

SUMMARY ACTION MINUTES
ALAMEDA LOCAL AGENCY FORMATION COMMISSION
REGULAR MEETING

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

March 10, 2016

1. Call to Order and Pledge of Allegiance

Chair Marchand called the meeting to order at 4:30 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 4:35, item 6) and Nate Miley (arrived 5:11, item 8)

City Members: John Marchand, Jerry Thorne and alternate David Haubert

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

Public Members: Sblend Sblendorio and alternate Tom Pico

Not Present: Wilma Chan, alternate County Member

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

3. Public Comment

Commission 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.

4. Approval/Correction of Minutes – January 14, 2016

Upon motion by Commissioner Sblendorio, second by Commissioner Wieskamp, the minutes of the January 14, 2016 meeting were approved.

AYES: .5 (Johnson, Marchand, Sblendorio, Thorne, Wieskamp)

NOES: 0

ABSENT: 2 (Haggerty, Miley)

ABSTAIN: 0

Chair Marchand moved agenda item 11 up on the agenda at this point.

11. Contract Amendment with Lamphier-Gregory for Planning Consultation Services

Staff explained that this item was a request to amend the Commission's contract with LAFCo's current planning services contractor, Lamphier-Gregory, to extend the contract term for one year to June 30, 2017; add a scope of work to complete the cities' municipal services review (MSR) and related sphere of influence updates; and increase the contract amount by \$38,000 from \$70,000 to a total not-to-exceed amount of \$108,000. Nat Taylor, the person from Lamphier-Gregory who has been providing the planning consultation services to LAFCo expressed his pleasure at having worked for the Commission for the past nearly two years and noted that his company has just recently hired a new person who he believes is uniquely qualified to assist with the cities MSR process and that work on the MSRs would begin immediately should the Commission approve the contract amendment today.

Upon motion by Commissioner Thorne, and second by Commissioner Sblendorio, the Commission approved the contract amendment.

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

5. Transfer of Jurisdiction – Proposed Carr Annexation to the East Bay Municipal Utility District (EBMUD)

Staff provided a summary of the written report regarding this request from Contra Costa LAFCo to transfer jurisdiction to consider a proposed annexation to the East Bay Municipal Utility District (EBMUD) of 5.9 acres of territory located near Moraga in Contra Costa County. Staff responded to several questions from Chair Marchand regarding the status of other applications or possible applications from property owners in Contra Costa County to also annex to EBMUD

Upon motion by Commissioner Wieskamp, and second by Commissioner Johnson, the Commission approved the transfer of jurisdiction.

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

6. City of Pleasanton Update on Study Regarding Water and Sewer Services for Unincorporated Happy Valley Properties

After introductory remarks by staff, Steve Kirkpatrick, Director of Engineering for the City of Pleasanton provided the Commission with an update on the status of the City's water and sewer services study for properties located in the unincorporated Happy Valley area. He noted that the Pleasanton City Council had recently approved a professional services agreement with RMC Water and Environment to study infrastructure improvements and associated costs required to extend sewer and water utilities into the unincorporated Happy Valley area. The City Council also adopted an interim policy to not accept applications for pre-annexation and annexations in the unincorporated Happy Valley area until after the sewer and water study is completed and the City Council subsequently revises the interim policy.

Chair Marchand thanked Mr. Kirkpatrick for his attendance and update.

7. Fairview Fire Protection District Information Request Status update

In her remarks, Executive Officer Palacios noted that the District had been responsive to LAFCo's request for information (per direction given by the Commission at its January 14, 2016 meeting); LAFCo legal counsel had begun to review the documentation, but had not yet had time to fully review the documents; and that upon completion of the documentation review, staff would summarize the documents that provide information related to the Commission's concerns about the District's recent governance and operational challenges. She noted that on February 29th the District held a special meeting to consider making an appointment to fill the vacancy created by Charles Snipes' resignation from the Board. She requested direction from the Commission concerning next steps; specifically, whether the Commission wanted the Fairview Fire Protection District ad hoc committee to review the information provided by the District and make recommendations to the Commission at its May 12th meeting. She also noted and explained various sphere of influence (SOI) options the Commission might consider:

- Retain the provisional SOI
- Remove the provision status and adopt a coterminous SOI
- Adopt a zero SOI

Public Comment:

Fairview Fire Protection District Board President Leslie West addressed the Commission, providing a brief update on the current status of the District, noting that the District now has a full Board, and stated that she would provide a more comprehensive update at LAFCo's May 12th meeting.

Chair Marchand thanked Board President West for attending the meeting and for her remarks. He emphasized that the Commission's intent is to ensure good governance.

The Commission agreed with Staff's recommendation to convene the ad hoc committee to review the information provided by the District and bring a recommendation to the full commission at its May 12th meeting when it will consider modifying the District's provisional coterminous sphere of influence.

8. Proposed Legislation Regarding Healthcare Districts: AB 2471 (Quirk)

Staff provided a summary of the written report concerning this proposed legislation regarding the dissolution of healthcare districts. She noted that the proposed legislation is sponsored by Alameda County and, while not mentioned by name, it is understood that the bill specifically targets the dissolution of the Eden Township Healthcare District (ETHD). As proposed, the legislation would require a LAFCo to dissolve a healthcare district without an election if the district meets certain criteria. Staff noted that although the criteria were chosen to narrow the bill's application to only ETHD, other LAFCOs have indicated that the bill might apply to healthcare districts in their counties. She shared that, because the proposed legislation, in general, diminishes LAFCo authority by removing a commission's discretion, CALAFCO has indicated that it would most likely oppose the bill unless amended. She noted the nature of amendments that CALAFCO had discussed proposing. After reminding the Commission of actions it had taken relating to the most recent Municipal Service Review (MSR) and Sphere of Influence (SOI) update of ETHD, staff concluded her remarks with a request for direction from the Commission concerning whether or not it wanted to take a position on the proposed bill, or whether the Commission wished to provide any comments to the bill's authors.

Commission Discussion:

Primary concerns expressed during a lengthy discussion of this item included that the legislation is a statewide solution to a local issue especially because the Eden Township Healthcare District is not specifically named, there appears to be a lack of understanding of LAFCo's authority, and there were no comments regarding dissolution of the district put forward during the public hearing process when LAFCo was conducting its most recent MSR/SOI update process for the district.

At the request of Commissioner Johnson, Dev Mahadevan from the Eden Township Healthcare District shared what the District's thoughts were concerning the legislation. Mr. Mahadevan insisted that there was no formal agreement between the District board and Supervisor Chan that the District would provide a specific amount of funds to San Leandro Hospital.

Commissioner Haggerty felt that the Commission should send a letter of support for the legislation. Commissioners Sblendorio, Marchand, Wieskamp, Vonheeder-Leopold and Pico felt it most appropriate to oppose the legislation as currently written, but to ask the author of the legislation, Assembly member Quirk, as well as County Supervisors Chan and Valle, to speak with the Commission about the legislation and address the Commission's concerns.

Commissioner Miley, arriving near the end of the discussion of this item, supported the suggestion to invite Quirk, Chan and Valle to come speak to the Commission.

MOTION:

Motion was made by Commissioner Sblendorio to send a letter to the author of the legislation, Assembly member Quirk, as well as to Alameda County Supervisors Chan and Valle, informing them that the Commission is opposed to the bill as currently written, outlining the Commission's concerns, primary of

which is that it appears to circumvent the authority of LAFCo, and invite the author and Supervisors Chan and Valle to come to a LAFCo meeting to present the reasons behind the legislation and address any concerns the Commission might have. A copy of the letter would be shared with CALAFCo. Commissioner Marchand seconded the motion. Motion passed.

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

9. CALAFCO Legislative Update

Staff summarized the written report which provided an update on other CALAFCO legislative committee activities and included a request that the Commission consider submitting three letters of support for:

- SB 1266 – the CALAFCO sponsored Joint Powers Authority legislation
- SB 817 – restoring ERAF funds to recently incorporated cities
- SB 971, 972, 973 – the state’s annual validating acts.

MOTION:

Upon motion by Commissioner Wieskamp and second by Commissioner Johnson, the Commission approved sending the three letters of support as written by staff.

AYES: 7 (Haggerty, Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 0
ABSTAIN: 0

10. Change of Meeting Time for LAFCo Regular Meetings

Staff explained that this item was on the agenda at the request of the Commission’s policy and budget committee, who is recommending that the Commission change its regular meeting time from 4:30 to 2:00 pm, with no change to the regular meeting dates or location. The committee has concerns that the 4:30 pm meeting time is an inconvenience to meeting participants due to travel during peak rush hour traffic.

After brief discussion, the Commission approved changing the meeting time.

MOTION:

Upon motion by Commissioner Thorne and second by Commissioner Sblendorio, the Commission approved changing the time of their regularly scheduled meetings from 4:30 to 2:00 pm, with no change in the regular meeting dates or location. The Commission adopted a revised meeting schedule resolution and directed staff to amend the commission’s bylaws to reflect the change and to inform affected agencies.

AYES: 7 (Haggerty, Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 0
ABSTAIN: 0

11. (taken out of order, after agenda item 4 – see above)

12. Proposed Fiscal Year 2016-2017 Budget and Work Plan

Staff provided a summary of the written report, noting that the Commission’s Policy and Budget Committee (Commissioners Johnson, Marchand, and Pico) had met on February 19, 2016 to review the proposed budget

and workplan. She summarized key points concerning the proposed budget of \$715,037, which reflects a 4.2% increase from the current fiscal year budget. There were no comments or discussion following staff's remarks.

Chair Marchand opened the public hearing. As there were no public comments to be offered, Chair Marchand closed the public hearing.

MOTION:

Upon motion by Commissioner Sblendorio and second by Commissioner Haggerty, the Commission approved the proposed budget and work plan for Fiscal Year 2016-17 with no changes; directed staff to forward the proposed FY 2016-2017 budget and workplan to the Alameda County Board of Supervisors, each city, and each independent special district in the County; and directed staff to prepare a final FY 2016-2017 budget and workplan for approval by LAFCo at their May 12, 2016 meeting.

AYES: 7 (Haggerty, Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 0
ABSTAIN: 0

13. Budget Adjustment Request to Carryover Unused Funds from FY 2014-2015 to FY 2015-2016

Staff explained that this request was to cover the costs of legal counsel services provided in FY 2014-2015 but paid for in FY 2015-2016 and noted that approximately one half of the legal counsel costs were due to the processing of the County's application to annex the Castro Valley Canyonlands into the Castro Valley Sanitary District. She further noted that, per LAFCo policy, staff expects to invoice the County for processing costs above the initial \$7500 application fee which was submitted by the applicant with the application. If approved, staff will request the County Auditor's office to transfer funds from LAFCO's trust fund account to cover the appropriation increase.

MOTION:

Upon motion by Commissioner Thorne and second by Commissioner Wieskamp, the Commission approved a budget adjustment to carryover \$28,750 unused funds from FY 2014-2015 to FY 2015-2016.

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

14. Reappointment of Alternate Public Member

Staff noted that Commissioner Pico's four-year term as alternate public member was expiring in May and asked the Commission to consider reappointing Commissioner Pico to a second four-year term as alternate public member. Commissioner Pico indicated that he was willing to continue serving as alternate public member, expressing his opinion that the Commission's work was important and valuable. Several Commissioners praised his positive contributions to LAFCo.

MOTION:

Upon motion by Commissioner Wieskamp and second by Commissioner Sblendorio, the Commission reappointed Commissioner Pico to a second four-year term as Alternate Public Member.

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

15. Matters Initiated by Members of the Commission

16. **Informational Items** – Discussion, if any, or further information is noted after the item.
- a. Policy and Budget Committee
 - b. CALAFCO Board of Directors Update – verbal report
Staff reported that there was a CALAFCO Board of Directors meeting on February 5th and that both of the Commission's members that are on the Board (Commissioners Marchand and Sblendorio) attended the meeting – one in person, and the other by phone. She did not attend the meeting.
 - c. Application/Project Update
 - d. Form 700: Due by April 1
 - e. Commissioners with terms ending May 2016:
 - 1. John Marchand
 - 2. Ralph Johnson
 - 3. Tom Pico
 - f. 2016 CALAFCO Staff Workshop March 30 – April 1, 2016 in Universal City
 - g. 2016 Annual Conference October 26 – 28, 2016 in Santa Barbara

12. **Adjournment of Regular Meeting**

The meeting was adjourned at 6:08 p.m.

13. **Next Meeting of the Commission**

Thursday, May 12, 2016 at 2:00 p.m.

Respectfully submitted,



Sandy Hou, Commission Clerk

These minutes were approved by the Commission on May 12, 2016.

Attest:



Mona Palacios, LAFCo Executive Officer