

SUMMARY ACTION MINUTES
ALAMEDA LOCAL AGENCY FORMATION COMMISSION
REGULAR MEETING

Dublin San Ramon Services District Board Room, 7051 Dublin Blvd, Dublin, CA

May 12, 2016

1. Call to Order and Pledge of Allegiance

Chair Marchand called the meeting to order at 2:00 p.m. The Pledge of Allegiance was recited.

2. Roll Call.

Roll was called. A quorum was present of the following commissioners:

County Members: Scott Haggerty (arrived 2:25, item 6) and Nate Miley

City Members: John Marchand and alternate David Haubert

Special District Members: Ayn Wieskamp, Ralph Johnson and alternate Georgean Vonheeder-Leopold

Public Members: Sblend Sblendorio and alternate Tom Pico

Not Present: Jerry Thorne, City Member and Wilma Chan, alternate County Member

Staff present: Mona Palacios, Executive Officer; Andrew Massey, Legal Counsel; Nat Taylor, Planner; and Sandy Hou, Clerk

3. Welcome Returning Commissioners

Chair Marchand noted that as well as himself, Commissioners Johnson and Haubert had been reappointed to continue serving on the Commission.

4. Public Comment

Chair Marchand invited members in the audience to address the Commission on any matter not listed on the agenda and within the jurisdiction of the Commission. There were no comments.

5. Approval/Correction of Minutes – March 10, 2016

Upon motion by Commissioner Sblendorio and second by Commissioner Johnson, the minutes of the March 10, 2016 meeting were approved.

AYES: 6 (Haubert, Johnson, Marchand, Miley, Sblendorio, Wieskamp)

NOES: 0

ABSENT: 2 (Haggerty, Thorne)

ABSTAIN: 0

6. AB 2471 Update

Chair Marchand welcomed Assemblymember Bill Quirk, Hayward Mayor Barbara Halliday, San Leandro Mayor Pauline Cutter, and staff from Supervisor Chan's office. In his introductory remarks, Chair Marchand explained that today's meeting was to discuss the need for AB 2471, which would require Alameda LAFCo to dissolve the Eden Township Healthcare District (ETHD) if certain criteria are met, and to engage directly with the author and sponsor of the legislation about the concerns the Commission has with the legislation as currently written. He stated that the focus at this meeting was the LAFCo process and the intent of the proposed legislation, and not the merits of the district's existence.

Staff provided a summary of the written report. She pointed out that the bill had been amended recently, but that the amendments did not address the Commission's concerns that had been provided to the author in its March 18 letter of opposition.

LAFCo Legal Counsel provided information about the ways that existing law allows dissolution proceedings to be initiated and the discretion that LAFCos have to consider such proposals. He further discussed the provisions of AB 2471 and noted concern about the ambiguity in some of those provisions which, if applied, might pose a significant litigation risk to LAFCo. He reiterated that the amended language in AB 2471 did not address the Commission's loss of discretion to consider the dissolution of ETHD.

Following the remarks from staff and counsel, Assemblymember Quirk noted that the bill was sponsored by Alameda County and provided information concerning the legislative process. The Assemblymember noted that the bill would not go to the Senate floor until mid-August; so, there was time to address the stated concerns. He provided examples of other recent efforts related to ETHD and discussed the situation regarding availability of hospital services for the medically indigent and Medi-Cal patients in the Eden area. He provided information on why it was thought that special legislation was needed. He expressed appreciation to hear about the concerns with the legislation and noted that he would work closely with LAFCo on the points raised.

In their comments to the commission, the mayors of San Leandro and Hayward indicated they were not aware of LAFCo's review process and recommended that LAFCo improve its outreach to affected areas and especially to elected officials in those areas. They noted that they supported the legislation because they felt the District was not adequately supporting the San Leandro and St. Rose Hospitals.

Dave Brown of Supervisor Chan's office replied to questions concerning the reason that the supervisor and the county sponsored the legislation rather than trying to use the current structure of LAFCo. He noted that the safety net hospitals in the Eden area are not receiving support from ETHD which prompted the legislation, and that the county sought remedy from the state because LAFCo had already concluded its study, and it was felt the legislation would produce the needed results more quickly than waiting for LAFCo to conduct another review of the district that may or may not result in recommendation for dissolution.

Assemblymember Quirk noted that there are several bills every year to bypass LAFCo for many reasons. Comments from the commissioners expressed consensus that the existing LAFCo process should be used so that the decision could be made locally which would encourage local participation versus in Sacramento.

Assemblymember Quirk indicated that the bill would proceed, but that he expected a proposal for dissolution would be brought forward shortly to LAFCo.

Comments from ETHD Board Members:

ETHD Chair Lester Friedman and Board member Tom Lorentzen spoke in support of the LAFCo process to keep decision making local. Both Board members gave examples of how the District has supported the hospitals and noted that the District's efforts at preventing illness through supporting the work of health education was another way of offering support to the hospitals.

Summary

Commissioner Haggerty asked how the district was formed and whether the voters should decide whether to dissolve the district. He also indicated that LAFCo could consider dissolution of the district and that special legislation would not be needed. Commissioner Marchand inquired about how distribution of assets would be determined. The Commission indicated that they would be willing to expedite an application for dissolution, and be flexible in meeting location and time, so as to be most conducive for affected parties to attend the public hearings.

The discussion concluded with Assemblymember Quirk agreeing to meet with LAFCo staff and Commissioners to work on possible compromise to the legislation and with LAFCo staff agreeing to work with the San Leandro and Hayward mayors on the dissolution process.

7. Fairview Fire Protection District Sphere of Influence Update

Noting that this item was a public hearing for the Commission to consider the Fairview Fire Protection District's request to remove the provisional status of its sphere of influence (SOI), staff provided a summary of the written report, which included a recommendation from the ad hoc committee (Miley, Haggerty & Vonheeder-Leopold) that the Commission consider adopting a coterminous SOI conditioned on the district completing a management audit, documenting its policies and procedures regarding fire protection and administrative services, and communicating regularly with constituents.

Following staff's comments, Commissioners Miley and Vonheeder-Leopold explained that they were recommending changing the provisional SOI status to a coterminous SOI with conditions because they felt the District had made advancement in implementing a strategic plan and had been responsive to the Commission's prior requests, but that they still had concerns about the District's current operational structure and the lack of formality in its current form.

Leslie West, Board President of the District provided an update on the District's activities. She noted that there is a full board now, and pointed out that two additional board members were at the meeting today – newest member Mark McDaniels and Mike Justice. She concluded her remarks with the request that, due to board elections in the fall, the Commission extend the deadline for the District to complete a management audit to nine months rather than six.

There was discussion among the Commission following Ms. West's update, with Commissioners Marchand and Sblendorio indicating that keeping the provisional SOI might be more appropriate.

Commissioner Miley motioned and Commissioner Haggerty seconded to adopt a coterminous SOI with conditions as stated under option 1 of the staff report with the change from six months to nine months as requested by Ms. West.

Commissioner Marchand motioned an amendment that rather than adopting a coterminous SOI, the provisional SOI be retained, with the same conditions as in Miley's motion. Commissioner Sblendorio seconded amending the motion.

Commissioner Marchand asked for a vote on the amendment, which did not pass:

AYES: 2 (Marchand, Sblendorio)
NOES: 5 (Haggerty, Haubert, Johnson, Miley, Wieskamp)
ABSENT: 1 (Thorne)
ABSTAIN: 0

A vote was then taken on the original motion. Motion passed to adopt a coterminous SOI with the conditions as stated above:

AYES: 6 (Haggerty, Haubert, Johnson, Miley, Sblendorio, Wieskamp)
NOES: 1 (Marchand)
ABSENT: 1 (Thorne)
ABSTAIN: 0

Although it would normally be mentioned during item 10 on the agenda (Matters Initiated by Members of the Commission), because he had to leave the meeting at this time, Commissioner Haggerty informed the Commission that Dave Cortese had recently told him that his father, one of the authors of the Cortese-Knox-Hertzberg Act, was willing to speak at an Alameda LAFCo meeting, and would the Commission be interested in that. The Commission was agreeable to that possibility.

Note: Commissioner Haubert left the meeting at this time also.

8. Cities Municipal Service Review/Spheres of Influence Update Project

Staff provided a summary of the written report which provided details on the status of the cities municipal services review. Following staff’s summary, the Commission offered the following recommendations:

- Include Vector Control as a service area to be reviewed
- Be sure to ask what Joint Power Authorities (JPAs) the cities are a part of (Commissioner Vonheeder-Leopold mentioned that Special Districts also belong to JPAs)
- Concerning the review of the unincorporated communities, do not review Hillcrest Knolls separately, but include it in the review of Castro Valley

9. Final Fiscal Year 2016-2017 Budget and Work Plan

Staff noted that the final budget and work plan for fiscal year 2016-2017 reflected the proposed budget, without any changes, that was approved by the Commission on March 10th.

Chair Marchand opened the public hearing for this item. With no one requesting to make comments, he closed the public hearing.

Staff responded to a status update request from Chair Marchand concerning LAFCo FTE staffing changes that were mentioned in the staff report, namely that beginning April 25, 2016 the LAFCo Clerk became 0.65 FTE with the remainder of that position (0.35 FTE) allocated to and paid for by the County Administrator’s office (CAO). Staff additionally noted that, although the 0.50 FTE increase in staffing that the Commission had approved in the current fiscal year had not been met, the CAO had indicated willingness to work on a staffing plan that would meet the Commission’s needs and that she expected to provide an update on the staffing configuration to the Commission at their July meeting. The LAFCo Clerk shared that she had been asked to keep a time log of the actual time spent in CAO duties, so that over time it could be ascertained if the new time allocations were satisfactory or if adjustments might be called for.

Chair Marchand commented that it was essential that LAFCo have the administrative support it needed to accomplish the important work of the commission.

Upon motion by Commissioner Wieskamp, second by Commissioner Johnson, the Commission unanimously approved the Final Fiscal Year 2016-2017 Budget and Work Plan and directed staff to forward the final FY 2016-2017 budget to affected agencies.

AYES: 5 (Johnson, Marchand, Miley, Sblendorio, Wieskamp)
 NOES: 0
 ABSENT: 2 (Thorne, Haubert?)
 ABSTAIN: 0

10. Matters Initiated by Members of the Commission

See the end of item 7 above for Commissioner Haggerty’s comments.

Commissioner Wieskamp initiated a discussion concerning the frequent occurrence of the introduction of legislation that undermines LAFCo’s authority. The Commission agreed that they should stay alert to such legislation. Staff indicated that CALAFCO tracks all such legislation and welcomes input from individual LAFCos.

Commissioner Pico suggested that, following the reviews of the cities currently underway, the Commission consider doing a comprehensive overview of the County as a whole. There was some discussion concerning that, with staff explaining how that related to approaches taken in Alameda LAFCo’s previous municipal

service reviews. She noted that she would discuss his suggestion further with Commissioner Pico in order to more fully understand his vision.

11. Informational Items – Discussion, if any, or further information is noted after the item.

Informational Items

- a. CALAFCO Board of Directors – verbal report
 - Staff talked about recent legislation whose purpose was to ensure that disadvantaged unincorporated communities have access to water and/or wastewater.
- b. Special Districts Enterprise Seat on LAFCo – verbal report
 - Staff mentioned that, as previously noted by Chair Marchand at the beginning of the meeting, Commissioner Johnson had recently been reappointed to another term on LAFCo.
- c. Report on the 2016 CALAFCO Staff Workshop
- d. Application/Project Update
- e. Legislative Update
- f. 2016 Annual Conference October 26 – 28, 2016 in Santa Barbara

12. Adjournment of Regular Meeting

The meeting was adjourned at 4:22p.m.

13. Next Meeting of the Commission

Thursday, July 14, 2016 at 2:00 p.m.

Respectfully submitted,



Sandy Hou, Commission Clerk

These minutes were approved by the Commission on July 14, 2016.

Attest:



Mona Palacios, LAFCo Executive Officer