

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

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Action Minutes San Mateo Local Agency Formation Commission Meeting July 15, 2020

Cosgrove called the Wednesday, July 15, 2020 meeting of the Local Agency Formation Commission (LAFCo) to order at 2:30 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, Ric Lohman, Don Horsley, Mike O'Neill, Vice Chair Warren Slocum and Chair Joshua Cosgrove.

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

Members Absent: Commissioner Rich Garbarino

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

2. Consent Agenda

a. Approval of Action Minutes: June 17, 2020

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

3. Public Comment for Items Not on the Agenda

No written or oral comments from the public.

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, COMMISSION CLERK

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

None

5. Consideration of Municipal Service Review Circulation Draft for the San Mateo Resource Conservation District

Martha Poyatos and Rob Bartoli gave verbal report to the Commission. Ms. Poyatos began by giving historical information regarding the San Mateo Resource Conservation District. She stated that the first Municipal Service Review (MSR) was completed in 2006 at which time the District had very limited staffing that was augmented by volunteer board members. She noted that since that time, that District has grown from a staff consisting of Executive Director and part time finance person to a staff of 16 full time equivalent positions. Ms. Poyatos shared that while the operating budget varies from year to year, the last five fiscal years have been in the range of \$1.9 to \$13 million including grant funded projects, compared to \$176,000 in 2006. She stated that a consistent challenge for the District remains the low and stagnant share of property tax that was \$40,000 in 2006 and \$65,000 in FY2020.

Rob Bartoli stated that the municipal service reviews are intended to serve as a tool to help LAFCo, the public and other agencies better understand public service governance and delivery and evaluate options for the provision of efficient and effective public services. He shared that two draft documents, the Administrative Review and Circulation Review had been sent to RCD. He elaborated that the report identifies the required areas of determination including financial ability of the agency, accountability shared services, population growth, and disadvantaged communities, as well as analyzing local policies regarding water and natural hazards. Mr. Bartoli reiterated that the District received limited property tax revenue due to rural lands, Williamson Act Contracts, and public or non-profit land ownership. He shared that SMRCD relied heavily on grant funding sources and contracts with government agencies. These funds come with very specific requirements about how money can be used. He stated that it might be worthwhile revisiting the possibility of shared service position with other agencies.

Mr. Bartoli shared that the circulated draft includes staff recommendations including County and the District could consider annexation of areas already served by the District accompanied by a property tax transfer, a more stable source of revenue in lieu of the annual grant from the County. He summarized other recommendations including: the District should also consider utilizing footnotes or other budget narrative that could be posted along with each fiscal year's budget; consider additional revenue sources to fund ongoing administrative costs; creating a long-range work plan, posting audio or video of

meetings on the District's website; RCD Board review of contracts and additional financial policies.

Mr. Bartoli stated that the District provided comments to LAFCo on July 7 on the Administrative Draft. This led to corrections and comments on factual information from RCD, which has been incorporated in the circulation draft. Comments from interested parties should be submitted by August 21, 2020.

Ms. Poyatos and Mr. Bartoli answered questions and addressed comments from the Commission.

Commission Action: Commissioner Lohman moved to approve and direct the Executive Officer to schedule the Final Municipal Service Review for the San Mateo Resource Conservation District for a public hearing at the September 16, 2020 Commission meeting and circulate it with any necessary amendments to the County, cities, and independent special districts, Commissioner Horsley seconded the motion, which passed unanimously by roll call vote. (Ayes: Commissioners Draper, Horsley, Lohman, O'Neill, Vice Chair Slocum and Chair Cosgrove. Abstentions: None; Noes: None)

6. Legislative and Policy Committee

Rob Bartoli gave a brief update to the Commission. He stated that 13 bills are being tracked by CALAFCO, but that none are moving forward this year. Mr. Bartoli gave an update on the State budget and noted that since their return in May, the Legislature has focused on COVID response and the State budget was approved on the 9th, noting that potential budget cuts would be necessary if the State does not receive \$14 billion in federal funds by September 1.

Ms. Poyatos addressed Commissioner Horsley's concern regarding CSA 11 and the potential impact of SB 1280 noting that the proposed legislation could force water districts with limited supply to consolidate with other systems with water supply or quality problems, which would have a negative impact on adjacent water districts.

7. CALAFCO

a. Nominations for 2020-2021 CALAFCO Board of Directors

Ms. Poyatos referred to the staff report dated June 8th regarding nominations for CALAFCo Board Members for the Coastal region.

b. CALAFCO Quarterly Newsletter

Ms. Poyatos referred to the newsletter and shared that Pamela Miller will be staying on with CALAFCO.

8. Commissioner/Staff Reports

Ms. Poyatos reported that the annual CALAFCO conference is cancelled due to COVID-19, but in the meantime there will be three on-line sessions of CALAFCO 101 series and that these would be free to CALAFCo members.

9. Adjournment

Chair Cosgrove adjourned the meeting at 3:10 p.m.

DRAFT