



Lou Ann Teixeira
Executive Officer

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

NOTICE AND AGENDA FOR REGULAR MEETING

Wednesday, July 8, 2026, 1:30 PM

PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS

The public may attend this meeting in person at the following location: Board of Supervisor Chambers, County Administration Building, 1025 Escobar St. 1st Floor, Martinez, CA 94553. The public may also attend this meeting remotely by Zoom, or by telephone. The public may also attend this meeting remotely by Zoom or telephone. If joining remotely by Zoom, please click the link below:

When: July 8, 2026, 01:30 PM Pacific Time (US and Canada)

Topic: LAFCO Zoom Meeting 07/08/2026

Join from PC, Mac, iPad, or Android:

<https://cccounty-us.zoom.us/j/87483158924>

Join via audio:

USA +1 408-961-3928 US Toll

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Or 1 855-758-1310 US Toll Free

Conference Code/ Webinar ID: 874 8315 8924

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. For public hearings, the Chair will announce the opening and closing of the public hearing. The Chair will call for verbal public comments. Public comments generally will be limited to two minutes per speaker. Time limits for public speakers may be adjusted at the discretion of the Chair.

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 \$500 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 was 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.

Americans with Disabilities Act Compliance: LAFCO will provide reasonable accommodation 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.

July 8, 2026 CONTRA COSTA LAFCO MEETING

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. Approval of June 10, 2026, LAFCO meeting minutes
4. Public Comment Period: Members of the public are invited to address the Commission regarding any item that is within the jurisdiction of the Commission and is not scheduled for discussion as part of this agenda. No action will be taken by the Commission at this meeting on any item not appearing on this agenda.

SPHERE OF INFLUENCE/CHANGES OF ORGANIZATION

5. **LAFCO 25-06 - Annexation to City of Clayton - Clayton Estates - applicant proposes to annex to the City of Clayton 41.5+ acres (two parcels) located along Marsh Creek Road for residential development. *Continue hearing to August 12, 2026, at 1:30 p.m.***

BUSINESS ITEMS

6. **Executive Officer's Performance Review and Compensation** – Consider approving a 4% salary increase for the Executive Officer, to an annual salary of \$203,881, in conjunction with the April 8, 2026, performance review
7. **Countywide Water and Irrigation Districts - Municipal Services Review (MSR)/Sphere of Influence (SOI) Updates, Public Review Draft 1** – review and consider accepting the MSR report, making the required MSR and SOI determinations, updating SOIs for the districts covered in the MSR report, and consider taking related actions under CEQA ***Public Hearing***
CCLAFCO Water-Irrigation MSR review draft 1

INFORMATIONAL ITEMS

8. ***Current and Potential Applications*** – *informational*
9. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA) – *informational*
10. Commissioner Comments and Announcements
11. Staff Announcements/Newspaper Articles/CALAFCO Updates, Events, and Legislation – *informational*

CLOSED SESSION

Public Employee Performance Evaluation (Gov. Code, § 54957(b)(1))
Title: Executive Officer

ADJOURNMENT

Next regular LAFCO meeting is August 12, 2026, at 1:30 pm.

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

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MEETING MINUTES – June 10, 2026

July 08, 2026
Agenda Item 3

1. **Call to Order and Pledge of Allegiance** - *Chair Quinto called the meeting to order at 1:30 P.M. and led the Pledge of Allegiance.*

2. **Roll Call Vote** – *Following the Roll Call Vote, Chair Quinto called for the roll, noting the following Commissioners and staff were present:*

Regular Commissioners	Alternate Commissioners	Staff
Candace Andersen*remote	Marisol Rubio	Lou Ann Texeira, Executive Officer
Patricia Bristow	Shanelle Scales-Preston	Anna Seithel, Clerk Analyst
Diane Burgis, Vice Chair	Rob Schroder	Tom Geiger, Commission Counsel
Charles Lewis, IV	Dawn Morrow	
Michael McGill		
Laura Nakamura		
Gabriel Quinto, Chair		

3. **Approval of May 13, 2026, LAFCO Commission Meeting Minutes** - *Chair Quinto called for approval of May 13, 2026, meeting minutes. Commissioner Burgis motioned to approve the minutes, and with a second by Commissioner Bristow, the Commission unanimously, by a 7-0 vote, approved May 13, 2026, meeting minutes.*

VOTE

AYES: Andersen, Bristow, Burgis, Lewis, McGill, Nakamura, Quinto
NOES: None
ABSENT: None
ABSTAIN: None

4. **Public Comment Period:** *Chair Quinto invited public comments on items not on the agenda. Gwen Gallagher, resident of Alamo, came to the podium to discuss the consolidation of Police Services in Alamo. Commissioner Andersen welcomed this inquiry and directed this citizen to contact Commissioner Andersen's office; there were no additional comments, and Chair Quinto closed the Public Comment period.*

SPHERE OF INFLUENCES (SOI)/CHANGES OF ORGANIZATION

5. **LAFCO 26-01 – Emergency Out-of-Agency Service (OAS) – 8091 Lone Tree Way - Brentwood**
Receive staff report and approve the OAS application

The Commission received the staff report and Chair Quinto and called for commissioner questions and comments. After discussion, Chair Quinto opened public questions and comments. Speakers included property owner and applicant Mayra Solano, wife of Luis Solano, requesting direction. After discussion, there were no further public questions or comments, and Chair Quinto closed the comment period. Commissioner McGill recommended to defer action and revisit at a later date, and, with a second by Commissioner Bristow, it was unanimously agreed to re-agendize this item for the next meeting on July 8, 2026.

VOTE

AYES: Andersen, Bristow, Burgis, Lewis, McGill, Nakamura, Quinto
NOES: None
ABSENT: None
ABSTAIN: None

BUSINESS ITEMS

6. **FY 2025-26 Budget Update and Work Plan** – Hearing to consider approving the final FY 2026-27 LAFCO Budget and Workplan. *The Commission received the staff report, there was no further discussion and the hearing was closed. Commissioner McGill, motioned to approve and, with a second by Commissioner Lewis, the FY 2025-26 Budget Update and Work Plan was approved.*

VOTE

AYES: Andersen, Bristow, Burgis, Lewis, McGill, Nakamura, Quinto
NOES: None
ABSENT: None
ABSTAIN: None

7. **CALAFCO Updates, Events, and Legislation** – Receive CALAFCO updates *Following a brief update from staff, the Commissioners accepted the CALAFCO updates (informational only)*

INFORMATIONAL ITEMS

11. **Current and Potential Applications** – informational – *No comments*
12. **Correspondence from CCCERA** – informational - *No comments*
13. **Commissioner Comments and Announcements** - *No comments*
14. **Staff Announcements/Newspaper Articles** - *No comments*

Next regular LAFCO meeting is July 8, 2026, at 1:30 pm.

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



Lou Ann Teixeira
Executive Officer

July 8, 2026 (Agenda)

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

**July 8, 2026
Agenda Item 5**

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

LAFCO 25-06 – Annexation to City of Clayton – Clayton Estates

APPLICANT

Jim Moita, Julie Moita, and Vince Moita - (Landowners)

SYNOPSIS

The applicant proposes to annex 41.5± acres (two parcels) located along Marsh Creek Road for residential development. The location is east of the City of Clayton. The primary purpose of the Marsh Creek Road Specific Plan (MCRSP) was to recognize the unique rural character of its study area, to develop appropriate areas for residential development, and to guide and regulate development and to protect and enhance the area's natural amenities and features, and to afford recreational opportunities and public access.

DISCUSSION

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

This item will be continued to the next Contra Costa LAFCO Meeting on August 12, 2026.

LouAnn Teixeira

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Exhibits

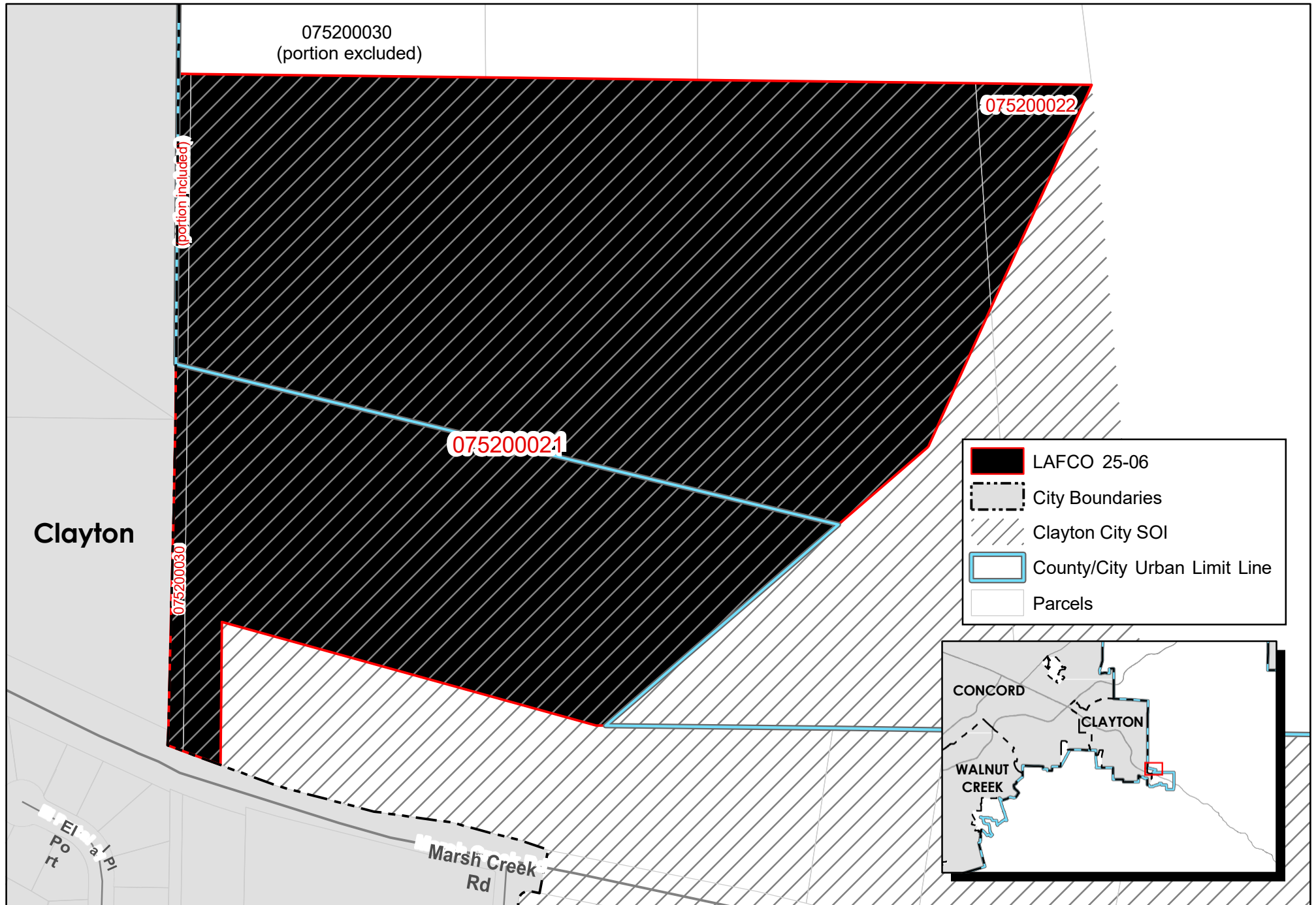
A – Annexation Map

Attachments

05/05/26 City of Clayton - City Manager Chris Lofthus

06/22/26 City of Clayton - City Manager Chris Lofthus

LAFCO 25-06 - Annexation to City of Clayton - Clayton Estates





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Jim Diaz, COUNCILMEMBER
Holly Tillman, COUNCILMEMBER
Kim Trupiano, COUNCILMEMBER

May 5, 2026

Via Electronic Mail [LouAnn.Teixeira@lafco.cccounty.us]

Lou Ann Teixeira, Executive Officer
Contra Costa LAFCO
40 Muir Road, 1st Floor
Martinez, CA 94553

Re: Application of Annexation to the City of Clayton – Clayton Estates

Dear Ms. Teixeira,

I write to you as the City Manager of the City of Clayton. It has just come to my attention that Contra Costa LAFCO (LAFCO) is scheduled to hear on May 13th an annexation application to the City of Clayton filed by Jim Moita, Vince Moita, and Joe Moita. This came to my attention due to a call from Supervisor Carlson's office to get the City's thoughts on the application, as well as Save Mt. Diablo reaching out to a Council Member to discuss the application. Without Supervisor Carlson's office and Save Mt. Diablo reaching out to the City, the City would not be aware of this application.

Notice

As you are aware, Gov. Code section 56658(b)(1) requires that "immediately after receiving an application and before issuing a certificate of filing, the executive officer shall give mailed notice that the application has been received to each affected local agency." When I requested information about when LAFCO provided the City with such notice, on April 29th, you sent me the notice with the distribution list of whom you notified. While my name is listed, no mailing

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address nor an email address is listed. All other individuals listed on the distribution list have their physical mailing address and email address listed, except for the Sheriff-Coroner (whose email address is listed) and LAFCO staff. To be clear, I did not receive notice of the application either by mailed notice nor by electronic notice, nor does it appear from what you provided, that LAFCO mailed notice to me in compliance with state law.

As the local agency most affected by the annexation application, LAFCO should not have issued a certificate of filing without providing the City with mailed notice. Under Gov. Code section 56658, the Executive Officer shall not accept an application for filing and issue a certificate of filing for at least 20 days after giving the required mailed notice. As this notice was not given to the City of Clayton, the certificate of filing should not have been issued.

In addition, to not receiving notice of the application from LAFCO, the applicant also did not inform the City of its application to LAFCO. To be clear this application is not in collaboration with the City, therefore, the City was completely taken by surprise to hear about the LAFCO meeting. Please be aware, the applicant had reached out to Council Members and me regarding the potential of annexing their property. The City has continuously asked the applicant as part of these discussions on what their plan is to develop the property. The City has not received a response to this request and was under the assumption that this was put on hold. Therefore, it was surprising to just be notified of this Application and only by concerned parties.

Plan for Services

The Applicant was required to submit a plan for services within the affected territory, pursuant to Gov. Code section 56653. Specifically, the Plan is required to include among other requirements "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." (Gov. Code 56653(b)(4)) Given that the City was not consulted or made aware of this application, the Plan of Services is inadequate. There is absolutely no reference to the City's ability to provide sewer services to the property, nor has that been evaluated. Furthermore, there has not been a full evaluation of the roads required for this annexation. Any streets that were approved for the Oak Creek Canyon project do not extend to the properties listed in the application.

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CEQA and Housing

The application has listed the City as lead agency for CEQA purposes and relies on a 1995 Marsh Creek Road Specific Plan and EIR. This has not been reviewed to determine if there are any changed conditions which would require supplemental review.

The application incorrectly states that the City is out of compliance with its Housing Element. The City has a certified Housing Element and while the City encourages residential development, the application does not accurately reflect the development of housing within the City.

Furthermore, the application provides "The City has not expressed opposition to this annexation and previously worked to achieve it, producing the pre-zoning, MCRSP, and EIR. Nearby landowners have generally been supportive. The County directed the proponent to work with the City, leading to the MCRSP." The referenced documents were adopted in 1995, over 30 years ago. The City has been in discussions with the applicants more recently and were never made aware of this application to LAFCO even though it appears to have been submitted last year. The applicants are well aware that the City has not recently supported an annexation but has asked for more details on the applicant's plans for development. The applicant has failed to provide this information to the City and has misled LAFCO in their application.

Property Tax Sharing Agreement

The City has not annexed property to my knowledge in quite some time. Therefore, I was not aware if there was a tax sharing agreement with the County. You provided me with the Master Tax Sharing Agreement from 1980. Given the structural deficit the City is currently experiencing, which has been discussed at length at numerous Council meetings, and will likely result in a sales tax measure and request for extension of the City's landscape and lighting district parcel tax on the November 2026 ballot, annexation of additional properties without receiving all of the property tax could result in additional financial constraints to the City. Therefore, should this application proceed, the City will likely need to negotiate a new tax sharing agreement with the County. As you are aware, a certificate of filing cannot be issued without a negotiated tax sharing agreement under Gov. Code section 56658(d)(1). Furthermore, the City has not been notified of the property tax revenue that will be the subject of negotiations.

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For all of the above reasons, we respectfully request that you cancel the hearing scheduled for May 13th as the certificate of filing should not have been issued. I requested a meeting to speak with you about these issues, however, instead you asked me to put my concerns in writing to you, and you would respond via email. I still welcome the opportunity to speak with you about my concerns.

Sincerely,

Kris Lofthus
City Manager
City of Clayton

cc: Clayton City Council
LAFCO Commissioners
Supervisor Carlson
Edward Sortwell Clement, Jr., Save Mt. Diablo

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Holly Tillman, COUNCILMEMBER
Kim Trupiano, COUNCILMEMBER

June 22, 2026

Via Electronic Mail [LouAnn.Teixeira@lafco.cccounty.us]

Lou Ann Teixeira, Executive Officer
Contra Costa LAFCO
40 Muir Road, 1st Floor
Martinez, CA 94553

Re: Application of Annexation to the City of Clayton – Clayton Estates

Dear Ms. Teixeira,

This is a supplemental letter regarding the Contra Costa LAFCO (LAFCO) hearing on July 8th regarding the annexation application to the City of Clayton filed by Jim Moita, Vince Moita, and Joe Moita. Please include this letter into the agenda packet along with my prior letter dated May 5, 2026, which I sent you, but that was not included in the packet for the May 13th meeting.

Although I continue to object to the legally inadequate notice, as detailed in my prior correspondence, I reiterate that LAFCO should not hear the matter and, if it proceeds, must deny the application.

No Property Tax Sharing Agreement

As you are aware, a certificate of filing cannot be issued without a negotiated tax sharing agreement under Gov. Code section 56658(d)(1). The City notified the County on June 2, 2026 by the attached letter that the Master Tax Sharing Agreement is inapplicable for the proposed application. Therefore, there is no applicable tax sharing agreement and there should be no hearing on the application. LAFCO cannot impose a tax sharing agreement upon the City and County, nor can it approve the application conditioned on the City and County executing such an agreement as provided for in Revenue and Tax Code section 99(e)(2). Under the Government Code, the proper procedure is to withhold the certificate of filing absent such agreement. Therefore, if LAFCO proceeds with the hearing, it has no choice but to deny the application.

Failure to Comply with CEQA

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The application listed the City as lead agency for CEQA purposes and relies on a 1995 Marsh Creek Road Specific Plan and EIR. However, the City is not the applicant. The City should be, but isn't, the lead agency on this project. Under CEQA, "Lead agency" means the public agency which has the principal responsibility for carrying out or approving a project which may have a significant effect upon the environment." (Pub. Res. Code, § 21067) The City clearly should be at the helm of any decision to annex this project. However, the City has considered neither the merits nor the environmental effects of this iteration of this development proposal and no application to do so is pending before the City. If there is a lead agency at this stage, that agency is LAFCO. The California Supreme Court has held that "[w]hen two or more public agencies equally qualify as the lead agency for the purpose of preparing an EIR, 'the agency which is to act first on the project in question shall be the Lead Agency (following the principle that the environmental impact should be assessed as early as possible in governmental planning).'" (Citizens Task Force On Sohio v. Bd. of Harbor Comrs., (1979) 23 Cal. 3d 812, 814 citing what is now 14 CCR § 15061(c).) LAFCO has performed no environmental analysis on this project at this stage and therefore, cannot proceed.

In conclusion, we do not believe LAFCO is lawfully holding a hearing on this matter given the improper issuance of the certificate of filing, lack of tax sharing agreement, and failure to comply with CEQA. Since LAFCO has decided to proceed with the hearing, we request that you deny the application.

Sincerely,



Kris Lofthus
City Manager
City of Clayton

cc: Clayton City Council
LAFCO Commissioners
Supervisor Carlson
Edward Sortwell Clement, Jr., Save Mt. Diablo



Lou Ann Teixeira
Executive Officer

July 8, 2026 (Agenda)

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

July 8, 2026
Agenda Item 6

Executive Officer's Performance Review and Compensation

Dear Members of the Commission:

At the April 8, 2026, Contra Costa LAFCO meeting, the Commission convened to a yearly routine Closed Session with Executive Officer Lou Ann Teixeira. The Executive Officer's performance review was discussed and the Chair 's salary recommendation is summarized in the attached memo. If approved, the new annual salary amount for Lou Ann Teixeira will be \$203,881.14

RECOMMENDATION

Consider the recommendation per the attached memo and take action as desired.

Sincerely,
Lou Ann Teixeira

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment

MEMORANDUM

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, First Floor ♦ Martinez CA 94553 ♦ (925) 313-7133

July 8, 2026

TO: Members of the Commission

FROM: Chair Quinto and Vice Chair Burgis

SUBJECT: Executive Officer's Performance Review and Compensation

The Commission met in Closed Session on April 8, 2026, to discuss Executive Officer Lou Ann Texeira's performance evaluation.

The Chair subsequently met with the Executive Officer to provide input regarding her performance review. During the meeting Commissioner comments were shared with the Executive Officer, noting that the Executive Officer met the standards required for a rise in pay.

It is recommended that the Commission approve the discussed 4% increase to the Executive Officer's base salary effective January 1, 2026. The new annual salary amount for Lou Ann Texeira is \$203,881.14.

RECOMMENDATION

Consider the recommendation to approve the discussed 4% increase to the Executive Officer's base salary and, or, take action as desired.

Sincerely,

Lou Ann Texeira

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment



Lou Ann Texeira
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
40 Muir Road, 1st Floor • Martinez, CA 94553
e-mail: LouAnn.Teixeira@lafco.cccounty.us
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July 8, 2026
Agenda Item 7

July 8, 2026 (Agenda)

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

Countywide Water and Irrigation Districts - Municipal Service Review (MSR) and Sphere of Influence (SOI) Updates (3rd Round) – Public Review Draft

Dear Members of the Commission:

BACKGROUND - The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires LAFCOs to prepare municipal service reviews (MSRs) prior to or in conjunction with sphere of influence (SOI) updates.

MSRs provide an assessment of the range and adequacy of municipal services provided in the County and serve as an important tool for LAFCO in fulfilling its legislative mandate to coordinate the efficient and logical development of local government agencies and services. The MSR serves as a basis for SOI updates and future boundary changes.

SUMMARY – This MSR covers one irrigation district (East Contra Costa Irrigation District), and three water districts (Castle Rock County Water District, Contra Costa Water District, and Diablo Water District) located entirely within Contra Costa County and one multi-county irrigation district (Bethany-Byron Irrigation District), with a service boundary area spanning Alameda, Contra Costa, and San Joaquin counties. Within Contra Costa County, the District's boundary area is approximately 10,291 acres.

Water and irrigation districts provide many services, including the following:

- Delivery of untreated (raw) water for agricultural irrigation and municipal/industrial uses
- Provision of potable (treated) water for residential, commercial, and institutional customers
- Operation and maintenance of water conveyance, treatment, and distribution infrastructure
- Water quality monitoring and compliance with state and federal standards, as required
- Emergency preparedness efforts including participation in regional water supply, drought, and hazard planning

The 3rd round water and irrigation services MSR covers five irrigation and water districts as shown on the following page:

(Continued)

<i>Water & Irrigation Districts</i>	
Byron-Bethany Irrigation District (BBID)	MSR/SOI <i>retained</i> (2020)
Castle Rock County Water District (CRCWD)	MSR/SOI <i>retained</i> (2015)
Contra Costa Water District (CCWD)	MSR/SOI <i>retained</i> (2021)
Diablo Water District (DWD)	MSR/SOI <i>retained</i> (2021)
East Contra Costa Irrigation District (ECCID)	MSR/SOI <i>retained</i> (2019)

MSRs provide an assessment of the range and adequacy of municipal services provided in the County and serve as an important tool for LAFCO in fulfilling its legislative mandate to coordinate the efficient and logical development of local government agencies and services.

The consulting team of *Policy Consulting Associates (PCA)* (Jennifer Stephenson and Melat Assefa) prepared the MSR report.

The *Public Review Draft MSR* reviews the five irrigation and water districts. The MSR authors and LAFCO extend our thanks to those individuals who provided responses to questionnaires, as well as planning and financial information and documents used in the MSR report.

MSR PROCESS - The MSR included contacting each water and irrigation districts with a request for information including background, challenges, funding, and other issues.

July 8, 2026, will be the first of two public hearings regarding the water and irrigation districts. At the meeting, the consultants will provide an overview of the *Public Review Draft* which is available on the LAFCO website at <https://www.contracostalafco.org/>. Final action on the MSR report will be taken at a future LAFCO meeting.

Following a presentation by the consultants, the project team will receive comments from the public and the Commission. The Commissioners will be asked to set a public hearing for September 9th, at which time the Commission will consider accepting the Final MSR report, adopting the required determinations, and updating the SOIs if needed.

DISCUSSION - *Municipal Service Review* - The 3rd round MSR/SOI updates includes five water and irrigation districts: Byron-Bethany Irrigation District (serving agricultural lands in eastern Contra Costa County), Castle Rock County Water District (serving a small residential area in Walnut Creek and adjacent unincorporated land), Contra Costa Water District (providing retail and wholesale water service across much of central and eastern Contra Costa County), Diablo Water District (serving Oakley and nearby unincorporated communities), and East Contra Costa Irrigation District (serving agricultural lands and portions of Brentwood, Oakley, Antioch, Knightsen, and adjacent unincorporated eastern Contra Costa County).

The MSR includes the following components:

- Overview of Contra Costa County's setting, water resources, and applicable regulatory framework
- Individual description of each of the five districts covered in this MSR
- Accountability and governance analysis
- Facilities and service capacity analysis, including identification of any capacity constraints
- Financial ability to provide adequate services
- Recommended MSR determinations as required by the CKH Act

- Governance and Sphere of Influence (SOI) recommendations

Sphere of Influence Updates – The MSR process does not require LAFCO to initiate changes of organization based on MSR findings; it only requires that LAFCO make determinations regarding the provision of service and update SOIs, as necessary. The MSR serves as a basis for SOI updates and future boundary changes.

Details regarding governance structure and SOI options are included in the MSR report. LAFCO staff will provide SOI recommendations to the Commission, if needed. At the next LAFCO meeting, the Commission will be asked to accept the Final MSR report, make the required determinations, and update the SOIs.

RECOMMENDATIONS

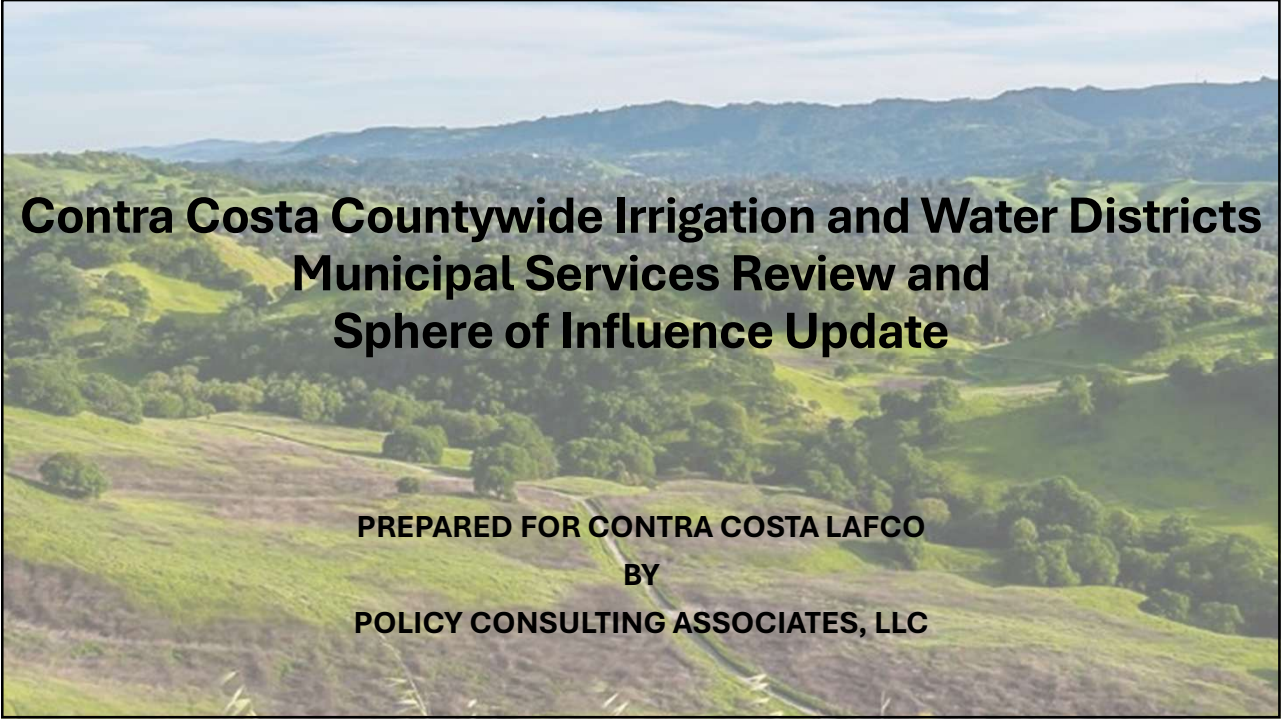
1. Receive the LAFCO staff report and consultant's overview,
2. Receive public comments and Commissioner comments, and
3. Direct staff to set a public hearing for September 9th at which time the Commission will be asked to accept the Final MSR, make the required determinations, and update the SOIs if needed.

Sincerely,

Lou Ann Texeira

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution



Contra Costa Countywide Irrigation and Water Districts Municipal Services Review and Sphere of Influence Update

PREPARED FOR CONTRA COSTA LAFCO
BY
POLICY CONSULTING ASSOCIATES, LLC

1

MUNICIPAL SERVICES REVIEW (MSR)

GC Code Section 56430 requires LAFCO to make certain determinations:

- Growth and population projections for the affected area;
- The location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the SOI;
- Present and planned capacity of public facilities and adequacy of public services, including 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 sphere of influence);
- Financial ability of agencies to provide services;
- Status of and opportunities for shared facilities;
- Accountability for community service needs, including governmental structure and operational efficiencies; and
- Any other matter related to effective or efficient service delivery, as required by commission policy.

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Public Draft MSR Outline

- Agency Overview
- Agency Map
- Accountability & Governance
- Disadvantaged Unincorporated Communities
- Service and Facilities
- Financing
- Governance Structure Options
- MSR Determinations
- SOI Update Section

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Reviewed Agencies

Agency	Service	Service Area
Byron-Bethany Irrigation District (BBID)	Irrigation water	Within Contra Costa: Byron and surrounding areas
East Contra Costa Irrigation District (ECCID)	Irrigation water	Brentwood & portions of Antioch, Oakley, surrounding areas
Castle Rock County Water District (CRCWD)	Irrigation & landscape water	Walnut Creek & surrounding areas
Contra Costa Water District (CCWD)	Wholesale & retail treated & untreated water	Central & eastern Contra Costa County
Diablo Water District (DWD)	Retail potable water	Oakley & surrounding areas

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Primary Water Supply Sources

Agency	Pre-1914 Water Rights	Central Valley Project	Purchased CCWD Water	Groundwater
BBID (Within Contra Costa)	✓			
ECCID	✓			✓
CRCWD			✓	
CCWD		✓		
DWD			✓	✓

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Reliability & Emergency Preparedness- Irrigation Districts

Byron- Bethany Irrigation District (BBID)

Supply Reliability

- 2003 DWR diversion agreement (50,000 acre feet per year) • DWR conveyance facilities

Emergency Preparedness

- Routine monitoring • Infrastructure maintenance • Agricultural Water Management Plan

East Contra Costa Irrigation District (ECCID)

Supply Reliability

- DWR water quantity & quality agreement • Supplemental groundwater during droughts & canal outages

Emergency Preparedness

- Customer metering • Routine infrastructure maintenance • Drought response procedures

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Reliability & Emergency Preparedness- Water Districts

Castle Rock County Water District (CRCWD)

Supply Reliability

- Purchased CCWD water • Contra Costa Canal

Emergency Preparedness

- Coordination with CCWD during planned canal shutdowns

Contra Costa Water District (CCWD)

Supply Reliability

- Los Vaqueros Reservoir • Multiple Delta intakes • Local water rights • Interagency water agreements • Recycled water

Emergency Preparedness

- Multi-Purpose Pipeline • Backup generators • Long-term planning • Ongoing infrastructure maintenance

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Reliability & Emergency Preparedness- Water Districts Cont'd

Diablo Water District (DWD)

Supply Reliability

- Groundwater blending • Planned recycled water project

Emergency Preparedness

- Three emergency interties • Three reservoirs (12.5 Million Gallons) • Standby generators • Ongoing infrastructure maintenance • Long-term planning

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Key Infrastructure

Agency	Key Infrastructure	Current Conditions
BBID	Canals; Pump stations; Pipelines ; Supervisory Control and Data Acquisition (SCADA)	Routine maintenance & phased replacement
ECCID	Main canal; Groundwater wells; Pump stations	Routine maintenance & phased replacement
CRCWD	Storage tank; Distribution system	Storage tank rehabilitation & long-term funding
CCWD	Los Vaqueros Reservoir; Contra Costa Canal; Two Water Treatment Plants (WTP); Distribution system	Capital Improvement Program
DWD	Jointly-owned WTP; Reservoirs; Groundwater wells; Distribution system	Capital Improvement Program

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Service Adequacy - Water Quality

Potable Water Systems (CCWD & DWD)

- ✓ Routine source and treated water monitoring
- ✓ Compliant with State drinking water standards

Current Conditions

- **CCWD:** Comprehensive water quality monitoring; no primary drinking water violations since 1999.
- **DWD:** Secondary manganese Maximum Contaminant Level (MCL) exceedances (non-health based) in groundwater wells; wellhead treatment project underway.

Irrigation Systems (BBID, ECCID & CRCWD)

- ✓ **BBID & ECCID:** Periodic agricultural water quality testing
- ✓ **ECCID:** DWR agreement establishes water quantity and quality conditions
- ✓ **CRCWD:** Relies on CCWD source water monitoring

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Service Adequacy - Operations

Water Loss: State-required annual water loss audits (SB 606 & AB 1668).

- **CCWD:** Water losses currently exceed the State performance standard; compliance efforts are ongoing.
- **DWD:** Water losses meet State performance standards.

Water Pressure & Fire Flow

State Standard: Minimum operating pressure of 20 pounds per square inch (psi).

- **CCWD:** Exceeds the standard (40 psi minimum; ~73 psi average)
- **DWD:** Exceeds the standard (50 psi minimum; ~78 psi average)

Service Availability

CRCWD: Planned Contra Costa Canal shutdowns temporarily interrupt water deliveries.

- **Recommendation:** Establish annual service availability periods.

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Demand Vs Capacity

Agency	Current Demand	Capacity Measure	Finding
BBID	~25,000 AFY	50,000 AFY diversion capacity	Adequate diversion capacity
ECCID	~32,700 AFY	50,000 AFY water supply	Adequate supply
CRCWD	Seasonal irrigation demand	Existing wholesale supply	Adequate supply
CCWD	31.2 MGD average treated deliveries	110 MGD treatment capacity	Adequate treatment capacity
DWD	5.43 MGD average; 7.96 MGD peak	19 MGD system capacity	Adequate treatment capacity
* AFY- acre feet per year			

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Population & Growth

Limited Growth

- **BBID:** Growth constrained by County Urban Limit Line; stable irrigation demand.
- **ECCID:** Urban growth in Brentwood, Antioch & Oakley; stable irrigation demand.
- **CRCWD:** Built-out service area; minimal future growth.

Moderate to Significant Growth

- **CCWD:** Infill, redevelopment, and Concord Naval Weapons Station; increased demand anticipated.
- **DWD:** 6,000+ planned dwelling units in Oakley; increased demand anticipated.

Future growth within the CCWD and DWD service areas is incorporated into the Districts' long-term water supply and infrastructure planning documents.

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Disadvantaged Communities

Identification Tool:

- DWR Disadvantaged Communities Mapping Tool (2019–2023 American Community Survey)

Key Findings

- **BBID & CRCWD:** No disadvantaged communities identified.
- **ECCID:** Disadvantaged communities are located within district boundaries and currently served.
- **CCWD:** Disadvantaged communities are generally served; future service extensions may be needed within portions of the SOI.
- **DWD:** Disadvantaged communities are generally served; remaining SOI areas are included in the Sandmound Slough Water Systems Consolidation Project.

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Financials

Water districts rely primarily on water sales and service charges, while irrigation districts receive a greater share of funding from property taxes and investment income.

District	Net Position	Operating Expense Coverage	Reserve Status
BBID	\$66.8M	6years,10 months	6-month minimum operating reserve + designated reserves
ECCID	\$42.8M	6 years, 4 months	Reserve funds with established minimum funding requirements
CRCWD	\$140K	1 year, 6 months	No formal reserves
CCWD	\$1.11B	8 years	6-month minimum operating reserve + designated reserves
DWD	\$75.0M	4 years, 1 month	Rate stabilization, O&M & CIP reserves

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Accountability and Governance

Brown Act (Open Meeting Law)

Finding: Generally compliant; minor improvements recommended.

- **BBID:** Post searchable agenda documents.
- **CCWD & CRCWD:** Add homepage link to current meeting agenda.
- **DWD & ECCID:** Post agendas at a publicly accessible location.

Website Transparency (SB 929)

All districts maintain public websites; CCWD & DWD exceed minimum requirements.

- **BBID, ECCID & CRCWD:** Improve online access to budgets, audits, planning documents, and meeting minutes.
- **BBID & CRCWD:** Post Enterprise System Catalog (SB 272).

Financial Reporting (Gov. Code §26909)

Finding: All districts prepare annual financial audits and required reports to the State Controller's Office.

- **BBID, ECCID & CRCWD:** Improve online accessibility of annual budgets, audits, and other key financial documents.

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Governance Structure Options & SOI Recommendations

Continued Interagency Coordination

BBID & ECCID

- Contiguous boundaries present an opportunity for a mutual aid agreement to improve emergency response, resource sharing, and restoration of critical infrastructure.

ECCID & CCWD

- Continue coordination on wholesale water supply, infrastructure planning, and future municipal demand.

Long-Term Governance Considerations (CCWD & CRCWD)

- Identified in the previous MSR due to the existing wholesale relationship.
- Remains a potential long-term option due to CRCWD's aging infrastructure and financial constraints.
- Future consideration should be supported by a feasibility analysis.

SOI Recommendations

✓ **CRCWD:** Maintain Zero SOI

✓ **BBID, ECCID, CCWD & DWD:** Reaffirm existing SOIs

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Conclusion

- ✓ Existing water supplies, infrastructure, and service capacity are adequate.
- ✓ Current and projected demand remain below available capacity.
- ✓ Financial conditions are generally stable.
- ✓ Existing governance structures and SOIs remain appropriate.

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