

SAN MATEO



# LOCAL AGENCY FORMATION COMMISSION

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## Action Minutes - **REVISED**

### San Mateo Local Agency Formation Commission Meeting September 20, 2023

Chair Draper called the Wednesday, September 20, 2023, meeting of the Local Agency Formation Commission (LAFCo) to order at 2:30 pm in the Board of Supervisors Chambers, 400 County Center, Redwood City, California. Members of the public were also able to participate in the meeting remotely via the Zoom.

#### 1) Roll Call

Members Present: Commissioners Tygarjas Bigstycyk (*participated remotely*), Virginia Chang-Kiraly, Noelia Corzo, Harvey Rarback, Kati Martin, Ann Draper, Ray Mueller

Members Absent: Commissioner Warren Slocum

Alternate Members Present: Jim O'Neill

Staff Present: Rob Bartoli, Executive Officer  
Sofia Recalde, Management Analyst  
Timothy Fox, Legal Counsel  
Angela Montes Cardenas, Clerk

#### 2) Public Comment for Items Not on the Agenda

None

#### 3) Consent Agenda

- a. **Approval of Action Minutes: July 19, 2023**
- b. **Consideration of LAFCo File No. 23-04 – Proposed annexation of 400 Cervantes Road, Portola Valley (APN 077-310-160) to West Bay Sanitary District**
- c. **Consideration of LAFCo File No. 23-06 – Proposed Outside Service Agreement for water service by the City of Redwood City to 715 Vernal Way, (APN 068-053-240), Unincorporated Redwood City**

Commission Action: Commissioner Chang-Kiraly moved to approve the consent agenda items. Commissioner Rarback seconded the motion which passed unanimously by roll call

**COMMISSIONERS:** ANN DRAPER, CHAIR, PUBLIC ▪ KATI MARTIN, SPECIAL DISTRICT, VICE CHAIR ▪ VIRGINIA CHANG-KIRALY, SPECIAL DISTRICT ▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ RAY MUELLER, COUNTY

**ALTERNATES:** CHRIS MICKELSEN, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

**STAFF:** ROB BARTOLI, EXECUTIVE OFFICER ▪ SOFIA RECALDE, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪ ANGELA MONTES, CLERK

vote. (Ayes: Commissioners Bigstyck, Corzo, Chang- Kiraly, Mueller, Rarback, Martin, Chair Draper.)

#### **4) Consideration of Municipal Service Review Circulation Draft for the City of Burlingame**

Mr. Bartoli presented the draft MSR for the City of Burlingame to the Commission. He referred to the staff report included in the packet. He noted that no change to the Sphere of Influence was proposed by staff at this time. Mr. Bartoli reviewed the key issues and determinations made in the report. The following recommendations were made in the draft report:

- Unincorporated Burlingame Hills is within the City's SOI. A County-led study is currently evaluating governance options for the County governed Burlingame Hills Sewer Maintenance District that includes contracting for services with the City or the potential of annexing the area to the City of Burlingame and dissolving the District. The City should continue to explore potential opportunities for shared services or governance changes related to the Burlingame Hills Sewer Maintenance District.
- The City should partner with the Town of Hillsborough to review the recommendations in the Central County Fire Department (CCFD) Community Risk Assessment to prepare a capital improvement plan (CIP) and CIP budget for fire stations, vehicles and apparatus that are in poor condition, as well as the construction or relocation of the Administrative Facility building.
- The City should continue its work in the areas of natural hazard mitigation and sea level rise and continue to coordinate with partner agencies.

A virtual workshop to review the Burlingame and Hillsborough MSRs will be scheduled for October 2023.

Chair Draper opened and closed public comment. No comments were received.

Chair Draper commended the City of Burlingame for their fiscal planning.

Commission Action: Commissioner Chang-Kiraly moved to direct the Executive Officer to schedule the Final MSR for the City of Burlingame for a public hearing at the next Commission meeting and circulate it with any necessary amendments to the County, cities, and independent special districts. Commissioner Rarback seconded the motion which passed unanimously by roll call vote. (Ayes: Commissioners Bigstyck, Corzo, Chang- Kiraly, Mueller, Rarback, Martin, Chair Draper.)

#### **5) Consideration of Municipal Service Review Circulation Draft for the Town of Hillsborough**

Ms. Recalde presented the draft MSR for the Town of Hillsborough to the Commission. She referred to the staff report included in the packet. Staff did not propose any changes to the Town's Sphere of Influence at this time. Ms. Recalde reviewed the key issues and

determinations made in the report. The following recommendations were made in the draft report:

- The Town should partner with the City of Burlingame to review the recommendations in the CCFD Community Risk Assessment to prepare a capital improvement plan and CIP budget for fire stations, vehicles and apparatus that are in poor condition and the construction or relocation of the Administrative Facility building.
- Hillsborough's Urban Water Management Plan (UMWP) was last updated in 2021. The Town should align the growth projections in the UMWP with the RHNA growth projections and the 2023-2031 Housing Element in its next UMWP update.
- Hillsborough has identified the need for over \$50M of storm drain improvements. However, there is no dedicated source of funding for storm drain improvements. LAFCo staff recommends conducting an analysis to determine if a storm drainage fee or other dedicated source of funding could alleviate reliance on the general fund for these improvements.
- In the future, the City and Town may wish to consider submitting an application to LAFCo to adjust the Town-City boundary so that this line follows the above-mentioned parcel boundaries that are currently split by the Hillsborough-San Mateo boundary line.
- LAFCo encourages the City to continue its work in the areas of natural hazard mitigation and sea level rise and continue to coordinate with partner agencies.

Commissioner Martin noted that the Town's General Plan hasn't been updated in 20 years and asked about best practices for updating General Plans. Staff noted that the Town intends to update the General Plan once the housing element has been adopted.

Chair Draper requested that staff inquire with the Town on the impact of losing excess Educational Revenue Augmentation Fund (ERAF) and how the Town would address that loss in their budget.

Commissioner Bigstycyk noted an inconsistency between the percent increase the regional housing allocation would create noted in the presentation (25%) and in the report (15%). Staff will review and correct.

Chair Draper opened and closed public comment, No comments were received.

Commissioner Chang-Kiraly and Chair Draper commended the Town of Hillsborough for their efforts.

Commission Action: Commissioner Chang-Kiraly moved to direct the Executive Officer to schedule the Final MSR for the Town of Hillsborough for a public hearing at the next Commission meeting and circulate it with any necessary amendments to the County, cities, and independent special districts. Commissioner Rarback seconded the motion which

passed unanimously by roll call vote. (Ayes: Commissioners Bigstyck, Corzo, Chang- Kiraly, Mueller, Rarback, Martin, Chair Draper.)

#### **6) Broadmoor Police Protection District Update – Information Only**

Mr. Bartoli presented the 120-day update on Broadmoor Police Protection District (BPPD). He reported on the District's fund balance, BPPD Commission regular and special meetings, Broadmoor Property Owner's Association (BPOA) meeting, BPPD's update to LAFCo and BPPD actions since LAFCo agenda publication. Next steps were noted.

Commissioner Mueller asked if the District is still in the County Pool. Staff confirmed that the District is still in the County Pool. Commissioner Mueller stated his disapproval that the District is seeking Chapter 9 bankruptcy in order to save itself, knowing that this could result in retired employees not receiving their pensions.

Commissioner Bigstyck asked whether the District's potentially seeking bankruptcy naturally leads to the process of dissolution.

Chair Draper opened public comment.

Chief Connolly noted that the District's intent is not to relieve itself of pension obligations but acknowledged that it might be a consequence of pursuing Chapter 9 bankruptcy.

Commissioner Mueller noted that if Broadmoor were to dissolve, pension obligations would not disappear. Instead, they would become the responsibility of the succeeding agency, whereas filing for bankruptcy would rob employees of their pension.

Commissioner Chang-Kiraly asked Chief Connolly about the District's creditors. Chief Connolly said the District is in discussion with their legal counsel, and he is unsure at this time.

Commissioner Martin asked Chief Connolly what the District's intent was related to filing for bankruptcy. Chief Connolly responded by saying that the goal is to save the district, figure out the finances and do a financial reorganization.

Commissioner Bigstyck asked if the District has a relationship with the Sheriff's office. Chief Connolly stated that he is having conversations with the Sheriff's office regarding sharing officer duties and co-policing in the BPPD service area.

Chair Draper asked how the District is informing the public of the District's intent to pursue bankruptcy. Chief Connolly said the resolution regarding bankruptcy is on the District's website. The District is also communicating to the public on Facebook, NextDoor and at the Broadmoor Property Owner's Association meetings.

Commissioner Corzo inquired about the statement in the District's resolution regarding the County of San Mateo relentlessly trying to dissolve the District. Chair Draper noted that LAFCo is independent of the County of San Mateo, and that LAFCo has never taken action to dissolve the District. Commissioner Corzo asked whether the County advanced property tax

revenue at the District's request. Chief Connolly stated that the County did not. Per Chief Connolly, the District did receive vehicle license fee revenue, excess ERAF and other revenue.

Commissioner Rarback remarked on the District's continued fiscal irresponsibility and said that dissolution of the District should happen now.

Commissioner Mueller expressed concern about the District's ability to fund an adequate level of police service and restated his opinion that taking away pensions is wrong.

Conversation ensued with Commissioner Bigstycck regarding strategizing for potential transition of service.

Commissioner Chang-Kiraly expressed disapproval regarding the misleading resolution from BPPD and inaccuracy of information provided to the public in the resolution.

Chief Connolly added that the District is working on dealing with the problems.

Christine Taliva'a-Aguerre, President of the Broadmoor Property Owners Association, stated that it would be helpful if the County give some additional property tax to the District or if the Sheriff would hire BPPD staff. She also noted that BPOA has invited BPPD to hold their Board meetings at their meeting space.

Andrea Hall, Broadmoor resident, noted that subsidizing the District is not a resolution to the situation. She also notes that there are ongoing issues with CalPERS and the District's resolution contains misleading information.

LAFCo staff noted that written public comment was submitted by Andrea Hall and circulated to the Commission.

Chair Draper closed public comment.

The Commission voted 7-0 to direct staff to continue discussion with the Broadmoor Police Protection District and to provide an update at the next LAFCo regarding:

- The bankruptcy process/status for BPPD
- Fiscal and budget updates, including any new budget projects
- CalPERS payments and litigation
- Outreach efforts by BPPD to the public regarding the financial state of the district and potential impacts to service
- Collaboration between LAFCo and BPPD
- The ability of the San Mateo County Sheriff's Office and the City of Daly City Police Department to provide service if necessary

Commission Action: Commissioner Chang-Kiraly moved to direct staff to continue discussions and provide an update at next LAFCo meeting. Commissioner Rarback seconded

the motion which passed unanimously by roll call vote. (Ayes: Commissioners Bigstyck, Corzo, Chang- Kiraly, Mueller, Rarback, Martin, Chair Draper.)

**7) Approval of Amendment 1 to the Broadmoor Police Protection District Special Study**

Ms. Recalde presented Amendment 1 to the Special Study to the Commission and noted the corrected calls for service data.

Chair Draper opened public comment.

Christine Taliva'a-Aguerre, President Broadmoor Property Owners Association, said residents are standing behind the District and will fight for them. She asked Commissioner Rarback to reconsider his stance on dissolution.

Andrea Hall, Broadmoor resident, stated her disapproval of the District considering taking away pensions from retired District employees in order to save themselves and said that what the District has done is wrong.

Chair Draper closed public comment.

Commission Action: Commissioner Chang-Kiraly moved to approve amendment 1 of the final Special Study for the BPPD. Commissioner Corzo seconded the motion which passed unanimously by roll call vote. (Ayes: Commissioners Bigstyck, Corzo, Rarback, Chang-Kiraly, Mueller, Martin, Chair Draper.)

**8) Year End and Quarterly LAFCo Budget Update – Information Only**

Mr. Bartoli presented the fiscal year end update for 2022-23 and year-to-date update for FY 2023-24. Revenue and expenditures are on tracking for FY 23-24.

Chair Draper opened and closed public comment, no comments were received.

**9) Legislative and Policy Committee**

**a) Legislative Report – Information Only**

Ms. Recalde gave a verbal update to the Commission and referred to legislative packet.

Commissioner Martin inquired about AB 557, a bill sponsored by the California Special Districts Association that seeks to return some of the pandemic-era teleconferencing provisions to the Brown Act and would change the timeline for legislative bodies to reaffirm an emergency from the current 30 days to 45 days. Mr. Fox noted that this bill has passed both chambers of the legislature and is awaiting the Governor's signature.

Chair Draper opened and closed public comment, no comments were received.

**10) Commissioner/Staff Reports – Information Only**

Mr. Bartoli presented the findings from the 2022 San Mateo County Crop Report. Commissioner Chang-Kiraly expressed her appreciation for the San Mateo County Crop report. Mr. Bartoli reviewed the schedule of meetings for the remainder of the year. He also informed the

Commission about Ms. Montes' transition to her new position with San Mateo County Planning and Building, acknowledged her hard work and thanked her for her support to LAFCo.

Commissioner Bigstyk invited the Commissioners to Pacifica's annual Fog Fest.

**11) Adjournment**

Chair Draper adjourned the meeting at 4:45 p.m.