

APPROVED

Action Minutes

San Mateo Local Agency Formation Commission Meeting

March 18, 2015

In the Board of Supervisors' Chambers, 400 County Center, Redwood City, California, Chair Craig called the March 18, 2015 meeting of the Local Agency Formation Commission (LAFCo) to order at 2:32 pm.

Roll Call

Members Present: Commissioners Joshua Cosgrove, Rich Garbarino, Don Horsley, Mike O'Neill, Joe Sheridan, Adrienne Tissier, and Chair Linda Craig

Members Absent: None (Alternate City Member vacancy)

Staff Present: Martha Poyatos, Executive Officer
Rebecca Archer, Deputy County Counsel
Jean Brook, Commission Clerk

Chair Craig noted that Commissioner Ric Lohman (Alternate Special District Member) was in the audience.

Consent Agenda

Commission Action: Commissioner Garbarino moved approval of the consent agenda consisting of the Action Minutes: January 21, 2015 LAFCo File No. 14-13—Proposed Extension of Water Service to 862 Sweeney Ave. (APN 054-083-170), Redwood City. Commissioner O'Neill seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Garbarino, Horsley, O'Neill, Sheridan, Tissier, and Chair Craig; Noes: None; Abstentions: None.)

Public Comment for Items Not on the Agenda

None.

Consideration of Adoption of Proposed Net Operating Budget for Fiscal Year 2015-16

Executive Officer Poyatos referred to the March 11 staff report, which outlines the two-phase budget adoption process: the Proposed Net Operating Budget must be adopted by May 1 and the final budget must be adopted by June 15. She noted that Page 3 of the report outlines the major budget issues. She said the overall Appropriations Budget that is recommended to be adopted is \$421,316, which reflects a decrease in appropriations from the previous fiscal year. She noted that there is a 14 percent increase in the Net Operating Budget and the apportionment to the funding agencies.

Ms. Poyatos noted the budget includes a narrative describing all the line items, plus a spreadsheet that includes the Actual Budget for Fiscal Years 2012-13, 2013-14, and the Proposed Fiscal Year 2015-16 Budget, which the Budget Committee reviewed and recommended be adopted. She noted that any changes to the budget based on updated

estimates would be considered by the Budget Committee and an updated budget would then be circulated to the County, cities, and special districts prior to the May 2015 LAFCo meeting.

Ms. Poyatos also noted the current year tables that show the formula that determines what percent of the one-third would be apportioned to each city and special district are included. She said that the cities and special districts can use these figures as placeholders in their respective budgets.

Public Comment: None.

Commission Action: Commissioner Tissier moved to close the public hearing. Commissioner Horsley seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Garbarino, Horsley, O'Neill, Sheridan, Tissier, and Chair Craig; Noes: None.)

Vice Chair Cosgrove noted that there is no budget for consultants in Fiscal Year 2015-16. He proposed that the Commission discuss at a future LAFCo meeting how and when other agencies use consultants for Municipal Service Reviews and Sphere of Influence Updates.

Commissioner Tissier said based on past discussions with Ms. Poyatos that it depends on the current volume of work borne by LAFCo staff.

Ms. Poyatos said in her experience, consultants are typically used so that concurrent major projects requiring extensive study can be delivered in a timely manner. She noted that San Mateo LAFCo use of consultants is significantly below that of the other LAFCos in California. She offered to create a report on this issue for future Commission consideration.

Commission Action (Roll Call Vote): Commissioner Tissier moved to consider and adopt by resolution the Proposed Net Operating Budget of \$421,316 for Fiscal Year 2015-16.

Commissioner Garbarino seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Garbarino, Horsley, O'Neill, Sheridan, Tissier, and Chair Craig; Noes: None.)

Legislative Committee Report: Consideration of Adoption of Legislative Policies and Policy for Legislative Committee to Submit Positions on Bills and Update on Chaptered Bills Affecting LAFCo

Ms. Poyatos said the Commission has appointed a Legislative Committee to assist staff in analyzing current legislation of interest to LAFCo and making recommendations to the Commission. She noted the March 11 staff report on the most recent Committee meeting where staff requested that the Commission formally adopt the CALAFCO legislative policies. At the meeting, the Committee also considered the Draft Policy authorizing the Committee to take a position on pending legislation on behalf of the Commission if there is a need to send a position letter before the Commission can meet.

Ms. Poyatos recommended that the Commission discuss and vote on adopting the CALAFCO 2014 legislative policies (which weren't anticipated to change significantly for 2015) and also adopt the policy that enables the Legislative Committee to take positions and send letters regarding legislation as noted above.

Ms. Poyatos noted that the second part of the report contains a narrative of different bills of interest to LAFCo, but that none of them were at a point where it is necessary for the Commission to take a position. She mentioned AB 402 by Assemblymember Dodd, which deals with Government Code Section 56133 and requires LAFCo approval to authorize service outside the boundaries of a city or special district. She said statewide, LAFCOs are not in agreement about what language should be included in this legislation. She said AB 402 is an example of where CALAFCO may take a position on a bill that has a provision that may not be agreeable to this LAFCo.

Ms. Poyatos recommended that the Commission consider and approve the legislative policies and the policy allowing the Legislative Committee to submit position letters on behalf of the Commission.

Commissioner Tissier asked if it would be prudent to meet with Assemblymember Dodd. Ms. Poyatos suggested waiting until the CALAFCO Legislative Committee has considered the bill and then writing a letter outlining why the bill may not work based on our local conditions.

Vice Chair Cosgrove asked how often the situation arises where a timely recommendation is needed on a bill position that could not come before the full Commission. Ms. Poyatos said it has happened in the past and that San Mateo LAFCo had been very active in legislation in the 1980s. She said she felt that having a Legislative Committee that can be engaged with current legislation will be beneficial given the bimonthly Commission meeting cycle.

Vice Chair Cosgrove asked how the Committee would report to the Commission on positions the Committee takes between scheduled Commission meetings. Ms. Poyatos said the Committee could send a position letter on a current bill and that that action would appear on the following LAFCo agenda.

Commissioner Sheridan wanted to confirm that this policy would affect the Committee's response to pending legislation only and not affect annexation and land use applications. Ms. Poyatos acknowledged that the policies only pertain to legislation.

Chair Craig noted that with policies in place, CALAFCO can suggest positions on legislation that emerges during the year that needs to be responded to quickly.

Commissioner Tissier concurred, noting that the Board of Supervisors has certain legislative policies and guidelines in place that encourage support of bills fitting these criteria without the Board having to actually see them.

Chair Craig noted that the Committee would always give a report when needed.

Public Comment:

Sabrina Brennan, San Mateo County Harbor District Board President, asked who the members of the Legislative Committee were. Ms. Poyatos responded that the Committee members were Chair Craig, and Commissioners Lohman and Horsley. She added that no Committee Chair had been chosen yet.

Commission Action: Commissioner Horsley moved to adopt the Legislative Policies and Policy for Legislative Committee to Submit Positions on Bills and Update on Chaptered Bills Affecting LAFCo. Commissioner Tissier seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Garbarino, Horsley, O'Neill, Sheridan, Tissier, and Chair Craig; Noes: None.)

Correspondence

a. CALAFCO Quarterly February 2015

Ms. Poyatos noted the newsletter outlining CALAFCO activities. She mentioned that she and Commission Clerk Jean Brook planned to attend the staff workshop on April 15-17 in Grass Valley. She said that CALAFCO had produced an updated "What is LAFCo?" brochure, which she felt wasn't necessary for San Mateo LAFCo to purchase unless for an outreach event or workshop.

b. SDRMA Letter Regarding Longevity Distribution Credit for Fiscal Year 2015-16

Ms. Poyatos noted a \$75 savings off LAFCo's 2015-16 insurance premium from SDRMA. She noted also that Workers' Compensation for staff is covered by the County and not SDRMA.

Public Comment: None.

Association of Bay Area Governments (ABAG) Report—San Francisco Bay Area State of the Region 2015: Economy, Population, Housing

Ms. Poyatos said this document is provided for information purposes only, particularly for the special districts.

Public Comment:

Kathryn Slater-Carter, Montara Water and Sanitary District (MWSD) Board Alternate and San Mateo County Special District Association President, expressed her concern over water use in the context of the ABAG report. She said that every time you put someone in a house, you need to look at water, particularly as the area enters its fourth year of drought. She stressed that none of the report recommendations can be met if there's no water. She said historically, the MWSD had a moratorium on building for almost 30 years due to the water shortage. She felt that even with exponential water cutbacks, new residents moving in will put a strain on the current water situation. She suggested that new building plans include water acquisition in their calculations.

Commissioner/Staff Reports

Ms. Poyatos noted that the North County Municipal Service Review is in progress and that a circulation draft should become available in early April. She said that she has been attending San Mateo County Harbor District meetings and that the Harbor District Municipal Service Review is underway with a circulation draft slated for the second week of May.

She noted her recent participation in several meetings and document review for the Los Trancos County Water District's efforts to initiate a dissolution proposal that would involve the County forming a county maintenance district as successor agency. She said the new District would retain those revenues for local purposes, including enhanced fire safety and stormwater runoff.

She stated that 43 property owners of homes bounded by Santa Cruz Avenue, Alameda de las Pulgas, and Sharon Road – an unincorporated area known as West Menlo Triangle -- are in serious talks with the City of Menlo Park about rezoning and annexation. She said there is much interest in increasing the use of GIS (geographical information systems), which County Planning used to analyze data points such as assessed value, number of registered voters, and land area.

Ms. Poyatos noted that there was a pre-application meeting with Stanford University real property representatives about annexation of a parcel on Sand Hill Road near Sharon Heights to the City of Menlo Park.

She said that she received an update from the Granada Community Services District manager that the District has received a survey developed in conjunction with County Parks that will help determine what the community-based needs are in the park territory within the District. She said that the District is also partnering with Coastside County Fire District to co-locate both districts in a central location in the community of El Granada. She noted that both these actions are consistent with the action plan contained in the former Granada Sanitary District's application to LAFCo to become a community services district.

Public Comment: None.

Adjournment

The meeting was adjourned at 3:00 pm.