termination.

As this bill - when amended - adds requirements for LAFCos and districts, it will likely be keyed fiscal (for now it is not). An author fact sheet and CALAFCO fact sheet are posted in our attachments section as well as the CALAFCO Support letter and LAFCo support letter template.

SB 1490

(Committee on Governance and Finance) Validations.

Current Text: Chaptered: 7/1/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 7/1/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 94, Statutes of 2022.

Location: 7/1/2022-S. CHAPTERED

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

Summary: Would enact the First Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position
Support

Subject
LAFCo
Administration

CALAFCO Comments: This is the first of three annual validating acts. The CALAFCO Support letter is posted in our attachments.

SB 1491 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 7/1/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 7/1/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 95, Statutes of 2022.

Location: 7/1/2022-S. CHAPTERED

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

Summary: Would enact the Second Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position
Support

Subject
LAFCo
Administration

CALAFCO Comments: This is the second of three annual validating acts. The CALAFCO Support letter is posted in our attachments.

SB 1492 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 7/1/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 7/1/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 96, Statutes of 2022.

Location: 7/1/2022-S. CHAPTERED

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

Summary: Would enact the Third Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position
Support

Subject
LAFCo
Administration

CALAFCO Comments: This is the third of three annual validating acts. The CALAFCO Support letter is posted in our attachments.

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AB 1640 (Ward D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Current Text: Amended: 5/19/2022 [html](#) [pdf](#)

Introduced: 1/12/2022

Last Amend: 5/19/2022

Status: 8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)

Location: 8/12/2022-S. DEAD

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

Summary: Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the Office of Planning and Research 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.

Position
Support

Subject
Climate Change

CALAFCO Comments: This bill is a follow up and very similar to AB 897 (2021). The bill would authorize eligible entities, as defined (including LAFCo), to establish and participate in a regional climate network, as defined. The bill would authorize a regional climate network to engage in activities

to address climate change, as specified. Further, it requires a regional climate network to develop a regional climate adaptation and resilience action plan and to submit the plan to OPR for review, comments, and certification. The bill would require OPR to: (1) encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks; (2) develop and publish guidelines on how eligible entities may establish regional climate networks and how governing boards may be established within regional climate networks by 7-1-23; and (3) provide technical assistance to regions seeking to establish a regional climate network, facilitate coordination between regions, and encourage regions to incorporate as many eligible entities into one network as feasible.

The difference between this bill and AB 897 is this bill removes requirements for OPR to develop guidelines and establish standards and required content for a regional climate adaptation and resilience action plan (to be produced by the network), and removes some specified technical support requirements by OPR. Those requirements were covered in SB 170, a budget trailer bill from 2021.

The bill is author-sponsored and keyed fiscal. An author fact sheet is included in our attachments area, as well as the CALAFCO Support letter.

Amended 3/23/2022 to provide that regional climate networks MAY be developed rather than the former requirement. Minor clean ups of other superfluous language.

Amended 5/19/2022 to remove the deadline for OPR to develop and publish guidelines for eligible entities to establish regional climate networks, removed an exemption to cover multiple counties when population was greater than 2 million people, removed requirements for membership and biennial reports to OPR.

AB 1773 (Patterson R) Williamson Act: subvention payments: appropriation.

Current Text: Introduced: 2/3/2022 [html](#) [pdf](#)

Introduced: 2/3/2022

Status: 8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was APPR. SUSPENSE FILE on 5/4/2022)

Location: 8/31/2022-A. DEAD

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

Summary: The Williamson Act, also known as the California Land Conservation Act of 1965, authorizes a city or county to enter into contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Current law sets forth procedures for reimbursing cities and counties for property tax revenues not received as a result of these contracts and continuously appropriates General Fund moneys for that purpose. This bill, for the 2022-23 fiscal year, would appropriate an additional \$40,000,000 from the General Fund to the Controller to make subvention payments to counties, as provided, in proportion to the losses incurred by those counties by reason of the reduction of assessed property taxes.

Position
Support

Subject
Ag Preservation
- Williamson

CALAFCO Comments: AB 1773 resurrects funding the Williamson Act for the 2022-2023 budget year. The Williamson Act was created to preserve open space and conserve agricultural land. For many years, the state funded the Act at around \$35-\$40 million per year. This funding ceased during the recession, and has not been reinstated since. AB 1773 would allocate \$40 million from the General Fund to the Williamson Act for the purpose of subvention payments.

The bill is author-sponsored, has a general-fund appropriation, and is keyed fiscal. An author fact sheet is posted in our attachments section, along with the CALAFCO Support letter.

AB 1944 (Lee D) Local government: open and public meetings.

Current Text: Amended: 5/25/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Last Amend: 5/25/2022

Status: 7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. GOV. & F. on 6/8/2022)

Location: 7/5/2022-S. DEAD

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

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. The act contains specified provisions regarding the timelines for

posting an agenda and providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. This bill would require the agenda to identify any member of the legislative body that will participate in the meeting remotely.

Position

Watch

Subject

Brown Act

CALAFCO Comments: This bill would delete the requirement that an individual participating in a Brown Act meeting remotely from a non-public location must disclose the address of the location. If the governing body chooses to allow for remote participation, it must also provide video streaming and offer public comment via video or phone.

The bill is author sponsored and keyed fiscal. The author's fact sheet is posted in our attachments area.

Amended 5/25/2022 to add that for this provision to apply, no less than a quorum of members of the legislative body must participate from a single physical location that is identified on the agenda, open to the public, and situated within the boundaries of the legislative body.

7/5/2022: Bill failed deadline and is now DEAD.

AB 2081 (Garcia, Eduardo D) Municipal water districts: water service: Indian lands.

Current Text: Chaptered: 9/23/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Last Amend: 5/12/2022

Status: 9/23/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 480, Statutes of 2022.

Location: 9/23/2022-A. CHAPTERED

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

Summary: The Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Current law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Current law also authorizes a district, until January 1, 2023, under specified circumstances, to apply to the applicable local agency formation commission to provide this service of water to Indian lands, as defined, that are not within the district and requires the local agency formation commission to approve such an application. This bill, among other things, would extend the above provisions regarding the application to the applicable local agency formation commission to January 1, 2027.

Position

Oppose

Subject

Water

CALAFCO Comments: This bill extends the sunset date created in AB 1361 (2017). Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Current law also authorizes a district, under specified circumstances, to apply to the applicable LAFCo to provide this service of water to Indian lands, as defined, that are not within the district and requires the LAFCo to approve such an application. This bill extends the sunset date from January 1, 2023 to January 1, 2025.

CALAFCO opposed AB 1361 in 2017 as the process requires LAFCo to approve the extension of service, requires the district to extend the service, and does not require annexation upon extension of service. CALAFCO reached out to the author's office requesting information as to the reason for the extension and we have not been given a reason.

The bill is keyed fiscal. An author fact sheet is included in the attachments area, as well as the CALAFCO letter in opposition.

AB 2449 (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Current Text: Chaptered: 9/13/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Last Amend: 8/8/2022

Status: 9/13/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 285, Statutes of 2022.

Location: 9/13/2022-A. CHAPTERED

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

Summary: Current law, 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. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction.

Position
Watch

Subject
Brown Act

CALAFCO Comments: This bill authorizes the use of teleconferencing without noticing and making available to the public teleconferencing locations if a quorum of the members of the legislative body participate in person from a singular location that is noticed and open to the public and require the legislative body to offer public comment via video or phone.

CALAFCO reached out to the author's office for information and we've not yet heard back. The bill is not keyed fiscal.

AB 2647

(Levine D) Local government: open meetings.

Current Text: Enrollment: 8/29/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 8/4/2022

Status: 8/29/2022-Enrolled and presented to the Governor at 3:30 p.m.

Location: 8/29/2022-A. ENROLLED

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

Summary: Current law, the California Public Records Act, requires state agencies and local agencies to make public records available for inspection, subject to specified criteria, and with specified exceptions. Current law, the Ralph M. Brown Act, requires the meetings of the legislative body of a local agency to be conducted openly and publicly, with specified exceptions. Current law makes agendas of public meetings and other writings distributed to the members of the governing board disclosable public records, with certain exceptions. This bill would instead require a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates and list the address of the office or location on the agenda for all meetings of the legislative body of the agency unless the local agency meets certain requirements, including the local agency immediately posts the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

Position
Watch

Subject
Brown Act

CALAFCO Comments: This bill seeks to amend the law to make clear that writings that have been distributed to a majority of a local legislative body less than 72 hours before a meeting can be posted online in order to satisfy the law.

Amended on April 19, 2022, to add a provision that agendas will note the physical location from which hard copies of such post-agenda documents can be retrieved.

The bill is sponsored by the League of Cities and is not keyed fiscal.

SB 852

(Dodd D) Climate resilience districts: formation: funding mechanisms.

Current Text: Chaptered: 9/9/2022 [html](#) [pdf](#)

Introduced: 1/18/2022

Last Amend: 8/8/2022

Status: 9/9/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 266, Statutes of 2022.

Location: 9/9/2022-S. CHAPTERED

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

Summary: Current law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance, including projects that enable communities to adapt to the impacts of climate change. Current law also requires the legislative body to establish a public financing authority, defined as the governing board of the enhanced infrastructure financing district, prior to the adoption of a resolution to form an enhanced infrastructure district and adopt an infrastructure financing plan. This bill would authorize a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district, as defined, for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill would deem each district to be an enhanced infrastructure financing district and would require each district to comply with existing law concerning enhanced infrastructure financing districts, except as specified. The bill would require a district to finance only specified projects that meet the definition of an eligible project. The bill would define "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified.

Position
Watch

Subject
Special District
Principle Acts

CALAFCO Comments: This bill creates the Climate Resilience Districts Act. The bill completely bypasses LAFCo in the formation and oversight of these new districts because the districts are primarily being created as a funding mechanism for local climate resilience projects (as a TIF or tax increment finance district - for which LAFCos also have no involvement).

The bill authorizes a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill defines "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified. The bill authorizes a district created pursuant to these provisions to have boundaries that are identical to the boundaries of the participating entities or within the boundaries of the participating entities. The bill also authorizes specified local entities to adopt a resolution to provide property tax increment revenues to the district. The bill would also authorize specified local entities to adopt a resolution allocating other tax revenues to the district, subject to certain requirements. The bill would provide for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution. It requires 95% of monies collected to fund eligible projects, and 5% for district administration. The bill would require each district to prepare an annual expenditure plan and an operating budget and capital improvement budget, which must be adopted by the governing body of the district and subject to review and revision at least annually.

Section 62304 details the formation process, Section 62305 addresses the district's governance structure, and 62307 outlines the powers of the district.

This bill is sponsored by the Local Government Commission and is keyed fiscal. A fact sheet is included in our attachments section.

Amended 5/18/2022 to impose requirements on projects undertaken or financed by a district, including requiring a district to obtain an enforceable commitment from the developer that contractors and subcontractors performing the work use a skilled and trained workforce, and would expand the crime of perjury to these certifications.

SB 1100 (Cortese D) Open meetings: orderly conduct.

Current Text: Chaptered: 8/22/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Last Amend: 6/6/2022

Status: 8/22/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 171, Statutes of 2022.

Location: 8/22/2022-S. CHAPTERED

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

Summary: Current law authorizes the members of the legislative body conducting the meeting to order the meeting room cleared and continue in session, as prescribed, if a group or groups have willfully interrupted the orderly conduct of a meeting and order cannot be restored by the removal of individuals who are willfully interrupting the meeting. This bill would authorize the presiding member of the legislative body conducting a meeting or their designee to remove, or cause the removal of, an individual for disrupting the meeting. The bill, except as provided, would require removal to be

preceded by a warning to the individual by the presiding member of the legislative body or their designee that the individual's behavior is disrupting the meeting and that the individual's failure to cease their behavior may result in their removal. The bill would authorize the presiding member or their designee to then remove the individual if the individual does not promptly cease their disruptive behavior. The bill would define "disrupting" for this purpose.

Position
Support

Subject
Brown Act

CALAFCO Comments: This bill would authorize the removal of an individual from a public meeting who is "willfully interrupting" the meeting after a warning and a request to stop their behavior. "Willfully interrupting" is defined as intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law.

The bill is author-sponsored and keyed fiscal. An author fact sheet is posted in our attachments section.

The CALAFCO support letter is in the attachments section.

SB 1449 (Caballero D) Office of Planning and Research: grant program: annexation of unincorporated areas.

Current Text: Vetoed: 9/28/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 4/19/2022

Status: 9/28/2022-Vetoed by the Governor. In Senate. Consideration of Governor's veto pending.

Location: 9/28/2022-S. VETOED

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

Summary: Current law requires the Office of Planning and Research to, among other things, accept and allocate or expend grants and gifts from any source, public or private, for the purpose of state planning and undertake other planning and coordinating activities, as specified, and encourage the formation and proper functioning of, and provide planning assistance to, city, county, district, and regional planning agencies. This bill would require the office to, upon appropriation by the Legislature, establish the Unincorporated Area Annexation Incentive Program, authorizing the office to issue a grant to a city for the purpose of funding infrastructure projects related to the proposed or completed annexation of a substantially surrounded unincorporated area, as defined, subject to approval by the director after the city submits an application containing specified information. The bill would require the office to match, on a dollar-for-dollar basis, any dollar contribution a city makes toward a project funded by the program, subject to a maximum funding threshold as determined by the director.

Position
Support

Subject
Annexation
Proceedings

CALAFCO Comments: This is currently a spot bill. According to the author's office, they are working on state funding to incentivize annexation of inhabited territory (when the VLF was taken away, so too was any financial incentive to annex inhabited territory). For many years bills have been run to reinstate funding, none of which have ever successfully passed. There is no other information available on this bill at this time. CALAFCO will continue conversations with the author's office as this is an important topic for LAFcos. (The bill will remain a P-3 until amended.)

Amended 3/16/2022 to remove spot holder language, add definitions and other language tying to CKH, and add language more specific to a grant program.

LAFcos added in to assist OPR develop the program guidelines.

The CALAFCO letter of support can be found in the attachments section.

3

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 Amend: 7/14/2021

Status: 8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/16/2021)

Location: 8/12/2022-S. DEAD

Desk	Policy	Fiscal	Floor	Desk	Policy	Dead	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.

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.

2/24/22 UPDATE: It appears this bill is being replaced with AB 1640 (Ward, Mullin, etc.). CALAFCO will keep this bill on Watch and follow the new bill.

8/12/2022. Bill failed deadline and is now DEAD.

AB 903

(Frazier D) Los Medanos Community Healthcare District.

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

Introduced: 2/17/2021

Last Amend: 4/19/2021

Status: 7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. 2 YEAR on

7/14/2021)

Location: 7/5/2022-S. DEAD

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

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

Subject

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.

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.

2022 UPDATE: Given Member Frazier is no longer in the Assembly and the appellate court overturned the lower court's decision, it is likely the bill will not move forward. CALAFCO will retain WACTH on the bill.

Failed deadline. DEAD as of 7/5/2022.

AB 975

(Rivas, Luz D) Political Reform Act of 1974: filing requirements and gifts.

Current Text: Amended: 6/16/2022 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amend: 6/16/2022

Status: 8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/22/2022)

Location: 8/31/2022-S. DEAD

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

Summary: The Political Reform Act of 1974 generally requires elected officials, candidates for elective offices, and committees formed primarily to support or oppose a candidate for public office or a ballot measure, along with other persons and entities, to file periodic campaign statements and certain reports concerning campaign finances and related matters. Current law permits a report or statement that has been on file for at least two years to be retained by a filing officer as a copy on microfilm or other space-saving materials and, after the Secretary of State certifies an online filing and disclosure system, as an electronic copy. This bill would permit a filing officer to retain a report or statement filed in a paper format as a copy on microfilm or other space-saving materials or as an electronic copy, as specified, without a two-year waiting period. The bill would also permit a filing officer to retain a report or statement as an electronic copy before the Secretary of State certifies an online filing and disclosure system.

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).

UPDATE AS OF 2/24/22 - The author's office indicates they are moving forward with the bill this year and are planning amendments. They are not clear what those amendments will be so CALAFCO will retain a WATCH position on the bill.

AB 1757 (Garcia, Cristina D) California Global Warming Solutions Act of 2006: climate goal: natural and working lands,

Current Text: Chaptered: 9/16/2022 [html](#) [pdf](#)

Introduced: 2/2/2022

Last Amend: 8/28/2022

Status: 9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 341, Statutes of 2022.

Location: 9/16/2022-A. CHAPTERED

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

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level no later than December 31, 2030. The act requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. Current law requires, no later than July 1, 2023, the Natural Resources Agency, in coordination with the state board, the California Environmental Protection Agency, the Department of Food and Agriculture, and other relevant state agencies, to establish the Natural and Working Lands Climate Smart Strategy and, in developing the strategy, to create a framework to advance the state's climate goals. Current law requires the state board, as part of its scoping plan, to establish specified carbon dioxide removal targets for 2030 and beyond. This bill would require the Natural Resources Agency, in collaboration with specified entities including the state board and the expert advisory committee as specified, to determine on or before January 1, 2024, an ambitious range of targets for natural carbon sequestration, and for nature-based climate solutions, that reduce greenhouse gas emissions for 2030, 2038, and 2045 to support state goals to achieve carbon neutrality and foster climate adaptation and resilience. The bill would require these targets to be integrated into the above-described scoping plan and other state policies.

Position
Watch

Subject
Water

AB 2041 (Garcia, Eduardo D) California Safe Drinking Water Act: primary drinking water standards: compliance.

Current Text: Amended: 4/18/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Last Amend: 4/18/2022

Status: 5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/11/2022)

Location: 5/20/2022-A. DEAD

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

Summary: Would require the State Water Resources Control Board to take specified actions if the state board adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to comply with the primary drinking water standard without being held in violation of the primary drinking water standard. Specifically, the bill would require the state board to determine which public water system may not be able to comply with the primary drinking water standard without receiving financial assistance and develop a compliance plan, including a financial plan to assist that public water system in complying with the primary drinking water standard. The bill would also require the state board, if a public water system is in violation of the primary drinking water standard after the compliance period, to take into consideration whether or not the public water system implemented the compliance plan.

Position
Watch

Subject
Water

CALAFCO Comments: This bill would require the SWRCB to take specified actions if the SWRCB adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to install necessary measures, including, but not limited to, installation of water treatment systems, to comply with the primary drinking water standard without

being held in violation of the primary drinking water standard. Those actions would include, among other actions, developing a financial plan to assist public water systems that will require financial assistance in procuring and installing the necessary measures.

CALAFCO reached out to the author's office for information on the bill and has not heard back. The bill is keyed fiscal. An author fact sheet is attached.

Failed deadline. DEAD as of 5/20/2022.

AB 2201

(Bennett D) Groundwater sustainability agency: groundwater extraction permit: verification.

Current Text: Amended: 8/11/2022 [html](#) [pdf](#)

Introduced: 2/15/2022

Last Amend: 8/11/2022

Status: 8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was CONCURRENCE on 8/30/2022)

Location: 8/31/2022-A. DEAD

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Dead	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes a groundwater sustainability agency to request of the county, and requires a county to consider, that the county forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the agency before permit approval. Current law also authorizes the State Water Resources Control Board to designate a high- or medium-priority basin as a probationary basin under certain conditions for specified purposes. This bill would instead require a county to forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the groundwater sustainability agency before permit approval. The bill would prohibit a county, city, or any other water well permitting agency from approving a permit for a new groundwater well or for an alteration to an existing well in a basin subject to the act and classified as medium- or high-priority unless specified conditions are met, including that it obtains a written verification, from the groundwater sustainability agency that manages the basin or area of the basin where the well is proposed to be located, determining that, among other things, the extraction by the proposed well is consistent with any sustainable groundwater management program established in any applicable groundwater sustainability plan adopted by that groundwater sustainability agency or an alternate plan approved or under review by the Department of Water Resources.

Position

Watch

Subject

Water

CALAFCO Comments: 2/15/2022: As introduced, a spot holder.

3/17/2022: As amended, this bill now seeks to add a new section into the Water Code that would require, after July 1, 2023, designated extraction facilities to procure permits from the Department of Water Resources (DWR.) Extraction facilities are defined as those located in a basin that has already been designated by DWR as subject to critical overdraft conditions. It would also define times when permits are not needed, including for "de minimis extractors" (as defined by Section 10721), for replacement extractors, when drinking water is needed by a water system for public health purposes, for habitat and wetlands conservation, for photovoltaic or wind energy generation when less than 75 acre feet of groundwater is needed annually, when required by an approved CEQA document, and for facilities constructed to ensure a sustain water supply to consolidated public water systems. This bill would also require groundwater sustainability agencies (GSAs) to develop a process for the issuance of groundwater extraction permits which considers demonstrations of need, adherence to a groundwater sustainability plan, a showing that the extraction will not contribute to an undesirable result, and other procedural requirements. Additionally, the bill would require notification to all groundwater users within one mile of the proposed groundwater extraction facility, and to the DWR when the proposed extraction is within one mile of a disadvantaged community or a domestic well user, and other procedural steps. Also allows those GSAs in a basin not designated as subject to critical conditions of overdraft to adopt an ordinance that establishes their own process, in accordance with this section, for the issuance of groundwater extraction permits, and allows imposition of fees as long as they do not exceed reasonable agency costs. DWR shall provide technical assistance to assist GSA implement this section. This bill would further amend Water Code Section 10728 to require annual reports by GSA to include information regarding the number, location, and volume of water encompassed by permits issued under this section.

Unfunded mandate, now reimbursements provided. Keyed: fiscal.

Amended 4/27/2022 to removes all provisions regarding groundwater extraction facilities, adds in provisions regarding local agencies, which are defined as cities, counties, districts, agencies, or other entities with the authority to issue a permit for a a new groundwater well or for an alteration to an existing well.

AB 2442 (Rivas, Robert D) California Disaster Assistance Act: climate change.**Current Text:** Amended: 8/11/2022 [html](#) [pdf](#)**Introduced:** 2/17/2022**Last Amend:** 8/11/2022**Status:** 8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/30/2022)**Location:** 8/31/2022-S. DEAD

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

Summary: The California Disaster Assistance Act requires the Director of Emergency Services to authorize the replacement of a damaged or destroyed facility, whenever a local agency and the director determine that the general public and state interest will be better served by replacing a damaged or destroyed facility with a facility that will more adequately serve the present and future public needs than would be accomplished merely by repairing or restoring the damaged or destroyed facility. Current law also authorizes the director to implement mitigation measures when the director determines that the measures are cost effective and substantially reduce the risk of future damage, hardship, loss, or suffering in any area where a state of emergency has been proclaimed by the Governor. This bill would specify that mitigation measures for climate change and disasters related to climate, may include, but are not limited to, measures that reduce emissions of greenhouse gases and investments in natural infrastructure, as defined, including, but not limited to, the preservation of natural and working lands, as described, improved forest management, and wildfire risk reduction measures.

Position
Watch

Subject
Ag/Open Space
Protection

CALAFCO Comments: Seeks to add climate change to California Disaster Assistance Act and adds, as noted cost effective mitigation measures, the preservation of open space, improved forest management and wildfire risk reduction measures, and other investments in natural infrastructure (in line with definition of a "natural infrastructure" in GC Section 65302(g)(4)(C)(v).) Also would amend GC Sec 65302 to require General Plans to include "a set of measures designed to reduce emissions of greenhouse gases resulting in climate change, and natural features and ecosystem processes in or near identified at-risk areas threatened by the impacts attributable."

This bill failed to pass in the Senate by the deadline and is now DEAD.

SB 12 (McGuire D) Local government: planning and zoning: wildfires.**Current Text:** Amended: 6/6/2022 [html](#) [pdf](#)**Introduced:** 12/7/2020**Last Amend:** 6/6/2022**Status:** 7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was A. H. & C.D. on 5/24/2022)**Location:** 7/5/2022-A. DEAD

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

Summary: The Planning and Zoning Law requires the legislative body of a city or county to adopt a comprehensive, long-term general plan that includes various elements, including, among others, a housing element and a safety element for the protection of the community from unreasonable risks associated with the effects of various geologic and seismic hazards, flooding, and wildland and urban fires. Current law requires the housing element to be revised according to a specific schedule. Current law requires the planning agency to review and, if necessary, revise the safety element upon each revision of the housing element or local hazard mitigation plan, but not less than once every 8 years to identify new information relating to flood and fire hazards and climate adaptation and resiliency strategies applicable to the city or county that was not available during the previous revision of the safety element. 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

CALAFCO Comments: UPDATE 2/24/22: According to the author's office, they do plan to move this bill forward in 2022 and no other details are available at this time.

This bill failed to make deadlines and is DEAD as of 7/5/2022.

SB 418

(Laird D) Pajaro Valley Health Care District.

Current Text: Chaptered: 2/4/2022 [html](#) [pdf](#)

Introduced: 2/12/2021

Last Amend: 1/24/2022

Status: 2/4/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 1, Statutes of 2022.

Location: 2/4/2022-S. CHAPTERED

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

Summary: Would create the Pajaro Valley Health Care District, as specified, except that the bill would authorize the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors.

Position

Watch

Subject

Special District

Principle Acts

CALAFCO Comments: Gut and amended on 1/14/22, this bill forms the Pajaro Valley Health Care District within Santa Cruz and Monterey counties. The formation, done by special legislation, bypasses the LAFCo process, with language explicitly stating upon formation, LAFCo shall have authority. The bill requires that within 5 years of the date of the first meeting of the Board of Directors of the district, the board of directors shall divide the district into zones. The bill would require the district to notify Santa Cruz LAFCo when the district, or any other entity, acquires the Watsonville Community Hospital. The bill requires the LAFCo to order the dissolution of the district if the hospital has not been acquired by January 1, 2024 through a streamlined process, and requires the district to notify LAFCo if the district sells the Watsonville Community Hospital to another entity or stops providing health care services at the facility, requiring the LAFCo to dissolve the district under those circumstances in a streamlined process.

Given the hospital has filed bankruptcy and this is the only hospital in the area and serves disadvantaged communities and employs a large number of people in the area, the bill has an urgency clause.

Several amendments were added on 1/24/22 by the ALGC and SGFC all contained within Section 32498.7.

CALAFCO worked closely with the author's office, Santa Cruz County lobbyist and the Santa Cruz and Monterey LAFCos on this bill. We have requested further amendments which the Senator has agreed to take in a follow-up bill this year. Those amendments include requiring Santa Cruz LAFCo to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFCo for the first 3 years, Santa Cruz LAFCo conducting a special study on the district after 3 years, and representation from both counties on the governing board.

The bill is sponsored by the Pajaro Valley Healthcare District Project and is not keyed fiscal.

SB 969

(Laird D) Pajaro Valley Health Care District.

Current Text: Chaptered: 7/1/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Last Amend: 3/2/2022

Status: 7/1/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 90, Statutes of 2022.

Location: 7/1/2022-S. CHAPTERED

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

Summary: Current law creates the Pajaro Valley Health Care District, as specified, and authorizes the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors. Current law requires, within 5 years of the date of the first meeting of the Board of Directors of the Pajaro Valley Health Care District, the board of directors to divide the district into zones and number the zones consecutively. Existing law requires the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to govern any organizational changes for the district after formation. Existing law requires the district to notify the County of Santa Cruz local agency formation commission (LAFCo) when the district, or any other entity, acquires the Watsonville Community Hospital. Existing law requires the LAFCo to dissolve the district under certain circumstances. This bill would require the LAFCo to develop and determine a

sphere of influence for the district within one year of the district's date of formation, and to conduct a municipal service review regarding health care provision in the district by December 31, 2025, and by December 31 every 5 years thereafter.

Position
Watch

Subject
Other

CALAFCO Comments: This bill is a follow up to SB 418 (Laird) and contains some of the amendments requested by CALAFCO and Monterey and Santa Cruz LAFcos. As introduced the bill requires Santa Cruz LAFco to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFco for the first 2 years, Santa Cruz LAFco conducting a Municipal Service Review on the district every 5 years with the first being conducted by 12-31-25. Our final requested amendment, ensuring representation from both counties on the governing board, is still being worked on and not reflected in the introduced version of the bill.

SB 1405 (Ochoa Bogh R) Community service districts: Lake Arrowhead Community Service District: covenants, conditions, and restrictions: enforcement.

Current Text: Chaptered: 9/13/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 4/18/2022

Status: 9/13/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 309, Statutes of 2022.

Location: 9/13/2022-S. CHAPTERED

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

Summary: Would authorize the Lake Arrowhead Community Services District to enforce all or part of the covenants, conditions, and restrictions for tracts within that district, and to assume the duties of the Arrowhead Woods Architectural Committee for those tracts, as provided.

Position
Watch

Subject
Other

SB 1425 (Stern D) Open-space element: updates.

Current Text: Enrollment: 8/30/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 4/18/2022

Status: 8/30/2022-Enrolled and presented to the Governor at 3 p.m.

Location: 8/30/2022-S. ENROLLED

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

Summary: Existing law requires cities and counties to prepare, adopt, and amend general plans and elements of those plans, as specified. Existing law requires the general plan to include a housing element and an open-space element, which is also called an open-space plan. Existing law sets forth various deadlines for updates to the housing element. This bill would require every city and county to review and update its local open-space plan by January 1, 2026. The bill would require the local open-space plan update to include plans and an action program that address specified issues, including climate resilience and other cobenefits of open space, correlated with the safety element. By imposing additional duties on local officials, the bill would create a state-mandated local program. This bill contains other related provisions and other existing laws.

Position
Watch

Subject
Other

SB 1489 (Committee on Governance and Finance) Local Government Omnibus Act of 2022.

Current Text: Chaptered: 9/19/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Last Amend: 6/20/2022

Status: 9/18/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 427, Statutes of 2022.

Location: 9/19/2022-S. CHAPTERED

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

Summary: Current law, including the Professional Land Surveyors' Act, the Mello-Roos Community Facilities Act of 1982, the Subdivision Map Act, provisions relating to official maps of counties and cities, and provisions relating to maps of certain special assessment districts, prescribe requirements for the identification, storage, access, and preservation of maps. This bill would revise requirements for storage, access, and preservation of maps, in connection with the above-described laws, to authorize alternative methods by which maps may be identified, kept safe and reproducible, and to which they

may be referred, and would generally eliminate the requirement that they be fastened and stored in books.

Position
Watch

Subject

CALAFCO Comments: This is the Senate Governance & Finance Committee annual omnibus bill.

Total Measures: 29
Total Tracking Forms: 29

Bill Counts By House of Origin				
	1st Year All	1st Year Mine	2nd Year All	2nd Year Mine
ASSEMBLY	1811	4	1566	11
SENATE	965	3	787	11
TOTALS	2776	7	2353	22

Bill Counts By Location				
	1st Year All	1st Year Mine	2nd Year All	2nd Year Mine
CHAPTERED	1038	0	1176	15
DEAD	1	0	2581	11
ENROLLED	0	0	97	2
OTHER	0	0	1	0
VETOED	66	0	169	1

Bill Counts By Prefix				
	1st Year All	1st Year Mine	2nd Year All	2nd Year Mine
AB	1593	4	1383	11
ACA	10	0	6	0
ACR	110	0	105	0
AJR	21	0	15	0
HR	77	0	57	0
SB	828	3	672	11
SCA	5	0	5	0
SCR	61	0	61	0
SJR	9	0	7	0
SR	62	0	42	0



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

Patricia Bristow
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

November 9, 2022 (Agenda)

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

November 9, 2022
Agenda Item 12

LAFCO Staffing Plan and Personnel System Update

Dear Members of the Commission:

BACKGROUND

LAFCO is an independent entity created by the State Legislature. Pursuant to the Government Code (§56000 et seq.), LAFCO hires (or contracts) for its own staff and provides employee benefits, including health, dental, retirement and other benefits for its employees. Contra Costa LAFCO purchases most of its employee benefits from Contra Costa County and its retirement benefits from the Contra Costa County Employees' Retirement Association (CCCERA).

In 2007, LAFCO adopted its own personnel system including an employee benefit plan, job descriptions, and employee salary ranges. Since then, the employee benefit plan has been updated several times in accordance with County benefit changes, most of which were administrative.

Contra Costa LAFCO currently employs two employees – a half-time Executive Assistant/ LAFCO Clerk ("Clerk") and a full-time Executive Officer ("EO"). In April 2019, LAFCO added a full-time Analyst I/II position which has remained unfilled due primarily to the pandemic. LAFCO also contracts with various County departments and with private sector consultants.

Recently, the LAFCO Executive Assistant/LAFCO Clerk provided notice of her retirement (January 2023). In reviewing the duties and responsibilities of this position, and the need for additional staff, we have developed a new job classification: "*Clerk/Analyst*". This will be a full-time position. A number of other LAFCOs also use this job classification.

DISCUSSION

In 2019, LAFCO amended its classification to include an *Analyst I/II* position. The Commission determined it was timely and beneficial to grow Contra Costa LAFCO for several reasons, including the following:

- compliance with new statutory duties and requirements (i.e., JPAs, website expansion, dissolution of inactive districts, disadvantaged communities tracking, etc.)
- keep pace with increased application activity
- maintain the MSR/sphere of influence (SOI) update schedule
- resume policy/procedure work

- continue involvement with CALAFCO and other state activities
- enhance outreach and education efforts
- embark on new projects/activities

Due to several major events, including relocation of the LAFCO office in 2019, retirement of Kate Sibley in 2019, hiring a new half-time LAFCO Executive Assistant (Sherrie Weis), and the ongoing pandemic, LAFCO deferred hiring a full-time Analyst.

Recently, Sherrie Weis announced her retirement in early 2023. Consequently, LAFCO will need to recruit for this position. LAFCO staff assessed the LAFCO staffing needs and concluded that two full-time positions are needed to support Contra Costa LAFCO at this time - including one full-time Executive Officer and one full time *Clerk/Analyst*.

As proposed, the newly created full-time *Clerk/Analyst* position will focus primarily on supporting the Commission and providing administrative support as described in the draft job description (Attachment 1). In addition, there are several “Analyst” level duties included the job description including research and report writing. The *Clerk-Analyst* position will provide more flexibility in LAFCO staffing.

In conjunction with adding the *Clerk/Analyst* classification, there is a resolution with a proposed amendment to the “LAFCO Salary Plan” adding the *Clerk/Analyst* position (Attachment 2). The salary is based on similar LAFCO *Clerk/Analyst* positions throughout the State.

Following the Commission’s approval of the proposed staffing plan and updated Salary Plan adding the *Clerk/Analyst* position, LAFCO staff will initiate recruitment for this position. Job announcements will be posted on the CALAFCO, Contra Costa LAFCO, Contra Costa County, and community college websites. In addition, we will post the job announcement on online employment websites (e.g., Indeed).

FINANCING

Costs associated with the creation of the full-time *Clerk/Analyst* position and a staffing overlap to provide training of the new employee will necessitate an increase in the FY 2022-23 LAFCO budget. The estimated increase is approximately \$28,000 and will depend on the new employee’s salary and benefits.

RECOMMENDATIONS

It is recommended that the Commission approve LAFCO Resolution 2022-08 authorizing creation of the *Clerk/Analyst* job description and amending the LAFCO Salary Plan to include a salary range for the new *Clerk/Analyst* position.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachments

1. Draft Position Description – *Clerk/Analyst* Position
2. Draft Resolution Amending Salary Plan

CONTRA COSTA LAFCO CLERK ANALYST

DEFINITION:

Under general direction of the LAFCO Executive Officer, provides a full range of administrative and analyst duties for Contra Costa LAFCO involving a variety of complex and technical matters. The position requires the ability to plan, organize, analyze, and manage office activities; prepare bills and statements, track contract and project payments and expenditures; maintain records; prepare LAFCO meeting agenda packets; clerk LAFCO meetings and prepare meeting minutes; edit and write reports, public hearing notices, and other documents; review LAFCO applications; conduct research; and performs other duties as required. The position is expected to work well with elected officials, and exercise considerable initiative and judgement in performing duties. This is an “at will” position appointed by and serves at the pleasure of the LAFCO Executive Officer (EO). This position is exempt from FLSA overtime.

ABOUT THE POSITION:

The Clerk Analyst reports to the LAFCO EO and primarily serves as *Commission Clerk*. The Clerk Analyst will also perform office management and LAFCO analyst duties. The *Commission Clerk* component involves coordinating and clerking LAFCO meetings, handling meeting logistics, preparing agenda packets and meeting minutes; and preparing/posting/publishing/distributing public hearings notices. Other *Commission Clerk* duties include files/records management, requisitioning services and supplies; prepare and proof correspondence; track LAFCO correspondence, filings, legal deadlines and expiration dates; maintain email lists; answer/screen calls and visitors

This position performs a full range of clerical, administrative, and analytical duties as assigned, working independently, and exercising sound judgement, initiative, analysis, and confidentiality. *Office management duties* include processing bills/invoices/payments; overseeing records and office equipment/supplies management; and coordination with web manager. The position requires a high degree of judgment, tact, and discretion.

The position has regular contact with LAFCO Commissioners, local government officials, and all levels of county, city, and special district staff, representatives of business and community organizations, and the general public.

MINIMUM QUALIFICATIONS:

Any combination of education and experience that would provide the necessary knowledge and skills noted in the job description.

Education: Graduation from a four-year college with a degree in public administration, public policy, political science, business, or other field related to the position. Years of experience may be substituted for college.

Experience: Minimum of five years of full-time (or the equivalent of full-time) public agency experience performing administrative, clerical, clerking public meetings, office management, budgetary/fiscal, records/contracts/lease management, analytical analysis, and report writing.

TYPICAL ADMINISTRATIVE AND ANALYTICAL TASKS:

Commission Support

- Assembles, prepares, and distributes LAFCO meeting agenda packets
- Prepares, publishes, posts and distributes a variety of notices, along with materials related to agenda items, to the public, media, and other interested parties based on State law
- Assists with teleconference meetings
- Assists with recording the LAFCO meetings and prepares official resulting documents, including meeting minutes and resolutions
- Assists in providing responses to public records requests
- Receives, tracks and records economic interest statements, compliance with required training, and related tasks
- Maintains schedule of LAFCO meeting dates

Administrative Support

- Oversees daily administration of fiscal tasks including accounts payable, accounts receivable, and purchasing. Assist in preparing annual LAFCO budget and work program, annual audits, and related financial matters.
- Manages office equipment, including purchasing; coordinates with vendors and service providers (e.g., County staff, website maintenance and hosting provider, office/equipment maintenance)
- Oversees LAFCO website content, updates, and changes
- Records management, creating mailing lists and labels, and distribution of LAFCO reports and notices
- Administers contracts, leases, and service agreements
- Assists in research (e.g., public information requests, compiling data for LAFCO studies, etc.)
- Interacts with other LAFCOs, local, regional and state agencies; participates in LAFCO related organizations and training
- Assists with intake, review, and processing LAFCO applications
- Develops and implements office methods, procedures and forms; assists in creating operating and policy manuals
- Develops and conducts various surveys
- Updates bi-annual Local Agency Directory
- Independently creates memoranda and letters requiring application of specialized knowledge
- Initiates and maintains files including those of a confidential nature
- Tracks correspondence, filings, and materials with deadlines and expiration dates
- Organizes work, sets priorities, and meets critical deadlines
- Assists with reviewing and writing reports, memoranda, and other written materials for completeness, accuracy, format, proper English usage, and compliance with policies and procedures
- Manages purchasing activities and approves purchase orders and other basic financial transactions
- Tracks LAFCO finances and budgets; works with LAFCO auditor on annual audit
- Creates mailing lists and labels using a variety of information sources and software programs
- Assists with audiovisual equipment set up and minor troubleshooting as needed
- Works with LAFCO web manager to ensure website is up to date
- Maintains files and performs other related administrative and secretarial duties

KNOWLEDGE, SKILLS AND ABILITIES:

Knowledge of:

- Modern office procedures, practices and techniques
- Proper punctuation, spelling and grammatical usage, and a broad vocabulary covering common administrative terminology
- Office management principles, methods and procedures including records management
- Various types of filing systems
- Administrative practices and principles
- Customer service principles
- Computer applications, such as word processing, spreadsheet and presentations
- Telephone procedures and etiquette
- Writing and research skills
- Follow-through and time management skills
- Strong interpersonal and public relation skills
- Excellent written and verbal communication skills
- Relevant office equipment and computer skills
- Understand the role and importance of being a public employee

Ability to:

- Comprehend and take appropriate notes at LAFCO meetings and public hearings for which the content is varied and complex
- Interpret, evaluate, select, organize and condense a variety of discussions in order to prepare the official minutes of LAFCO meetings and public hearings
- Provide administrative and secretarial assistance to management
- Compose letters, memoranda, reports, and other written materials independently
- Use initiative and independent judgment within established guidelines
- Understand and explain LAFCO policy and procedure
- Establish and maintain effective working relationships
- Deal professionally with LAFCO applicants, local agency staff, public officials, and the general public
- Handle confidential matters discreetly and effectively
- Gather and analyze data
- Interpret and apply LAFCO-specific laws and ordinances, office policies and procedures
- Plan, develop, and implement office procedures
- Operate standard office equipment, including computers; troubleshoot simple problems
- Use a keyboard with moderate speed and a high level of accuracy

RESOLUTION NO. 2022-08

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
UPDATING THE LAFCO SALARY SCHEDULE TO ADD “CLERK/ANALYST” POSITION**

WHEREAS, the Contra Costa Local Agency Formation Commission (LAFCO) is an independent regulatory agency created by the State Legislature; and

WHEREAS, pursuant to Government Code §56384, LAFCO appoints an Executive Officer and may appoint other staff as needed; and

WHEREAS, LAFCO currently employs an Executive Officer to carry out the functions of the Commission, and an Executive Assistant/LAFCO Clerk to provide administrative support; and

WHEREAS, in April 2019 LAFCO approved adding an Analyst position to provide analytical, project management and staff support, but this position is currently unfilled; and

WHEREAS, in 2007, the Commission adopted a salary plan which included salary ranges for the LAFCO employee positions and is adjusted annually; and

WHEREAS, it is timely to add a new job classification – *Clerk/Analyst* and add that position to the current LAFCO salary schedule; and

WHEREAS, the salary ranges are reviewed and adjusted periodically to keep pace with market conditions.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that:

1. The Contra Costa LAFCO hereby updates the LAFCO salary schedule to add a salary range for the *Clerk/Analyst* position as shown in Exhibit A. These salary ranges are reviewed annually and may be adjusted to reflect comparable Bay Area and urban LAFCO salaries and current market conditions.

PASSED AND ADOPTED THIS 9TH day of November 2022, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ROB SCHRODER, CHAIR, CONTRA COSTA LAFCO

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

Dated: November 9, 2022

Lou Ann Texeira, Executive Officer

EXHIBIT A

2022 CONTRA COSTA LAFCO EMPLOYEE SALARY RANGES

<u>JOB TITLE</u>	<u>BEGINNING MONTHLY</u>	<u>MAXIMUM MONTHLY</u>
*CLERK/EXECUTIVE ASSISTANT	\$4,900	\$6,215
CLERK/ANALYST	\$5,150	\$6,950
ANALYST I/II	I - \$ 5,877	I - \$ 7,795
	II - \$ 6,202	II - \$ 8,219
EXECUTIVE OFFICER	\$11,473	\$15,292



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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

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Lou Ann Teixeira
Executive Officer

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City Member

November 9, 2022

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

**November 9, 2022
Agenda Item 13**

Current and Potential LAFCO Applications

Dear Members of the Commission:

SUMMARY

This report identifies active applications on file with Contra Costa LAFCO as well as potential 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 and disapproving boundary changes, boundary reorganizations, formations, mergers, consolidations, dissolutions, incorporations, sphere of influence (SOI) amendments, and 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 is currently one approved proposal awaiting completion, four current applications that are either incomplete and/or awaiting a hearing date, and several potential applications.

Current Proposals – Approved and Awaiting Completion

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. At the June 8, 2022 LAFCO meeting, the Commission approved a time extension to December 31, 2022 to complete the easement.

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 (CCCCSD) 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. The project is currently being litigated.

LAFCO Tassajara Parks Project – SOI Amendments (LAFCO 16-07)

This is an application filed by the landowner to amend the SOIs for CCCCSD and EBMUD by 30± acres in anticipation of corresponding annexations. The application is currently incomplete. The project is currently being litigated.

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

This is an application filed by the City of Pittsburg to annex 606± acres to the City of Pittsburg, Contra Costa Water District and Delta Diablo, and detachment from CSA P-6. The project includes development of up to 1,500 residential units. The application is currently incomplete. On February 9, 2022, Contra Costa County Superior Court ruled that the City of Pittsburg violated CEQA. The Court issued a writ of mandate compelling the City to set aside the project approvals and the certification of the Final EIR, and that any further consideration of the project must comply with CEQA and be consistent with the Court's ruling. On August 15, 2022, the Pittsburg City Council voted to repeal and set aside all approvals for the Faria/Southwest Hills Annexation Project.

Potential and Other 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 August 10, 2022, the Commission approved extending the time to submit the annexation application to August 31, 2023.

There are currently several potential applications that may be submitted to Contra Costa LAFCO in the future including annexations to Byron Bethany Irrigation District, City of Brentwood, City of Concord, City of Martinez, and West County Wastewater District.

The Commission initiated dissolution of CSA R-9. The matter was continued to February 2023 to allow additional time for community input.

RECOMMENDATION – Informational item – no actions required.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment
Current Applications Table

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

Attachment

File #	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. 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. The project is currently being litigated.
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) and detach from County Service Area (CSA) P-6 to support hillside estate development of up to 1,500 units.	Application is currently incomplete. <i>Notices of Incomplete Application</i> issued on 7/21/21 and 1/28/22. Following litigation on the project, on 8/15/22, the Pittsburg City Council voted to repeal and set aside all approvals for the Faria/Southwest Hills Annexation Project.
21-17	Dissolution of County Service Area (CSA) R-9	LAFCO initiated dissolution of CSA R-9	Pending (February 2023)



November 9, 2022
Agenda Item 14

AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

September 14, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 824 0975 3046, Passcode: 284461, or via the web at:

<https://us06web.zoom.us/j/82409753046?pwd=blQzVHI5NGxoV3g3S0xrOHJnek5VQT09>

Passcode: 284461

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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 August 10, 2022 meeting.
5. Approve the following routine items:
 - a. Certifications of membership.
 - b. Service and disability allowances.
 - c. Death benefits.
 - d. Investment liquidity report.

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.

6. Accept the following routine items:
 - a. Disability applications and authorize subpoenas as required.
 - b. Investment asset allocation report.

CLOSED SESSION

7. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Bartholomew Corrie	Service Connected	Service Connected
b. Frank Oathout	Service Connected	Service Connected

8. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:
 - a. *Marchese v. CCCERA, et al.*, Contra Costa County Superior Court, Case No. N22-1435

OPEN SESSION

9. Pension administration system project update:
 - a. Update from staff
 - b. Presentation from Segal
 - c. Presentation from Sagitec
10. Consider and take possible action to update CCCERA's Conflict of Interest Code.
11. Consider and take possible action to authorize the Board to conduct teleconference meetings under Government Code section 54953 (e) and to make related findings.
12. Consider and take possible action on SACRS voting proxy form.
13. Report from Audit Committee Chair on August 24, 2022 Audit Committee meeting.
14. Consider authorizing the attendance of Board:
 - a. CALAPRS Trustees Round Table, October 28, 2022, Virtual.
 - b. SACRS Fall Conference, November 8-11, 2022, Long Beach, CA.
 - c. 9th Annual N. California Institutional Forum, December 7, 2022, Napa, CA.
15. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

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.



September 22, 2022

RE: September 28, 2022 CCCERA Retirement Board Meeting

To All Employers,

The agenda for the September 28, 2022 CCCERA Retirement Board Meeting includes the following item of interest to all employers:

- Consider and take possible action to accept the GASB 68 report from Segal Consulting.

You are invited to attend the meeting and learn more about this topic.

Sincerely,

Gail Strohl
Chief Executive Officer



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

September 28, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 898 2382 4289 Passcode: 767317, or via the web at:

<https://us06web.zoom.us/j/89823824289?pwd=MXozTzdsUjU0MEV3bTFLV2pYZFYvZz09>

Passcode: 767317

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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 August 24, 2022 meeting.
5. Consider and take possible action to accept the GASB 68 report from Segal Consulting.
6. Review of report on growth sub-portfolio.
7. Presentation from Artisan Partners.

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.

8. Retirement application processing update.
9. Presentation of year-to-date 2022 CCCERA budget vs. actual expenses report.
10. Consider authorizing the attendance of Board:
 - a. Blackstone meeting, October 11, 2022, New York, NY.
11. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

October 12, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 812 1150 4070, Passcode: 198404, or via the web at:

<https://us06web.zoom.us/j/81211504070?pwd=cW4zVlMzVUtUbnRkSlo4Z2VqU3NJUT09>

Passcode: 198404

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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 September 14, 2022 meeting.
5. Approve the following routine items:
 - a. Certifications of membership.
 - b. Service and disability allowances.
 - c. Death benefits.
 - d. Investment liquidity report.

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.

6. Accept the following routine items:
 - a. Disability applications and authorize subpoenas as required.
 - b. Investment asset allocation report.

CLOSED SESSION

7. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Javier Espinoza	Service Connected	Service Connected
b. Julie Murphy	Service Connected	Service Connected

8. The Board will continue in closed session pursuant to Govt. Code Section 54957 to consider the Hearing Officer's recommendation regarding the disability application for Mark Emery.

OPEN SESSION

9. Presentation of disability retirement process.
10. Presentation of semi-annual disability retirement report.
11. Presentation of travel reimbursement and education tracking process.
12. Consider and take possible action to authorize the Board to conduct teleconference meetings under Government Code section 54953 (e) and to make related findings.
13. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

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.



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Via Email

October 7, 2022

Gail Strohl
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)
Five-Year Projection of Employer Contribution Rate as of December 31, 2021**

Dear Gail:

As requested, we have updated our five-year projection of estimated employer contribution rate changes for CCCERA. This projection is derived from the December 31, 2021 Actuarial Valuation results. Key assumptions and methods are detailed below. **It is important to understand that these results are entirely dependent on those assumptions used in the December 31, 2021 valuation being met and remaining unchanged in future valuations. Actual results as determined in future actuarial valuations will differ from these results. In particular, actual investment returns, actual salary levels, and actual retiree cost-of-living adjustments different than assumed can have a significant impact on future contribution rates.**

Results

In the next several years, assuming the above highlighted conditions were to come true, CCCERA is likely to become fully funded, with 100% funded ratio and no Unfunded Actuarial Accrued Liability (UAAL). As we pointed out to the Board during our presentation of results in the December 31, 2021 valuation, at that time the employer UAAL contribution rates would be reduced to 0% of payroll before considering the 0.15% of payroll that would continue to be charged for the payment of administrative expense. However, the timing of when that is expected to take place varies among the different cost groups based on the current level of funding and the expected annual UAAL contributions for each cost group as of the most recent valuation. In order to more accurately capture those differences, we have continued to use a method that takes into consideration the various differences among the cost groups.

Effective July 1, 2022, East Contra Costa Fire Protection District ("East Fire") was annexed into Contra Costa Fire Protection District ("Con Fire"). This annexation was reflected in the December 31, 2021 valuation. As part of the annexation, East Fire made a prepayment of \$3.3 million on June 30, 2022 towards their December 31, 2020 UAAL. As requested by East Fire, this prepayment has been used to reduce Con Fire's UAAL contribution rates effective

July 1, 2022. In preparing this projection, we have included Con Fire's contribution rates effective July 1, 2023 in Cost Groups #5 and #8 after reflecting this prepayment as provided in the December 31, 2021 valuation.

The estimated contribution rate changes shown below apply to the recommended average employer contribution rate. Estimated contribution rate changes for each cost group are shown in the attached exhibit.

Aside from the reduction in Con Fire's employer rates in the December 31, 2021 valuation as discussed above, the other changes in the contribution rate starting in the December 31, 2022 valuation are due to:

1. Recognition of deferred investment gains and losses under the actuarial asset smoothing methodology;
2. Gains due to investment income earned on the excess of the Market Value of Assets (MVA) over the Actuarial Value of Assets (AVA) (and losses when the opposite occurs);
3. Contribution gains and losses which occur from delaying the implementation of new rates until 18 months after the actuarial valuation date;
4. The December 31, 2007 UAAL restart charge and Pension Obligation Bonds (POB) credit amortization layers dropping off as they become fully amortized; and
5. The reduction in UAAL rate due to reaching full funding. For cost groups that are projected to reach full funding, all outstanding UAAL layers of the cost group would be fully amortized and there would be no UAAL payments in accordance with CCCERA's Actuarial Funding Policy. However, as noted above, 0.15% of payroll would continue to be included in the UAAL rate for the payment of administrative expense

The following table provides the year-to-year rate changes and the cumulative rate change over the five-year projection period from the above components in aggregate.¹ To obtain the estimated average employer contribution rate at each successive valuation date, these cumulative rate changes should be added to the rates developed in the December 31, 2021 Actuarial Valuation. These rate changes represent the average rate, expressed as a percent of payroll, for the aggregate plan and they become effective 18 months following the actuarial valuation date shown in the table.

¹ We no longer show the rate changes by component as the rate changes due to full funding could overwrite the impact of the other rate change components.

Rate Change	Valuation Date (12/31)				
	2022	2023 ²	2024	2025	2026
Incremental Rate Change	(9.04%)	(6.14%)	(2.42%)	(1.70%)	(0.46%)
Cumulative Rate Change	(9.04%)	(15.18%)	(17.60%)	(19.29%)	(19.75%)

If we use the average employer contribution rate as of the December 31, 2021 Actuarial Valuation of 35.55% of payroll, based on the cumulative rate changes above the average employer contribution rate is projected to progress as follows:

Employer Contribution Rate ³	Valuation Date (12/31)				
	2022	2023	2024	2025	2026
Average Normal Cost Rate ⁴	15.65%	15.65%	15.65%	15.65%	15.65%
Average UAAL Rate	<u>10.86%</u>	<u>4.72%</u>	<u>2.30%</u>	<u>0.61%</u>	<u>0.15%</u>
Average Employer Contribution Rate	26.51%	20.37%	17.95%	16.26%	15.80%

We have estimated the rate change due to investment related gains and losses over the five valuation dates for each individual cost group by allocating the investment related gains and losses based on each cost group's proportional share of the Valuation Value of Assets as of December 31, 2021 valuation. The actual rate changes by group may differ from those shown in the exhibit if there are changes to their proportional share of the Valuation Value of Assets in future valuations.

In addition, the projected rate changes for the December 31, 2022 Actuarial Valuation reflect the December 31, 2007 UAAL restart charge and POB credit amortization layers dropping off as they become fully amortized. That impact has been explicitly calculated and reflected for each cost group as it varies significantly by cost group depending on the UAAL and POB layers established for each cost group. In particular, the impact of POB credit layers dropping off varies significantly by employer depending on whether the employer issued POBs or made additional contributions towards their UAAL. Therefore, we also show results separated out for employers that are in a cost group that has an employer with a POB credit.

For most employers without a POB credit, there is a significant reduction in the employer rate that is projected to occur in the December 31, 2022 Actuarial Valuation due to that UAAL restart

² There is an additional UAAL and higher UAAL contribution rate required to implement the new actuarial assumptions in the December 31, 2021 valuation. The additional UAAL is expected to cause a one year delay in most cost groups to become fully funded (from 2022 to 2023). This is the reason why comparing the rate changes in this letter versus those included in our earlier five-year projection letter dated March 16, 2022, we show a smaller UAAL rate reduction for 2022 but a larger UAAL rate reduction for 2023.

³ The Normal Cost and UAAL rates shown include an explicit administrative expense load of 0.50% and 0.15% of payroll, respectively.

⁴ As noted on next page, the Normal Cost projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA's active members or decreases in the employer contribution rates that might result from new hires going into the PEPRAs tiers.

layer becoming fully amortized. For other employers that have a POB credit, the reduction in the employer rate is not as significant since their current contribution rates have already been reduced to reflect that they paid off a portion of that UAAL layer through the issuance of the POB or additional UAAL payments. For some other employers, such as Con Fire and Moraga-Orinda Fire Protection District, since they already paid off that UAAL restart amortization layer via POBs and additional UAAL payments, they will not see a reduction in their employer contribution rate at that time.

The projected rate changes that are due to the 18-month rate delay for each cost group have also been determined based on the different incremental rate changes from the prior valuations.

We have also projected the year when each cost group would become fully funded and most Cost Groups are expected to become fully funded in 2023⁵. In accordance with CCCERA's Actuarial Funding Policy, all outstanding UAAL layers of the cost group would be fully amortized and there would be no UAAL payments (other than the continuation of the payment of the 0.15% administrative expense) when the cost group reaches full funding. The reduction in UAAL rate due to full funding has been reflected.

These estimated rate changes for each cost group are shown in the attached exhibit. We have also included the projected UAAL rate for the projection period in the exhibit.

Key Assumptions and Methods

The projection is based upon the following assumptions and methods:

- December 31, 2021 non-economic assumptions remain unchanged.
- December 31, 2021 retirement benefit formulas remain unchanged.
- December 31, 2021 1937 Act statutes remain unchanged.
- UAAL amortization method remains unchanged.
- December 31, 2021 economic assumptions remain unchanged, including the 6.75% investment earnings assumption.
- We have assumed that returns of 6.75% are actually earned each year on a market value basis starting in 2022.
- Active payroll grows at 3.00% per annum.
- Deferred investment gains and losses are recognized per the asset smoothing schedule prepared by the Association as of December 31, 2021. They are funded as a level percentage of the Association's total active payroll base.
- All other actuarial assumptions used in the December 31, 2021 Actuarial Valuation are realized.

⁵ See explanation provided in footnote 2 on the previous page as to why there is a one-year delay in most Cost Groups to become fully funded (from 2022 to 2023) relative to our earlier five-year projection letter dated March 16, 2022.

- No changes are made to actuarial methodologies, such as adjusting for the contribution rate delay in advance and the continuation of the current pooling arrangement among different employers within a cost group.
- The projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA's active members or decreases in the employer contribution rates that might result from new hires going into the PEPRA tiers.
- The projections assumed a fixed administrative expense loads of 0.50% and 0.15% payroll that applied to employer Normal Cost and UAAL rates, respectively.
- On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement of ACERA. That decision has important implications for CCCERA and its members. In particular, the decision requires pension systems like CCCERA to exclude certain pay items from a legacy member's compensation earnable. It is our understand that the CCCERA Board of Retirement has taken action to return member contributions that were previously made on certain terminal pay and on-call pay items impacting approximately 6,400 members, as well as to reduce the benefit of 7 retirees that had estoppel included in their retirement calculation. We further understand that the December 31, 2021 participant data as well as the assets as of that date, do not reflect the return of member contributions that totaled approximately \$4 million, however the participant data does reflect the reduction of benefit for the 7 members.
- It is important to note that these projections are based on plan assets as of December 31, 2021. Due to the COVID-19 pandemic, market conditions have changed significantly since the onset of the Public Health Emergency. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. Moreover, these projections do not include any possible short-term or long-term impacts on mortality of the covered population that may emerge after December 31, 2021.

Finally, we emphasize that projections, by their nature, are not a guarantee of future results. The modeling projections are intended to serve as illustrations of future financial outcomes that are based on the information available to us at the time the modeling is undertaken and completed, and the agreed-upon assumptions and methodologies described herein. Emerging results may differ significantly if the actual experience proves to be different from these assumptions or if alternative methodologies are used. Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and

the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary

Unless otherwise noted, all of the above calculations are based on the December 31, 2021 Actuarial Valuation results including the participant data, actuarial assumptions, methods, and models on which that valuation was based. That valuation and these projections were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary.

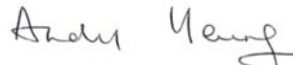
The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,



Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President & Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary

EK/bbf
Enclosure

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#1 & 2 County and Courts with POB	CG#1 & 2 Moraga-Orinda FD with POB	CG#1 & 2 First Five with Prepayment	CG#1 & 2 LAFCO with Prepayment	CG#1 & 2 Other District without POB
Estimated Incremental Rate Change as of 12/31/2022*	-7.33%	-7.07%	-8.04%	-16.20%	-16.20%
Estimated Incremental Rate Change as of 12/31/2023	-6.40%	-6.40%	-6.40%	-0.98%	-6.40%
Estimated Incremental Rate Change as of 12/31/2024	0.00%	0.00%	0.00%	0.00%	0.00%
Estimated Incremental Rate Change as of 12/31/2025	0.00%	0.00%	0.00%	0.00%	0.00%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Rate Change as of 12/31/2022*	-7.33%	-7.07%	-8.04%	-16.20%	-16.20%
Cumulative Rate Change as of 12/31/2023	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Cumulative Rate Change as of 12/31/2024	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Cumulative Rate Change as of 12/31/2025	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Cumulative Rate Change as of 12/31/2026	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Employer UAAL rate as of 12/31/2021**	13.88%	13.62%	14.59%	17.33%	22.75%
Employer UAAL rate as of 12/31/2022**	6.55%	6.55%	6.55%	1.13%	6.55%
Employer UAAL rate as of 12/31/2023**	0.15%	0.15%	0.15%	0.15%	0.15%
Employer UAAL rate as of 12/31/2024**	0.15%	0.15%	0.15%	0.15%	0.15%
Employer UAAL rate as of 12/31/2025**	0.15%	0.15%	0.15%	0.15%	0.15%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%	0.15%	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2023	2023	2023	2023	2023

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#3 Enhanced CCC Sanitary District	CG#4 Enhanced Housing Authority	CG#5 Enhanced CCCFPD***	CG#6 Non-Enhanced District
Estimated Incremental Rate Change as of 12/31/2022*	0.00%	-18.87%	-0.35%	0.00%
Estimated Incremental Rate Change as of 12/31/2023	0.00%	-8.65%	-1.74%	0.00%
Estimated Incremental Rate Change as of 12/31/2024	0.00%	0.00%	-1.44%	0.00%
Estimated Incremental Rate Change as of 12/31/2025	0.00%	0.00%	-1.53%	0.00%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	0.00%	-15.07%	0.00%
Cumulative Rate Change as of 12/31/2022*	0.00%	-18.87%	-0.35%	0.00%
Cumulative Rate Change as of 12/31/2023	0.00%	-27.52%	-2.09%	0.00%
Cumulative Rate Change as of 12/31/2024	0.00%	-27.52%	-3.52%	0.00%
Cumulative Rate Change as of 12/31/2025	0.00%	-27.52%	-5.05%	0.00%
Cumulative Rate Change as of 12/31/2026	0.00%	-27.52%	-20.12%	0.00%
Employer UAAL rate as of 12/31/2021**	0.15%	27.67%	20.27%	0.15%
Employer UAAL rate as of 12/31/2022**	0.15%	8.80%	19.92%	0.15%
Employer UAAL rate as of 12/31/2023**	0.15%	0.15%	18.18%	0.15%
Employer UAAL rate as of 12/31/2024**	0.15%	0.15%	16.75%	0.15%
Employer UAAL rate as of 12/31/2025**	0.15%	0.15%	15.22%	0.15%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2021	2023	2026	2021

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

*** Reflects the UAAL prepayment in the amount of \$3,344,437 made by East Fire on June 30, 2021 for the General and Safety groups

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#7 & 9 Combined Enhanced County	CG#8 Enhanced CCCFPD***	CG#10 Enhanced Moraga-Orinda FD	CG#11 Enhanced San Ramon Valley FD
Estimated Incremental Rate Change as of 12/31/2022*	-19.84%	-2.39%	1.19%	-38.64%
Estimated Incremental Rate Change as of 12/31/2023	-5.54%	-4.39%	-4.18%	-16.20%
Estimated Incremental Rate Change as of 12/31/2024	-19.95%	-3.69%	-3.74%	0.00%
Estimated Incremental Rate Change as of 12/31/2025	0.00%	-30.62%	-4.08%	0.00%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	0.00%	-40.27%	0.00%
Cumulative Rate Change as of 12/31/2022*	-19.84%	-2.39%	1.19%	-38.64%
Cumulative Rate Change as of 12/31/2023	-25.38%	-6.79%	-2.99%	-54.83%
Cumulative Rate Change as of 12/31/2024	-45.33%	-10.48%	-6.73%	-54.83%
Cumulative Rate Change as of 12/31/2025	-45.33%	-41.10%	-10.81%	-54.83%
Cumulative Rate Change as of 12/31/2026	-45.33%	-41.10%	-51.07%	-54.83%
Employer UAAL rate as of 12/31/2021**	45.48%	41.25%	51.22%	54.98%
Employer UAAL rate as of 12/31/2022**	25.64%	38.86%	52.41%	16.34%
Employer UAAL rate as of 12/31/2023**	20.10%	34.46%	48.23%	0.15%
Employer UAAL rate as of 12/31/2024**	0.15%	30.77%	44.49%	0.15%
Employer UAAL rate as of 12/31/2025**	0.15%	0.15%	40.41%	0.15%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2024	2025	2026	2023

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

*** Reflects the UAAL prepayment in the amount of \$3,344,437 made by East Fire on June 30, 2021 for the General and Safety groups

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#12 Non-Enhanced Rodeo-Hercules FPD	Total Plan
Estimated Incremental Rate Change as of 12/31/2022*	-24.07%	-9.04%
Estimated Incremental Rate Change as of 12/31/2023	-5.18%	-6.14%
Estimated Incremental Rate Change as of 12/31/2024	-3.95%	-2.42%
Estimated Incremental Rate Change as of 12/31/2025	-37.30%	-1.70%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	-0.46%
Cumulative Rate Change as of 12/31/2022*	-24.07%	-9.04%
Cumulative Rate Change as of 12/31/2023	-29.25%	-15.18%
Cumulative Rate Change as of 12/31/2024	-33.20%	-17.60%
Cumulative Rate Change as of 12/31/2025	-70.50%	-19.29%
Cumulative Rate Change as of 12/31/2026	-70.50%	-19.75%
Employer UAAL rate as of 12/31/2021**	70.65%	19.90%
Employer UAAL rate as of 12/31/2022**	46.58%	10.86%
Employer UAAL rate as of 12/31/2023**	41.40%	4.72%
Employer UAAL rate as of 12/31/2024**	37.45%	2.30%
Employer UAAL rate as of 12/31/2025**	0.15%	0.61%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2025	

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.



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Via Email

October 7, 2022

Gail Strohl
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)
Five-Year Projection of Employer Contribution Rate as of December 31, 2021**

Dear Gail:

As requested, we have updated our five-year projection of estimated employer contribution rate changes for CCCERA. This projection is derived from the December 31, 2021 Actuarial Valuation results. Key assumptions and methods are detailed below. **It is important to understand that these results are entirely dependent on those assumptions used in the December 31, 2021 valuation being met and remaining unchanged in future valuations. Actual results as determined in future actuarial valuations will differ from these results. In particular, actual investment returns, actual salary levels, and actual retiree cost-of-living adjustments different than assumed can have a significant impact on future contribution rates.**

Results

In the next several years, assuming the above highlighted conditions were to come true, CCCERA is likely to become fully funded, with 100% funded ratio and no Unfunded Actuarial Accrued Liability (UAAL). As we pointed out to the Board during our presentation of results in the December 31, 2021 valuation, at that time the employer UAAL contribution rates would be reduced to 0% of payroll before considering the 0.15% of payroll that would continue to be charged for the payment of administrative expense. However, the timing of when that is expected to take place varies among the different cost groups based on the current level of funding and the expected annual UAAL contributions for each cost group as of the most recent valuation. In order to more accurately capture those differences, we have continued to use a method that takes into consideration the various differences among the cost groups.

Effective July 1, 2022, East Contra Costa Fire Protection District ("East Fire") was annexed into Contra Costa Fire Protection District ("Con Fire"). This annexation was reflected in the December 31, 2021 valuation. As part of the annexation, East Fire made a prepayment of \$3.3 million on June 30, 2022 towards their December 31, 2020 UAAL. As requested by East Fire, this prepayment has been used to reduce Con Fire's UAAL contribution rates effective

July 1, 2022. In preparing this projection, we have included Con Fire's contribution rates effective July 1, 2023 in Cost Groups #5 and #8 after reflecting this prepayment as provided in the December 31, 2021 valuation.

The estimated contribution rate changes shown below apply to the recommended average employer contribution rate. Estimated contribution rate changes for each cost group are shown in the attached exhibit.

Aside from the reduction in Con Fire's employer rates in the December 31, 2021 valuation as discussed above, the other changes in the contribution rate starting in the December 31, 2022 valuation are due to:

1. Recognition of deferred investment gains and losses under the actuarial asset smoothing methodology;
2. Gains due to investment income earned on the excess of the Market Value of Assets (MVA) over the Actuarial Value of Assets (AVA) (and losses when the opposite occurs);
3. Contribution gains and losses which occur from delaying the implementation of new rates until 18 months after the actuarial valuation date;
4. The December 31, 2007 UAAL restart charge and Pension Obligation Bonds (POB) credit amortization layers dropping off as they become fully amortized; and
5. The reduction in UAAL rate due to reaching full funding. For cost groups that are projected to reach full funding, all outstanding UAAL layers of the cost group would be fully amortized and there would be no UAAL payments in accordance with CCCERA's Actuarial Funding Policy. However, as noted above, 0.15% of payroll would continue to be included in the UAAL rate for the payment of administrative expense

The following table provides the year-to-year rate changes and the cumulative rate change over the five-year projection period from the above components in aggregate.¹ To obtain the estimated average employer contribution rate at each successive valuation date, these cumulative rate changes should be added to the rates developed in the December 31, 2021 Actuarial Valuation. These rate changes represent the average rate, expressed as a percent of payroll, for the aggregate plan and they become effective 18 months following the actuarial valuation date shown in the table.

¹ We no longer show the rate changes by component as the rate changes due to full funding could overwrite the impact of the other rate change components.

Rate Change	Valuation Date (12/31)				
	2022	2023 ²	2024	2025	2026
Incremental Rate Change	(9.04%)	(6.14%)	(2.42%)	(1.70%)	(0.46%)
Cumulative Rate Change	(9.04%)	(15.18%)	(17.60%)	(19.29%)	(19.75%)

If we use the average employer contribution rate as of the December 31, 2021 Actuarial Valuation of 35.55% of payroll, based on the cumulative rate changes above the average employer contribution rate is projected to progress as follows:

Employer Contribution Rate ³	Valuation Date (12/31)				
	2022	2023	2024	2025	2026
Average Normal Cost Rate ⁴	15.65%	15.65%	15.65%	15.65%	15.65%
Average UAAL Rate	<u>10.86%</u>	<u>4.72%</u>	<u>2.30%</u>	<u>0.61%</u>	<u>0.15%</u>
Average Employer Contribution Rate	26.51%	20.37%	17.95%	16.26%	15.80%

We have estimated the rate change due to investment related gains and losses over the five valuation dates for each individual cost group by allocating the investment related gains and losses based on each cost group's proportional share of the Valuation Value of Assets as of December 31, 2021 valuation. The actual rate changes by group may differ from those shown in the exhibit if there are changes to their proportional share of the Valuation Value of Assets in future valuations.

In addition, the projected rate changes for the December 31, 2022 Actuarial Valuation reflect the December 31, 2007 UAAL restart charge and POB credit amortization layers dropping off as they become fully amortized. That impact has been explicitly calculated and reflected for each cost group as it varies significantly by cost group depending on the UAAL and POB layers established for each cost group. In particular, the impact of POB credit layers dropping off varies significantly by employer depending on whether the employer issued POBs or made additional contributions towards their UAAL. Therefore, we also show results separated out for employers that are in a cost group that has an employer with a POB credit.

For most employers without a POB credit, there is a significant reduction in the employer rate that is projected to occur in the December 31, 2022 Actuarial Valuation due to that UAAL restart

² There is an additional UAAL and higher UAAL contribution rate required to implement the new actuarial assumptions in the December 31, 2021 valuation. The additional UAAL is expected to cause a one year delay in most cost groups to become fully funded (from 2022 to 2023). This is the reason why comparing the rate changes in this letter versus those included in our earlier five-year projection letter dated March 16, 2022, we show a smaller UAAL rate reduction for 2022 but a larger UAAL rate reduction for 2023.

³ The Normal Cost and UAAL rates shown include an explicit administrative expense load of 0.50% and 0.15% of payroll, respectively.

⁴ As noted on next page, the Normal Cost projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA's active members or decreases in the employer contribution rates that might result from new hires going into the PEPRAs tiers.

layer becoming fully amortized. For other employers that have a POB credit, the reduction in the employer rate is not as significant since their current contribution rates have already been reduced to reflect that they paid off a portion of that UAAL layer through the issuance of the POB or additional UAAL payments. For some other employers, such as Con Fire and Moraga-Orinda Fire Protection District, since they already paid off that UAAL restart amortization layer via POBs and additional UAAL payments, they will not see a reduction in their employer contribution rate at that time.

The projected rate changes that are due to the 18-month rate delay for each cost group have also been determined based on the different incremental rate changes from the prior valuations.

We have also projected the year when each cost group would become fully funded and most Cost Groups are expected to become fully funded in 2023⁵. In accordance with CCCERA's Actuarial Funding Policy, all outstanding UAAL layers of the cost group would be fully amortized and there would be no UAAL payments (other than the continuation of the payment of the 0.15% administrative expense) when the cost group reaches full funding. The reduction in UAAL rate due to full funding has been reflected.

These estimated rate changes for each cost group are shown in the attached exhibit. We have also included the projected UAAL rate for the projection period in the exhibit.

Key Assumptions and Methods

The projection is based upon the following assumptions and methods:

- December 31, 2021 non-economic assumptions remain unchanged.
- December 31, 2021 retirement benefit formulas remain unchanged.
- December 31, 2021 1937 Act statutes remain unchanged.
- UAAL amortization method remains unchanged.
- December 31, 2021 economic assumptions remain unchanged, including the 6.75% investment earnings assumption.
- We have assumed that returns of 6.75% are actually earned each year on a market value basis starting in 2022.
- Active payroll grows at 3.00% per annum.
- Deferred investment gains and losses are recognized per the asset smoothing schedule prepared by the Association as of December 31, 2021. They are funded as a level percentage of the Association's total active payroll base.
- All other actuarial assumptions used in the December 31, 2021 Actuarial Valuation are realized.

⁵ See explanation provided in footnote 2 on the previous page as to why there is a one-year delay in most Cost Groups to become fully funded (from 2022 to 2023) relative to our earlier five-year projection letter dated March 16, 2022.

- No changes are made to actuarial methodologies, such as adjusting for the contribution rate delay in advance and the continuation of the current pooling arrangement among different employers within a cost group.
- The projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA's active members or decreases in the employer contribution rates that might result from new hires going into the PEPRA tiers.
- The projections assumed a fixed administrative expense loads of 0.50% and 0.15% payroll that applied to employer Normal Cost and UAAL rates, respectively.
- On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement of ACERA. That decision has important implications for CCCERA and its members. In particular, the decision requires pension systems like CCCERA to exclude certain pay items from a legacy member's compensation earnable. It is our understand that the CCCERA Board of Retirement has taken action to return member contributions that were previously made on certain terminal pay and on-call pay items impacting approximately 6,400 members, as well as to reduce the benefit of 7 retirees that had estoppel included in their retirement calculation. We further understand that the December 31, 2021 participant data as well as the assets as of that date, do not reflect the return of member contributions that totaled approximately \$4 million, however the participant data does reflect the reduction of benefit for the 7 members.
- It is important to note that these projections are based on plan assets as of December 31, 2021. Due to the COVID-19 pandemic, market conditions have changed significantly since the onset of the Public Health Emergency. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. Moreover, these projections do not include any possible short-term or long-term impacts on mortality of the covered population that may emerge after December 31, 2021.

Finally, we emphasize that projections, by their nature, are not a guarantee of future results. The modeling projections are intended to serve as illustrations of future financial outcomes that are based on the information available to us at the time the modeling is undertaken and completed, and the agreed-upon assumptions and methodologies described herein. Emerging results may differ significantly if the actual experience proves to be different from these assumptions or if alternative methodologies are used. Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and

the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary

Unless otherwise noted, all of the above calculations are based on the December 31, 2021 Actuarial Valuation results including the participant data, actuarial assumptions, methods, and models on which that valuation was based. That valuation and these projections were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary.

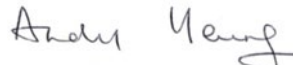
The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,



Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President & Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary

EK/bbf
Enclosure

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#1 & 2 County and Courts with POB	CG#1 & 2 Moraga-Orinda FD with POB	CG#1 & 2 First Five with Prepayment	CG#1 & 2 LAFCO with Prepayment	CG#1 & 2 Other District without POB
Estimated Incremental Rate Change as of 12/31/2022*	-7.33%	-7.07%	-8.04%	-16.20%	-16.20%
Estimated Incremental Rate Change as of 12/31/2023	-6.40%	-6.40%	-6.40%	-0.98%	-6.40%
Estimated Incremental Rate Change as of 12/31/2024	0.00%	0.00%	0.00%	0.00%	0.00%
Estimated Incremental Rate Change as of 12/31/2025	0.00%	0.00%	0.00%	0.00%	0.00%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Rate Change as of 12/31/2022*	-7.33%	-7.07%	-8.04%	-16.20%	-16.20%
Cumulative Rate Change as of 12/31/2023	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Cumulative Rate Change as of 12/31/2024	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Cumulative Rate Change as of 12/31/2025	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Cumulative Rate Change as of 12/31/2026	-13.73%	-13.47%	-14.44%	-17.18%	-22.60%
Employer UAAL rate as of 12/31/2021**	13.88%	13.62%	14.59%	17.33%	22.75%
Employer UAAL rate as of 12/31/2022**	6.55%	6.55%	6.55%	1.13%	6.55%
Employer UAAL rate as of 12/31/2023**	0.15%	0.15%	0.15%	0.15%	0.15%
Employer UAAL rate as of 12/31/2024**	0.15%	0.15%	0.15%	0.15%	0.15%
Employer UAAL rate as of 12/31/2025**	0.15%	0.15%	0.15%	0.15%	0.15%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%	0.15%	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2023	2023	2023	2023	2023

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#3 Enhanced CCC Sanitary District	CG#4 Enhanced Housing Authority	CG#5 Enhanced CCCFPD***	CG#6 Non-Enhanced District
Estimated Incremental Rate Change as of 12/31/2022*	0.00%	-18.87%	-0.35%	0.00%
Estimated Incremental Rate Change as of 12/31/2023	0.00%	-8.65%	-1.74%	0.00%
Estimated Incremental Rate Change as of 12/31/2024	0.00%	0.00%	-1.44%	0.00%
Estimated Incremental Rate Change as of 12/31/2025	0.00%	0.00%	-1.53%	0.00%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	0.00%	-15.07%	0.00%
Cumulative Rate Change as of 12/31/2022*	0.00%	-18.87%	-0.35%	0.00%
Cumulative Rate Change as of 12/31/2023	0.00%	-27.52%	-2.09%	0.00%
Cumulative Rate Change as of 12/31/2024	0.00%	-27.52%	-3.52%	0.00%
Cumulative Rate Change as of 12/31/2025	0.00%	-27.52%	-5.05%	0.00%
Cumulative Rate Change as of 12/31/2026	0.00%	-27.52%	-20.12%	0.00%
Employer UAAL rate as of 12/31/2021**	0.15%	27.67%	20.27%	0.15%
Employer UAAL rate as of 12/31/2022**	0.15%	8.80%	19.92%	0.15%
Employer UAAL rate as of 12/31/2023**	0.15%	0.15%	18.18%	0.15%
Employer UAAL rate as of 12/31/2024**	0.15%	0.15%	16.75%	0.15%
Employer UAAL rate as of 12/31/2025**	0.15%	0.15%	15.22%	0.15%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2021	2023	2026	2021

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

*** Reflects the UAAL prepayment in the amount of \$3,344,437 made by East Fire on June 30, 2021 for the General and Safety groups

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#7 & 9 Combined Enhanced County	CG#8 Enhanced CCCFPD***	CG#10 Enhanced Moraga-Orinda FD	CG#11 Enhanced San Ramon Valley FD
Estimated Incremental Rate Change as of 12/31/2022*	-19.84%	-2.39%	1.19%	-38.64%
Estimated Incremental Rate Change as of 12/31/2023	-5.54%	-4.39%	-4.18%	-16.20%
Estimated Incremental Rate Change as of 12/31/2024	-19.95%	-3.69%	-3.74%	0.00%
Estimated Incremental Rate Change as of 12/31/2025	0.00%	-30.62%	-4.08%	0.00%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	0.00%	-40.27%	0.00%
Cumulative Rate Change as of 12/31/2022*	-19.84%	-2.39%	1.19%	-38.64%
Cumulative Rate Change as of 12/31/2023	-25.38%	-6.79%	-2.99%	-54.83%
Cumulative Rate Change as of 12/31/2024	-45.33%	-10.48%	-6.73%	-54.83%
Cumulative Rate Change as of 12/31/2025	-45.33%	-41.10%	-10.81%	-54.83%
Cumulative Rate Change as of 12/31/2026	-45.33%	-41.10%	-51.07%	-54.83%
Employer UAAL rate as of 12/31/2021**	45.48%	41.25%	51.22%	54.98%
Employer UAAL rate as of 12/31/2022**	25.64%	38.86%	52.41%	16.34%
Employer UAAL rate as of 12/31/2023**	20.10%	34.46%	48.23%	0.15%
Employer UAAL rate as of 12/31/2024**	0.15%	30.77%	44.49%	0.15%
Employer UAAL rate as of 12/31/2025**	0.15%	0.15%	40.41%	0.15%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2024	2025	2026	2023

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

*** Reflects the UAAL prepayment in the amount of \$3,344,437 made by East Fire on June 30, 2021 for the General and Safety groups

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2021 Valuation

	CG#12 Non-Enhanced Rodeo-Hercules FPD	Total Plan
Estimated Incremental Rate Change as of 12/31/2022*	-24.07%	-9.04%
Estimated Incremental Rate Change as of 12/31/2023	-5.18%	-6.14%
Estimated Incremental Rate Change as of 12/31/2024	-3.95%	-2.42%
Estimated Incremental Rate Change as of 12/31/2025	-37.30%	-1.70%
Estimated Incremental Rate Change as of 12/31/2026	0.00%	-0.46%
Cumulative Rate Change as of 12/31/2022*	-24.07%	-9.04%
Cumulative Rate Change as of 12/31/2023	-29.25%	-15.18%
Cumulative Rate Change as of 12/31/2024	-33.20%	-17.60%
Cumulative Rate Change as of 12/31/2025	-70.50%	-19.29%
Cumulative Rate Change as of 12/31/2026	-70.50%	-19.75%
Employer UAAL rate as of 12/31/2021**	70.65%	19.90%
Employer UAAL rate as of 12/31/2022**	46.58%	10.86%
Employer UAAL rate as of 12/31/2023**	41.40%	4.72%
Employer UAAL rate as of 12/31/2024**	37.45%	2.30%
Employer UAAL rate as of 12/31/2025**	0.15%	0.61%
Employer UAAL rate as of 12/31/2026**	0.15%	0.15%
Year to Reach Full Funding (Valuation as of 12/31)	2025	

* Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

** The employer UAAL rates include an explicit administrative expense load of 0.15% of payroll.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.



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Via Email

October 7, 2022

Gail Strohl
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)
Reconciliations of Employer Contribution Rate and Unfunded Actuarial Accrued
Liability by Cost Group & Allocation of Unfunded Actuarial Accrued Liability by
Employers Based on the December 31, 2021 Actuarial Valuation**

Dear Gail:

As requested, we are providing the following information regarding the December 31, 2021 valuation:

Exhibit A – A reconciliation of employer contribution rate changes separately for each of CCCERA's cost groups.

Exhibit B – A reconciliation of the Unfunded Actuarial Accrued Liability (UAAL) separately for each of CCCERA's cost groups.

Exhibit C – Allocation of the UAAL for each participating employer.

Reconciliation of Employer Contribution Rate Changes for Each Cost Group

Exhibit A details the changes in the recommended employer contribution rates for each cost group from the December 31, 2020 valuation to the December 31, 2021 valuation.

Observations

- The average employer rate increased from 33.87% of payroll as of December 31, 2020 to 35.55% of payroll as of December 31, 2021. As discussed in our December 31, 2021 actuarial valuation report, this increase is primarily due to the effect of change in assumptions, individual salary increases greater than expected, and COLA increases greater than expected, offset to some degree by an investment return on actuarial value (i.e. after asset smoothing) greater than the 7.00% assumed rate used in the December 31, 2020 valuation, and the effect of changes in member demographics on Normal Cost.

- The investment gain was allocated to each cost group in proportion to the assets for each cost group.
- There are other various changes shown in Exhibit A including the effect of changes in assumptions, actual contributions less/more than expected due to scheduled 18-month lag in implementation of the contribution rates calculated in the December 31, 2020 valuation and smaller/greater than projected total payroll for calendar year 2021, and additional UAAL contribution made by various employers.
- On March 9, 2022, Local Agency Formation Commissions (LAFCO) approved the annexation of East Contra Costa Fire Protection District (East Fire) into Contra Costa Fire Protection District (Con Fire) effective July 1, 2022. Prior to the annexation, Con Fire's and East Fire's Safety members were in Cost Group #8 and Cost Group #13, respectively and they were the sole employer in each of those two cost groups. For General members, Con Fire was the sole employer in Cost Group #5 while East Fire was a part of Cost Group #1, pooled with members from other employers in that Cost Group. After the annexation, East Fire's Safety members became part of Cost Group #8 and East Fire's General members became part of Cost Group #5.
- As part of the annexation, East Fire made a prepayment of \$3,344,437 on June 30, 2022 towards their December 31, 2020 UAAL. As requested by East Fire, this prepayment has been used to reduce Con Fire's UAAL contribution rates effective July 1, 2022. The first actuarial valuation to reflect the prepayment in the Table of Amortization Bases for Con Fire (Cost Groups #5 and #8) will be as of December 31, 2022, as that will be the first valuation in which the prepayment will be reflected in the assets provided for the valuation. However, in this letter we have shown Con Fire's contribution rates in Cost Group #5 and #8 after reflecting this prepayment effective with the December 31, 2021 valuation.
- Central Contra Costa Sanitary District made a prepayment in the amount of \$70,763,669 towards their UAAL on June 25, 2021 and the District's UAAL contribution rate has been reduced effective July 1, 2021. Therefore, we have shown the District's contribution rate in Cost Group #3 after reflecting the prepayment effective with the December 31, 2020 valuation. However, the December 31, 2021 actuarial valuation is the first valuation to reflect the prepayment in the UAAL amortization bases.

Reconciliation of UAAL for Each Cost Group

Exhibit B presents the changes in the UAAL by cost group from the December 31, 2020 valuation to the December 31, 2021 valuation. Note that we have combined the results for Cost Group #1 with #2 and Cost Group #7 with #9 as the UAAL for these cost groups is still pooled.

Exhibit B shows that the decrease in UAAL is mainly due to an investment return on actuarial value (i.e. after asset smoothing) more than the 7.00% assumed rate used in the December 31, 2020 valuation and contributions paying down a portion of the UAAL, offset to some degree by the change in assumptions, individual salary increases greater than expected, and COLA increases greater than expected. The investment gain was again generally allocated amongst the cost groups in proportion to the valuation value of assets for

each cost group. All other elements of the changes in UAAL were determined based on the data specific to each separate cost group.

Allocation of UAAL by Employer

Exhibit C provides an allocation of the UAAL as of December 31, 2021 by employer.

Since the depooling action taken by the Board effective December 31, 2009, employers that are now in their own cost group have their UAAL determined separately in the valuation. For employers that do not have their own cost group, there is no UAAL maintained on an employer-by-employer basis in the valuation. In those cases, we develop contributions to fund the UAAL strictly according to projected payroll for each employer. We then use those UAAL contributions to develop a UAAL for each participating employer.

Note that the UAAL we calculate for each employer is not necessarily the liability that would be allocated to that employer in the event of a plan termination or withdrawal by that employer. It is also not the Net Pension Liability (NPL) allocated to each employer for financial reporting purposes as shown in the Governmental Accounting Standards (GAS) Statement No. 68 report.

Based on the above method, we have prepared the breakdown of the UAAL for each participating employer as shown in the enclosed Exhibit C. We also show the projected payroll for each participating employer that was used in the determination of the UAAL.

Summary of Cost Groups and Employers

The following table provides a brief summary of the employers included within each cost group, as referenced in Exhibit A and Exhibit B.

Cost Group	Employers
Cost Group #1	General County and Small Districts
Cost Group #2	General County and Small Districts
Cost Group #3	Central Contra Costa Sanitary District
Cost Group #4	Contra Costa Housing Authority
Cost Group #5 ¹	Contra Costa County Fire Protection District - General
Cost Group #6	Small Districts Non-Enhanced
Cost Group #7	Safety County (Tiers A and D)
Cost Group #8 ¹	Contra Costa County Fire Protection District - Safety
Cost Group #9	Safety County (Tiers C and E)
Cost Group #10	Moraga-Orinda Fire District
Cost Group #11	San Ramon Valley Fire District
Cost Group #12	Rodeo-Hercules Fire Protection District Non-Enhanced

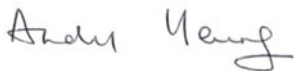
¹ Effective July 1, 2022, East Fire was annexed into Con Fire.

All results shown in this letter are based on the December 31, 2021 actuarial valuation including the participant data and actuarial assumptions on which that valuation was based. That valuation and these calculations were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

If you have any questions, please do not hesitate to give us a call.

Sincerely,

A handwritten signature in dark ink, appearing to read "Andy Yeung", is positioned above the printed name.

Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary

EK/bbf
Enclosures

Reconciliation of Recommended Employer Contribution from December 31, 2020 to December 31, 2021 Valuation

	Cost Group #1	Cost Group #2	Cost Group #3 ^{1, 2}	Cost Group #4	Cost Group #5 ³	Cost Group #6 ²	Cost Group #7
Recommended Employer Contribution Rate in December 31, 2020 Valuation	32.60%	25.99%	15.63%	41.51%	35.63%	15.33%	70.95%
1. Effect of investment return greater than expected (after asset smoothing)	(0.67%)	(0.67%)	(1.08%)	(0.90%)	(0.71%)	(0.73%)	(1.69%)
2. Effect of actual contributions less/(more) than expected ⁴	0.06%	0.06%	1.42%	0.04%	0.24%	0.14%	0.02%
3. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4. Effect of individual salary increases higher/(lower) than expected	0.03%	0.03%	0.26%	0.66%	(0.07%)	(0.49%)	0.75%
5. Effect of amortizing prior year's UAAL over a smaller/(larger) than expected projected total payroll	0.09%	0.09%	(0.40%)	(0.18%)	0.70%	0.01%	(0.03%)
6. Effect of COLA increases greater than expected in 2022	0.32%	0.32%	0.41%	0.44%	0.53%	0.26%	1.08%
7. Effect of changes in active member demographics on Normal Cost ⁵	(0.23%)	(0.19%)	(0.15%)	(0.29%)	(0.41%)	0.37%	(0.18%)
8. Effect of other experience (gains)/losses ^{6, 7}	0.28%	(0.04%)	(0.40%)	(0.75%)	(1.64%)	0.09%	(0.79%)
9. Effect of change in assumptions	1.50%	1.31%	2.36%	2.14%	1.91%	1.43%	5.36%
10. Effect of setting Cost Groups #3 and #6 contribution rate equal to Normal Cost	<u>0.00%</u>	<u>0.00%</u>	<u>(2.23%)</u>	<u>0.00%</u>	<u>0.00%</u>	<u>(0.30%)</u>	<u>0.00%</u>
Total Change	1.38%	0.91%	0.19%	1.16%	0.55%	0.78%	4.52%
Recommended Employer Contribution Rate in December 31, 2021 Valuation	33.98%	26.90%	15.82%	42.67%	36.18%	16.11%	75.47%

Note: These rates do not include any employer subvention of member contributions, or member subvention of employer contributions. This Exhibit also excludes withdrawn employers.

¹ The employer contribution rates shown as of December 31, 2020 has been recalculated since the prior valuation to reflect the UAAL prepayment made by Central Contra Costa Sanitary District in the amount of \$70,763,669 on June 25, 2021.

² Cost Groups #3 and #6 have no UAAL as of December 31, 2021.

³ The employer contribution rates shown as of December 31, 2020 has been recalculated since the prior valuation to reflect the UAAL prepayment made by East Fire in the amount of \$3,344,437 on June 30, 2022. The employer contribution rates for Cost Group #1 and Cost Group #5 shown as of December 31, 2020 also reflect the annexation of East Fire into Con Fire.

⁴ Primarily due to smaller than projected total payroll for calendar year 2021. For Cost Group #3, that actual contributions are less than expected because the expected contributions excluded the effect of additional UAAL prepayment made by Central Contra Costa Sanitary District in the amount of \$70,763,669 on June 25, 2021.

⁵ This is the net impact of: a) reduction in normal cost rate due to the replacement of legacy members by PEPRA members, b) change in entry age and other demographic profiles, and c) the effect of legacy Safety members who for the first time reached 30 years of reported service as of December 31, 2021 and stopped making member basic contributions.

⁶ Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

⁷ The effect of other experience gains for Cost Group #5 of 1.64% includes a mortality gain of 1.10%.

Reconciliation of Recommended Employer Contribution from December 31, 2020 to December 31, 2021 Valuation

	Cost Group #8 ¹	Cost Group #9	Cost Group #10	Cost Group #11	Cost Group #12	Total Average Recommended Rate
Recommended Employer Contribution Rate in December 31, 2020 Valuation	63.35%	61.32%	67.47%	77.24%	90.21%	33.87%
1. Effect of investment return greater than expected (after asset smoothing)	(1.79%)	(1.69%)	(1.90%)	(1.76%)	(1.44%)	(0.90%)
2. Effect of actual contributions less/(more) than expected ²	(0.39%)	0.02%	0.17%	0.00%	0.11%	0.08%
3. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	(0.09%)	0.00%	(0.00%)
4. Effect of individual salary increases higher/(lower) than expected	0.86%	0.75%	(0.39%)	1.34%	1.25%	0.19%
5. Effect of amortizing prior year's UAAL over a smaller/(larger) than expected projected total payroll	(0.90%)	(0.03%)	2.13%	0.16%	(1.55%)	0.08%
6. Effect of COLA increases greater than expected in 2022	1.43%	1.08%	1.22%	1.04%	0.89%	0.49%
7. Effect of changes in active member demographics on Normal Cost ³	0.12%	(0.39%)	0.48%	(0.79%)	(0.55%)	(0.24%)
8. Effect of other experience (gains)/losses ^{4, 5}	0.70%	(0.79%)	3.11%	0.09%	1.32%	(0.06%)
9. Effect of change in assumptions	4.92%	5.02%	5.82%	5.69%	5.48%	2.13%
10. Effect of setting Cost Groups #3 and #6 contribution rate equal to Normal Cost	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>(0.09%)</u>
Total Change	4.95%	3.97%	10.64%	5.68%	5.51%	1.68%
Recommended Employer Contribution Rate in December 31, 2021 Valuation	68.30%	65.29%	78.11%	82.92%	95.72%	35.55%

Note: These rates do not include any employer subvention of member contributions, or member subvention of employer contributions. This Exhibit also excludes withdrawn employers.

¹ The employer contribution rates shown as of December 31, 2020 has been recalculated since the prior valuation to reflect the UAAL prepayment made by East Fire in the amount of \$3,344,437 on June 30, 2022 and the annexation of East Fire into Con Fire.

² Primarily due to smaller than projected total payroll for calendar year 2021.

³ This is the net impact of: a) reduction in normal cost rate due to the replacement of legacy members by PEPRA members, b) change in entry age and other demographic profiles, and c) the effect of legacy Safety members who for the first time reached 30 years of reported service as of December 31, 2021 and stopped making member basic contributions.

⁴ Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

⁵ The effect of other experience losses for Cost Group #10 of 3.11% includes the impact of a change in benefit amount for one member of 2.86%. The effect of other experience losses for Cost Group #12 of 1.32% includes the net impact of a retirement experience loss of 3.09% and a disability experience gain of 2.08%.

Reconciliation of UAAL from December 31, 2020 to December 31, 2021 Valuation

	Cost Groups #1 & #2 ¹	Cost Group #3	Cost Group #4	Cost Group #5	Cost Group #6	Cost Groups #7 & #9 ¹
1. UAAL as of December 31, 2020	\$387,636,307	\$63,666,968	\$5,813,475	\$13,291,227	\$(861,048)	\$195,574,885
2. Total Normal Cost at middle of year ²	169,911,446	9,693,192	1,618,942	1,949,713	283,974	43,209,026
3. Expected administrative expenses	8,515,254	427,680	72,618	70,082	11,718	1,224,328
4. Expected employer and member contributions	(275,173,042)	(23,656,582)	(3,373,250)	(3,521,649)	(295,692)	(89,497,224)
5. Interest (whole year on (1) plus half year on (2) + (3) + (4))	<u>24,065,044</u>	<u>4,029,985</u>	<u>354,056</u>	<u>883,088</u>	<u>(60,273)</u>	<u>12,272,872</u>
6. Expected UAAL as of December 31, 2021	\$314,955,009	\$54,161,243	\$4,485,841	\$12,672,461	\$(921,321)	\$162,783,887
7. Actuarial (gain)/loss due to all changes:						
a. Investment return greater than expected (after asset smoothing)	\$(67,279,019)	\$(5,533,860)	\$(777,960)	\$(692,452)	\$(97,913)	\$(24,505,011)
b. Actual contributions less/(more) than expected ³	5,776,749	7,248,338	35,259	233,531	18,394	272,800
c. Gain from additional UAAL contributions ⁴	(31,804)	(73,198,508)	0	0	0	0
d. Individual salary increases higher/(lower) than expected	3,120,924	1,338,863	567,539	(66,476)	(65,964)	10,809,143
e. COLA increases greater than expected in 2022	31,460,347	2,082,915	380,109	517,834	34,787	15,624,982
f. Other experience (gain)/loss ^{5, 6}	(2,914,342)	(2,032,318)	(644,297)	(1,804,028)	12,361	(11,208,169)
g. Assumption changes	<u>114,962,352</u>	<u>10,169,571</u>	<u>1,519,858</u>	<u>1,486,425</u>	<u>138,952</u>	<u>58,980,022</u>
h. Total changes	\$85,095,207	\$(59,924,999)	\$1,080,508	\$(325,166)	\$40,617	\$49,973,767
8. UAAL as of December 31, 2021	\$400,050,216	\$(5,763,756)	\$5,566,349	\$12,347,295	\$(880,704)	\$212,757,654

Note: Results may not add due to rounding.

¹ Starting with the December 31, 2016 valuation, the three withdrawn employers (i.e., Diablo Water District, Delta Diablo Sanitation District and City of Pittsburg) have been moved from Cost Groups #1, #2 and #7 to their own Withdrawn Employers Cost Group.

² Excludes administrative expense load.

³ Primarily due to smaller than projected total payroll for calendar year 2021. For Cost Group #3, that actual contributions are less than expected because the expected contributions excluded the effect of additional UAAL prepayment made by Central Contra Costa Sanitary District in the amount of \$70,763,669 on June 25, 2021.

⁴ \$71,056,669 in total additional contributions (\$70,763,699 made by Central Contra Costa Sanitary District, \$263,000 made by San Ramon Valley Fire Department and \$30,000 made by LAFCO) adjusted with \$2,444,309 in interest to the end of the year.

⁵ Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

⁶ The effect of other experience gains for Cost Group #4 of \$644,297 includes a mortality gain of \$784,983. The effect of other experience gains for Cost Group #5 of \$1,804,028 includes a mortality gain of \$1,079,599.

Reconciliation of UAAL from December 31, 2020 to December 31, 2021 Valuation

	Cost Group #8	Cost Group #10	Cost Group #11	Cost Group #12	Withdrawn Employers	Total
1. UAAL as of December 31, 2020	\$113,577,315	\$27,898,621	\$36,984,213	\$8,232,400	\$7,530,886	\$859,345,249
2. Total Normal Cost at middle of year ¹	20,313,887	3,692,739	9,878,286	872,419	0	261,423,624
3. Expected administrative expenses	553,346	101,479	265,926	28,908	0	11,271,338
4. Expected employer and member contributions	(39,145,005)	(7,541,848)	(21,721,324)	(2,569,570)	(1,067,164)	(467,562,349)
5. Interest (whole year on (1) plus half year on (2) + (3) + (4))	<u>7,377,908</u>	<u>1,834,773</u>	<u>2,224,742</u>	<u>523,697</u>	<u>(131,872)</u>	<u>53,374,020</u>
6. Expected UAAL as of December 31, 2021	\$102,677,451	\$25,985,764	\$27,631,843	\$7,087,854	\$6,331,850	\$717,851,882
7. Actuarial (gain)/loss due to all changes:						
a. Investment return greater than expected (after asset smoothing)	\$(12,017,459)	\$(2,171,442)	\$(5,495,210)	\$(503,452)	\$(617,763)	\$(119,691,541)
b. Actual contributions less/(more) than expected ²	(2,622,057)	198,706	13,855	39,990	0	11,215,564
c. Gain from additional UAAL contributions ³	0	0	(270,666)	0	0	(73,500,978)
d. Individual salary increases higher/(lower) than expected	5,755,438	(442,961)	4,204,598	435,874	0	25,656,978
e. COLA increases greater than expected in 2022	9,625,308	1,391,716	3,257,375	310,279	217,732	64,903,384
f. Other experience (gain)/loss ^{4, 5}	6,274,914	3,561,567	249,587	461,606	1,310,627	(6,732,491)
g. Assumption changes	<u>25,946,537</u>	<u>5,301,507</u>	<u>13,908,945</u>	<u>1,416,650</u>	<u>1,027,582</u>	<u>234,858,401</u>
h. Total changes	\$32,962,681	\$7,839,093	\$15,868,484	\$2,160,947	\$1,938,178	\$136,709,317
8. UAAL as of December 31, 2021	\$135,640,132	\$33,824,857	\$43,500,327	\$9,248,801	\$8,270,028	\$854,561,199

Note: Results may not add due to rounding.

¹ Excludes administrative expense load.

² Primarily due to smaller than projected total payroll for calendar year 2021.

³ \$71,056,669 in total additional contributions (\$70,763,699 made by Central Contra Costa Sanitary District, \$263,000 made by San Ramon Valley Fire Department and \$30,000 made by LAFCO) adjusted with \$2,444,309 in interest to the end of the year.

⁴ Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

⁵ The effect of other experience losses for Cost Group #10 of \$3,561,567 includes the impact of a change in benefit amount for one member with a present value of \$3,257,307.

Contra Costa County Employees' Retirement Association UAAL Breakdown December 31, 2021 Valuation

Employer	Unfunded Actuarial Accrued Liability (UAAL)	Projected Payroll
County	\$588,842,714	\$831,254,712
Superior Court	12,132,388	23,235,967
Districts:		
• Bethel Island Municipal Improvement District	210,123	345,733
• Byron, Brentwood, Knightsen Union Cemetery District	(276,942)	321,312
• Central Contra Costa Sanitary District	(5,763,756)	39,063,159
• First Five - Contra Costa Children & Families Commission	1,509,495	2,853,655
• Contra Costa County Employees' Retirement Association	3,965,383	6,524,590
• Contra Costa County Fire Protection District	147,987,427	58,963,156
• Contra Costa Housing Authority	5,566,349	6,602,093
• Contra Costa Mosquito and Vector Control District	2,186,194	3,597,135
• In-Home Supportive Services Authority	615,022	1,011,949
• Local Agency Formation Commission ¹	(8,697)	188,947
• Moraga-Orinda Fire Protection District	34,405,061	9,861,526
• Rodeo Sanitary District	(603,762)	700,496
• Rodeo-Hercules Fire Protection District	9,311,926	2,779,261
• San Ramon Valley Fire Protection District	46,212,246	28,451,696
• Withdrawn Employers ²	<u>8,270,028</u>	<u>0</u>
Grand Total	\$854,561,199	\$1,015,755,387

Note: Results may not add due to rounding.

¹ The outstanding balance of LAFCO's UAAL prepayments is \$123,532. This outstanding balance, together with Cost Group #1 and #2's UAAL allocated to LAFCO resulted in a net UAAL of (\$8,697). However, since Cost Groups #1 and #2 are not in surplus, any participating employers in Cost Groups #1 and #2 are not considered to be in surplus based on CCCERA's funding policy.

² Withdrawn employers include Diablo Water District, Delta Diablo Sanitation District, and City of Pittsburg.



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

October 26, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 878 8021 6868, Passcode: 330294, or via the web at:

<https://us06web.zoom.us/j/87880216868?pwd=blVqc3ZHTXk4UmlxMUZKa3RuRHNSQT09>

Passcode: 330294

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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 September 28, 2022 meeting.
5. Review of private credit by StepStone.
6. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals’ Report
 - c. Trustees’ comments

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.



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

November 2, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 837 8153 0670, Passcode: 764481, or via the web at:

<https://us06web.zoom.us/j/83781530670?pwd=ZHR3MEt2VG13cFZJckdEcFplSFQrZz09>

Passcode: 764481

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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

1. Pledge of Allegiance.
2. Roll Call.
3. Public Comment (3 minutes/speaker).
4. Recognition of Stephanie Shedd for 5 years of service.
5. Approve minutes from the October 12, 2022 meeting.
6. Approve the following routine items:
 - a. Certifications of membership.
 - b. Service and disability allowances.
 - c. Death benefits.
 - d. Investment liquidity report.

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.

7. Accept the following routine items:
 - a. Disability applications and authorize subpoenas as required.
 - b. Travel report.
 - c. Investment asset allocation report.

CLOSED SESSION

8. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Jaime Ramirez	Non-Service Connected	Non-Service Connected
b. Casey Reel	Service Connected	Service Connected

9. The Board will continue in closed session pursuant to Govt. Code Section 54957 to consider the motion for reconsideration regarding the disability application for Mark Emery.

OPEN SESSION

10. Pension administration system project update:
 - a. Update from staff
 - b. Presentation from Segal
 - c. Presentation from Sagitec
11. Review of report on Risk Diversifying Sub-portfolio.
12. Educational presentation from AQR on trend following strategies.
13. Consider and take possible action to authorize the Board to conduct teleconference meetings under Government Code section 54953 (e) and to make related findings.
14. Consider and take possible action on 2023 Board meeting schedule.
15. Consider authorizing the attendance of Board:
 - a. NCPERS 2023 Legislative Conference & Pension Communications Summit, January 22-24, 2023, Washington, D.C.
16. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

<p>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.</p>
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M E M O R A N D U M

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
40 Muir Rd, First Floor ♦ Martinez CA 94553 ♦ (925) 313-7133 ♦

November 9, 2022

TO: Each Member of the Commission

FROM: LAFCO Executive Officer

SUBJECT: Highlights of 2022 Annual CALAFCO Conference

Several Commissioners and LAFCO staff attended the 2022 Annual CALAFCO Conference in Newport Beach (October 19-21). The conference was well attended with approximately 223 attendees, guests, and speakers representing 47 of the 58 LAFCOs.

The conference theme was *50+1 Years – A Golden Era* and provided timely and informative sessions. The conference started with an optional mobile workshop – *“It’s a Shore Thing: Navigating Municipal Service Delivery Within Coastal Areas.”*

General sessions included *Building on the Basics of LAFCO (LAFCO 101)*, *“Municipal Service Reviews: It’s a Brand-New Ballgame”*, and *“How I Learned to Stop Worrying and Love Fire District Consolidations”*. Breakout sessions included *“Recruitment and Succession Planning: Preparing for Future LAFCO Leaders, Today”*, *“Dangerous Currents! Recognizing and Avoiding Conflict of Interest”*, *“Grand Juries & LAFCO: Why Can’t We Be Friends”*, and *“The Definitive Session on Pensions: LAFCO’s Two-fold Responsibility to Take Care of Its Own and Review Agencies”*.

In addition, there were *regional roundtables*, the *CALAFCO Annual Business Meeting*, *Regional Caucus and Elections*, *CALAFCO Board of Directors* meeting, the *CALAFCO Awards Ceremony*, a *“Mock-commission Hearing”* regarding dissolution of a fire district, and a *Legislative Update*.

Also, we are pleased to announce that Commissioner McGill was re-elected to the CALAFCO Board of Directors with no challengers. Congratulations!

Conference material is available on the CALAFCO website at www.calafco.org.

The 2023 CALAFCO Conference will be held in Monterey (October 18 – 22).

Voters should OK Brentwood open space protection



Development of the Shadow Lakes Golf Club in Brentwood would require voter approval under Measure Q on the Nov. 8 ballot. DOUG DURAN — STAFF ARCHIVES

In the past three decades, the population of Brentwood increased about ninefold, from a city of 7,500 people in 1990 to 67,000 today.

As the city kept permitting more housing construction, it was falling short of its general-plan targets for neighborhood and community parks to serve its residents. Meanwhile, plans have been floated to turn golf courses into developments, which would further erode the city's open space.

Seeing this, a group of residents proposed a simple measure: Protect open space by requiring city voters' approval for future development of land currently designated in the general plan as parks, open spaces or recreational facilities open to the public.

The City Council voted unanimously to place the issue on the Nov. 8 ballot. Measure Q would protect 175 parcels totaling 1,048 acres and remain in effect for 40 years. It's a smart, simple idea that would help shield the city from the disproportionate influence developers held for so many years. Voters should back Measure Q.

The measure would protect 362 acres designated as parks in the city's general plan, 77 acres designated as permanent open space, and 609 acres that covers three golf courses — Deer Ridge (now closed), Shadow Lakes and the Brentwood Golf Club.

Under Measure Q, the City Council could permit only development on the protected land without voter approval if necessary to comply with state or federal law or if the land is government owned and to be used for a public purpose.

In the latter case, the council would, in turn, have to protect an equal or greater amount of open space elsewhere.

Measure Q is similar to a citizens' initiative Martinez voters passed in 2018. But there's a big political difference: In Martinez, the initiative backers had to collect signatures to qualify the measure for the ballot, and then the City Council tried unsuccessfully to undermine it by placing a sham, competing measure on the same ballot.

In sharp contrast, the Brentwood City Council members this year embraced the idea and placed it directly on the ballot, saving the residents from having to go through the signature-gathering process. It's a sign of the monumental political shift over the past two election cycles that has transformed the City Council.

For years, past members of the Brentwood City Council seemed to live by the mantra, as one council candidate put it, "If we build it, they will come." The city kept permitting more housing construction with the hope that enough major employers would follow to hire those new residents. It hasn't happened, and it probably never will.

Four of the five new council members campaigned with a clear message that that strategy won't work. They recognize that they can't keep plastering the city with more homes and few jobs — that the result would be even more traffic gridlock along Highway 4.

And they recognize that the remaining open space must be protected. Measure Q would provide a critical backstop to ensure that voters have a voice on whether parklands and golf courses are turned into housing sites.

Station 74 in Pinole could reopen in March 2023



Pinole Valley Fire Station 74, 3700 Pinole Valley Road (via Google Maps) - October 12, 2022

Fire Station 74 in Pinole could reopen as soon as March 1, 2023, according to a [plan](#) that would also have Con Fire taking over fire services in the city.

This week, both the Pinole City Council and Contra Costa County Board of Supervisors, which also serves as the governing board for the Contra Costa County Fire Protection District (Con Fire), unanimously approved the proposal that would dissolve the Pinole Fire Department and have Con Fire operating both Station 73 (currently open) and Station 74. The plan now heads to Contra Costa LAFCO for final approval.

“This means medical and fire response will be faster in West County!,” Contra Costa County Supervisor John Gioia posted on [Facebook](#) in the wake of this week’s approvals.

Pinole has operated just one fire station — Station 73 — for most of the city’s history, only briefly operating Station 74 from 2003 until 2011. Since the closure of Station 74 due to the recession, the city has explored ways to reopen the station or otherwise expand fire protection and emergency medical services.

The proposal to reopen Station 74 and have Con Fire become the city’s fire service agency is anticipated to cost roughly \$7.5 million per year on average over the first seven years. Of that amount, \$2 million will come annually from County Measure X funds currently appropriated to the Pinole Fire Department.

Proponents of the plan in principle — which include the City’s Fire Chief, the County Executive Fire Chiefs, and the labor group representing Con Fire’s and Pinole Fire Department’s firefighters (IAFF Local 1230) — say the benefits will be measurable.

ConFire reported on [Facebook](#) that the new arrangement “will near overnight” improve fire and EMS services in Pinole. In addition to faster response times, a larger agency like Con Fire would enhance the city’s resources and provide services at a lower cost because it “achieves economies of scale and scope,” according to a city report.

Map: California updates tsunami hazard areas with most changes in the Bay Area

PUBLISHED: October 12, 2022 at 4:18 p.m. | UPDATED: October 13, 2022 at 4:20 a.m.

The California Geological Survey and the Governor's Office of Emergency Services released an update to the state's [tsunami hazard area](#) map, with the latest changes concentrated on seven counties — mostly in the Bay Area.

The designated area is primarily used to help cities and counties assess tsunami risk and develop plans to deal with the threat. However, the CGS does recommend that if you are on land and in the hazard area, you should leave immediately after feeling a long earthquake or if you receive an official evacuation notification.

The hazard areas were based from 2009 Tsunami Inundation Maps for Emergency Planning and improved high-resolution computer modeling of tsunami scenarios. The counties that saw updates Friday are Marin, Napa, San Diego, Santa Cruz, Solano, Sonoma and Ventura.

The [last update](#) was in July 2021. The update accounts for 1,000-year historical tsunami events. Previous maps only calculated 100- to 500-year historical events.

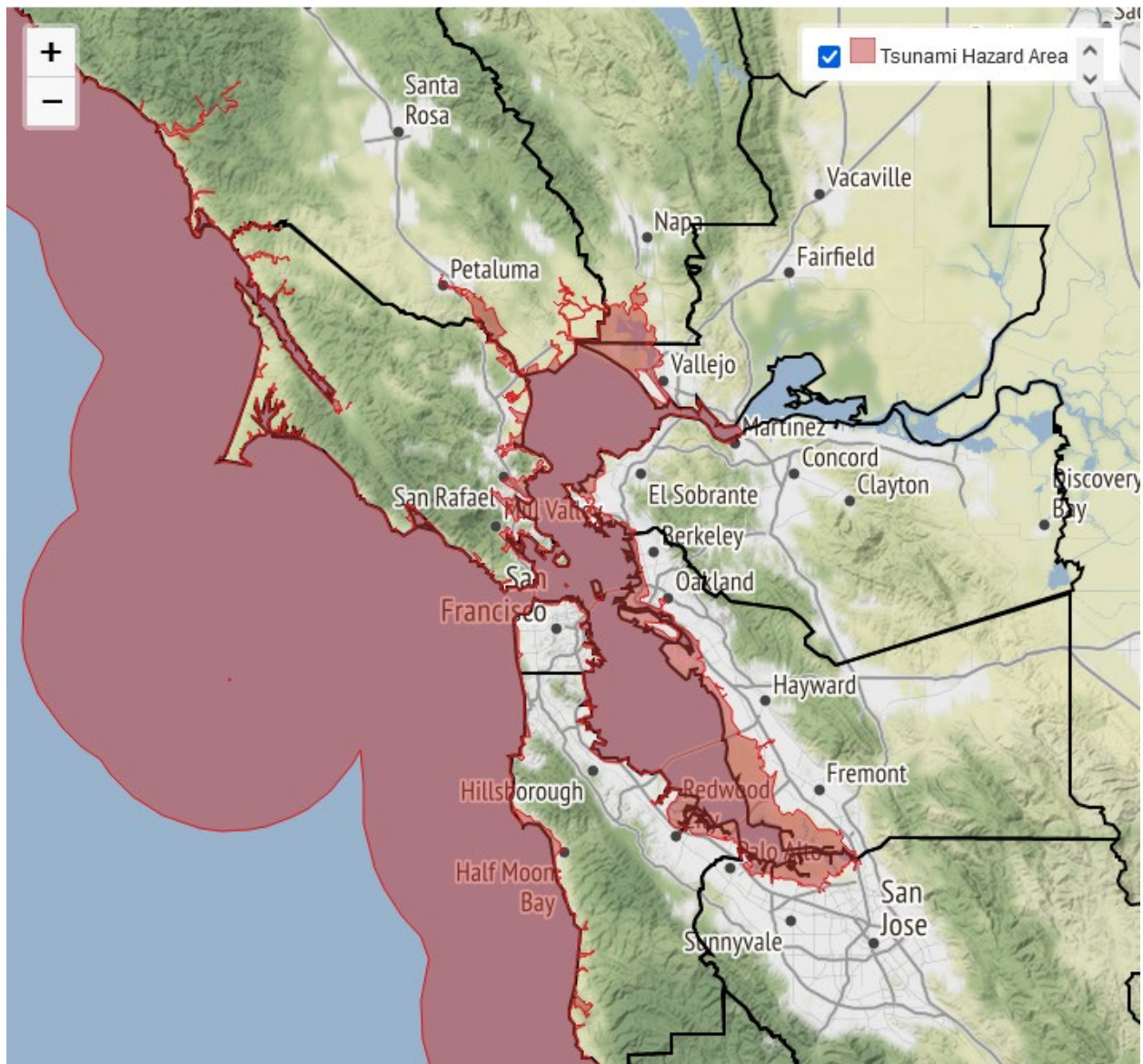
TSUNAMI HAZARD AREA IN CALIFORNIA

The California Geological Survey recently updated their tsunami hazard maps to designate areas at risk of inundation and help local agencies plan for evacuations. The state recommends those living in the red zone to leave the zone after an earthquake or tsunami warning.

TSUNAMI HAZARD AREA IN CALIFORNIA

Environment | Map: California updates tsunami h

Source: [California Geological Survey](#) | Map by Pai/Bay Area News Group



Fire Board, City Of Pinole Agree To Join Forces

Oct. 12, 2022

Contra Costa County Fire Protection District will likely annex Pinole and provide fire service, after the West County city and Con Fire's board of directors signed off on the move this week.

The Pinole City Council unanimously approved the move Monday night.

The Contra Costa County Board of Supervisors, in its role as fire district board, approved the move Tuesday. Officially, it approved Con Fire applying to the Local Agency Formation Commission (LAFCO), asking for its formal approval -- a process that can take months.

If approved, Con Fire would then enter an agreement with Pinole to provide service within its city limits and take over its two fire stations. Only one station is currently in operation -- downtown station 73 -- as station 74 on Pinole Valley Road was closed in 2011 for lack of funding. It would reopen under the new agreement.

The expanded service would be paid for by city and county funds. The first fiscal year, 2022/23, would cost \$7.5 million.

A county staff report said the county wants to get the application to LAFCO by Oct. 17 for consideration at its Nov. 9 meeting. The report says it's possible for the stations to be up and running as part of Con Fire by March 1, 2023. Contra Costa has already negotiated union agreements to keep the station 73 firefighters employed.

The move would be just the latest in a year of big expansion for Con Fire. In July, the district finalized much-anticipated consolidation with the East Contra Costa Fire Protection District becomes official Friday.

The consolidation brought 128,000 residents of East Contra Costa under the purview of the larger district and was expected to improve and streamline service. The district now serves 753,000 county residents. The consolidation expanded Con Fire geographically from 304 to 553 square miles, an increase of 82 percent.

The district has also opened, or reopened, stations in unincorporated Walnut Creek, Oakley and Bay Point. Planning for construction of two additional fire stations in the city of Brentwood is currently underway, with completion date estimates some time in 2024.

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'Preserve open land': Alameda County to vote on amended Measure D



Discussion continues surrounding Measure D, which is aimed at increasing agriculture businesses' profits while also preserving open space.

This November, Alameda County voters will once again vote on Measure D, or the “Save Agriculture and Open Space Lands” initiative, this time with amendments aimed at increasing profits for agriculture business while simultaneously preserving the county’s open land.

The proposed amendments come from the Alameda County Local Agency Formation Commission, or LAFCo, to allow equestrian centers, greenhouses and wineries more flexibility in their building plans.

Due to the industries in the valley voicing their concerns, LAFCo issued a report on the effects the measure has had in the region throughout the past 20 years, according to a report by the Alameda County Community Development Agency’s planning department. It discovered that while the industries are stable, the current floor aspect ratio is too limiting and has resulted in stagnation.

According to Victor Flores, a climate resilience manager for the East Bay Greenbelt Alliance, the measure was originally approved in 2000 to establish an “Urban Growth Boundary,” an area delineated to preserve open, undeveloped or agricultural land from urban sprawl specifically in the tri-valley region, which encompasses the natural regions of Danville, Dublin, Livermore and Pleasanton.

The purpose of Measure D is to “to preserve and enhance agriculture and agricultural lands, and to protect the natural qualities, the wildlife habitats, the watersheds and the beautiful open space of Alameda County from excessive, badly located and harmful development,” according to the Alameda County Community Development Agency’s planning department.

However, since the measure’s passing, the agricultural and equestrian communities of Alameda County argue that the strict square footage limitations hinder their business performance.

“What we worry about in general is just the fact that if these industries don’t succeed, there’s a lot of market pressure to convert land, especially ‘greenfield developments’ into more sprawling, suburban development, which is horrible for the environment,” Flores said.

If the amended measure passes, the maximum floor area ratio for agricultural buildings in Large Parcel Agriculture areas will be increased from .01 to .025 and equestrian riding areas will be able to build covered structures to a maximum of 60,000 square feet, which will allow for more space for large events, thereby increasing revenue, according to Flores.

Flores noted that the largest supporters of the measure are industry advocates and the Tri-Valley Conservancy, a land trust aimed at preserving and advocating for the open spaces in the East Bay. According to Flores, there does not seem to be many who oppose the measure as the amendments will likely not be “super drastic.”

Flores noted that though Berkeley residents can vote on the measure, it will not impact them directly. In fact, he said it will likely only affect Livermore residents who live or work in the valley itself.