

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

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Action Minutes San Mateo Local Agency Formation Commission Meeting June 17, 2020

Chair Cosgrove called the Wednesday, June 17, 2020 meeting of the Local Agency Formation Commission (LAFCo) to order at 2:35 pm via Zoom in accordance with Executive Order N-29-20 and N-33-20 due to COVID 19.

1. Roll Call

Members Present: Commissioners Ann Draper, Rich Garbarino, Ric Lohman, Vice Chair Warren Slocum and Chair Joshua Cosgrove. (Commissioner Horsley joined the meeting at 2:45 pm.)

Chair Cosgrove noted that Alternate Commissioners Jim O'Neill and Kati Martin were also present in the audience.

Members Absent: Commissioner Mike O'Neill

Staff Present: Martha Poyatos, Executive Officer
Rob Bartoli, Management Analyst
Rebecca Archer, Legal Counsel
Angela Montes Cardenas, Commission Clerk
Janneth Lujan, Planning Commission Executive Secretary

2. Consent Agenda

a. Approval of Action Minutes: May 20, 2020

Commission Action: Commissioner Garbarino moved to approve the consent agenda, Commissioner Draper seconded the motion, which passed unanimously by roll call vote. (Ayes: Commissioners Draper, Garbarino, Lohman, Vice Chair Slocum and Chair Cosgrove. Abstentions: None; Noes: None)

COMMISSIONERS: JOSHUA COSGROVE, CHAIR, SPECIAL DISTRICT ▪ WARREN SLOCUM, VICE CHAIR, COUNTY ▪ RICH GARBARINO, CITY ▪ DON HORSLEY, COUNTY ▪ MIKE O'NEILL, CITY ▪ RIC LOHMAN, SPECIAL DISTRICT ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATI MARTIN, SPECIAL DISTRICT ▪ HARVEY RARBACK, CITY ▪ JAMES O'NEILL, PUBLIC ▪ DAVE PINE, COUNTY

STAFF: MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL ▪ ROB BARTOLI, MANAGEMENT ANALYST ▪ ANGELA MONTES, CLERK

3. Public Comment for Items Not on the Agenda

No written or oral comments from the public.

4. Applications Received and Not Certified as Complete and Ready for Hearing (Information Only)

None

5. Consideration of Adoption of Final Work Program and LAFCo Budget for Fiscal Year 2020-21

Ms. Poyatos cited the Commission the staff report dated June 10, 2020. Ms. Poyatos stated that at the May 20 Commission hearing, Commissioners considered and approved a revised recommended budget with appropriations of \$668,796, net operating budget of \$571,717 and \$190,572 representing the 1/3 share apportioned to the County, Cities and special districts. She shared a comparison of the current fiscal year, the originally proposed budget and the revised proposed "post-COVID" budget reduced from what was originally recommended by the Budget Committee.

Ms. Poyatos stated that the June 10 report details the statutory time line for budget adoption that includes adoption at a noticed public hearing of a proposed budget and a final budget by June 15. She noted that due to the shelter in place, the March and April meetings were cancelled so this meeting was the soonest the final budget could be considered. She added that in September after the close of the fiscal year, the Commission considers amendments to the budget based on the final year end fund balance.

Ms. Poyatos highlighted that as reported in May the recommended final budget includes updated cost information provided by the County, reductions identified by staff to minimize the costs to our funding agencies in light of the anticipated revenue losses due to the Shelter in Place and the additional spending by agencies to respond to COVID-19. She stated that reductions included reducing reserve from 3% to 2%, eliminating travel as staff is willing to forgo reimbursement for attendance at CALAFCo events and commissioners would attend at their own expense, and elimination of Administrative leave cash out.

Ms. Poyatos added that this is the first full fiscal year in which LAFCo is staffed at 2.5 full time positions and that even with reductions in discretionary expenditures, the proposed 20-21 FY budget is \$45,758 greater than the adopted FY 19-20. She also noted that the work program on page 4 details the municipal service reviews to be completed by staff including the recently requested update to the 2015 Harbor District MSR, as well as policy updates, and outreach with various cities on annexation programs.

Ms. Poyatos explained that following the Commission approval of the proposed budget at the May 20 hearing, staff circulated the budget to the County, cities and special districts and as of this morning we have not received comments.

Ms. Poyatos recommended that the Commission open the public hearing and accept public comment, consider and approve by resolution the proposed appropriations budget of \$668,796 and to direct staff to distribute the final budget to the County, cities and independent special districts.

Chair Cosgrove opened and closed the public hearing. No oral or written comments were received.

Commissioner Lohman thanked staff for reducing the budget where possible.

Commission Action: Commissioner Lohman moved to approve adoption of the final work program and LAFCo budget for Fiscal Year 2020-21, Vice Chair Slocum seconded the motion, which passed unanimously by roll call vote. (Ayes: Commissioners Draper, Garbarino, Lohman, Vice Chair Slocum and Chair Cosgrove. Abstentions: None; Noes: None)

6. Legislative and Policy Committee

6a. Consideration of Update of Procedures for the Evaluation of Proposals Policy

Mr. Bartoli provided an oral presentation to the Commission on the updates that staff and the Legislative and Policy Committee were implementing to the current adopted policies and procedures concerning general rules for hearings, municipal service review and sphere of influence and sphere updates, consideration of boundary change proposals. Mr. Bartoli highlighted that the policy today was the Procedures for the Evaluation of Proposals which is intended to provide detailed information about the LAFCo applications procedures. He also shared that while this policy was last updated in 2001, the Commission and staff have utilized the most up to date versions of the Cortese-Knox-Hertzberg Act when evaluating proposals.

Mr. Bartoli stated that changes in the Act since that time include additions and amendments to the factors to consider in reviewing a proposal and definitions. He also shared that as mentioned at the January 2020 Commission meeting, one such factor is related to environmental justice. Staff is concerned that a recent bill, AB 1628, could be interpreted to limit Commission consideration of this factor to instances that involve siting environmentally damaging facilities in or near disadvantaged communities. He said staff is proposing the use of an expanded definition of environmental justice that is used in other sections in State government code.

Other changes to the policy include, referencing code sections as footnotes and not in text, consistent with other recently updated policies, removal of general LAFCo introduction and background, addition of definitions, requirement of Assessor's map upon submittal and copies of environmental documents, and general formatting and numbering changes.

On February 24, 2020 the Commission's Legislative and Policy reviewed the draft policies and recommended that the policy documents be circulated the County, cities, special districts and other interested parties for comment prior to consideration and adoption at the September 16, 2020 LAFCo meeting.

Chair Cosgrove opened and closed the public hearing. No oral or written comments were received.

Commission Action: Commissioner Garbarino moved to direct staff to circulate the draft update to the Procedures for the Evaluation of Proposals to the County, cities, special districts, and other interested parties, and place the consideration of adoption of the policy on the September 16, 2020 meeting agenda. Vice Chair Slocum seconded the motion, which passed unanimously by roll call vote. (Ayes: Commissioners Draper, Garbarino, Horsley, Lohman, Vice Chair Slocum and Chair Cosgrove. Abstentions: None; Noes: None)

6b. Legislative Report

Mr. Bartoli presented an update that as reported in May, the Commission's Legislative and Policy Committee met on February 24 and reviewed 25 bills that CALAFCO was tracking at the time. CALAFCO is now tracking 26 bills. He noted that of these 26 bills, 4 are holdovers from the 2019-20 legislative session and are not moving forward in the current legislative year. Mr. Bartoli stated that as of today, the tracker was reduced down to 15 bills. He stated he wanted to thank CALAFCO for all their efforts in tracking these pieces of legislation.

Mr. Bartoli noted that since the return of the State Legislature to Sacramento in May, much of the lawmakers' focus has been on the State budget and response to COVID-19. He said that the Legislature is currently negotiating with Governor Newsom to pass a budget bill by the required June 15 constitutional deadline and that LAFCo staff will continue to monitor the State budget for impacts to member agencies.

7. Commissioner/Staff Reports

Commissioner Horsley asked staff if they received a request from the County to refresh the Harbor District MSR. Ms. Poyatos confirmed that LAFCo received the request in writing and that staff would start the review in the coming weeks.

Ms. Poyatos reported that LAFCo staff will be following office reopening plan that County Planning will implement. She noted that there is no information on when the building will

be re-open, but it is anticipated that a kiosk will be installed in the lobby. Staff continues to work from home and transact business in assisting the public.

8. Adjournment

Chair Cosgrove adjourned the meeting at 2:58 p.m.