

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

Action Minutes

San Mateo Local Agency Formation Commission Meeting

July 18, 2018

In the Board of Supervisors' Chambers, 400 County Center, Redwood City, California, Chair O'Neill called the Wednesday, July 18, 2018 meeting of the Local Agency Formation Commission (LAFCo) to order at 2:30 pm.

1. Roll Call

Members Present: Commissioners Joshua Cosgrove, Don Horsley, Joe Sheridan, Warren Slocum, and Chair Michael O'Neill

Members Absent: Commissioners Ann Draper and Rich Garbarino

Staff Present: Martha Poyatos, Executive Officer
Rebecca Archer, Legal Counsel
Janneth Lujan, Executive Secretary

2. Consent Agenda

- a. Approval of Action Minutes: April 18, 2018
- b. Approval of Action Minutes: May 16, 2018
- c. LAFCo File 18-07—Proposed Annexation of 15 Kiowa Court to the West Bay Sanitary District (1.33 acres)

Commission Action: Commissioner Horsley moved to approve the consent agenda consisting of the Action Minutes for April 18, 2018 and May 15, 2018, and LAFCo File 18-07—Proposed Annexation of 15 Kiowa Court to the West Bay Sanitary District (1.33 acres). Commissioner Cosgrove seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Horsley, Sheridan, Slocum, and Chair O'Neill; Abstentions: None; Noes: None.)

3. Public Comment for Items Not on the Agenda

Cynthia Cornel, founder of Housing for All Burlingame, commented on the Peninsula Health Care District. She noted she had met with the District's CEO and a Board member several years prior regarding the need to provide affordable assisted living care at the Trousdale development. She said since then she had written several letters to the editor and an OpEd about using the District's lands for the public good and not as investment properties. She said

COMMISSIONERS: MIKE O'NEILL, CHAIR, City ▪ ANN DRAPER, VICE CHAIR, Public ▪ JOSHUA COSGROVE, Special District ▪ RICH GARBARINO, City
DON HORSLEY, County ▪ JOE SHERIDAN, Special District ▪ WARREN SLOCUM, County

ALTERNATES: KATI MARTIN, Special District ▪ HARVEY RARBACK, City ▪ SEPI RICHARDSON, Public ▪ DAVE PINE, County

STAFF: MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL

this development and another in process would offer market rate units for assisted living care, which most District residents would not be able to afford. She said she had requested LAFCo to review the District and determine if it was meeting the public good or not.

William Nelson, Burlingame, commented on the Peninsula Wellness Community proposal by the Peninsula Health Care District. He said he lived adjacent to the parcel the District was considering for the proposed project. He expressed concern with the District's level of community outreach. He said that the process and proceedings were not transparent and that the District met at inconvenient times for public attendance. He said as mentioned by the other speaker, the housing was proposed at market rate contradicting the District website's description that the project would solve the area's need for senior housing. He said the real goal seemed to be to get as much revenue from the real property as possible and it was a very large and intrusive development in a very small residential community.

4. LAFCo File 18-06 – Proposed Water Extension by the City of Redwood City to 752 Hillcrest (APN 068-071-479) Pursuant to Government Code Section 56133

Executive Officer Poyatos referred to the written staff report dated July 11, 2018. She showed the parcel on a map demonstrating the parcel was not immediately contiguous to the City of Redwood City's boundary. She noted that Government Code Section 56133 provided for LAFCo approval of water or sewer extension outside city or district boundaries in anticipation of annexation. She said the Commission at its May meeting considered a similar proposal and expressed concern for that LAFCo approval should be based on evidence of anticipated future annexation. She said this concern was expressed to City staff but the action by the City did not include an annexation agreement with the property owner similar to what the City does for sewer service extensions. She said for this proposed water extension staff recommended conditioning approval of it upon further action by the City to require an annexation agreement, which would allow for a letter of approval to be issued by the LAFCo Executive Office when the City or property owners provided an executed annexation agreement.

Chair O'Neill opened the public hearing and closed it as there were no speakers.

Commission Action: Commissioner Horsley moved to approve LAFCo File 18-06 – Proposed Water Extension by City of Redwood City to 752 Hillcrest Way (APN 068-071-470) (Unincorporated San Mateo County) pursuant to Government Code Section 56133, conditioned upon an executed annexation agreement between the City and the property owner. Commissioner Cosgrove seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Horsley, Sheridan, Slocum and Chair O'Neill; Abstentions: None; Noes: None.)

5. Consideration of Authorizing Executive Officer to execute an engagement letter with R. J. Ricciardi, Inc. for auditing services for the Fiscal year ending June 30, 2019.

Executive Officer Poyatos said the staff report stated July 11 explained that under the contract with the County that previously the LAFCo budget was shown under the General Fund and was part of the County's audit process. She said with the fiscal year beginning July 1, 2018 action was taken to move LAFCo's budget out of General Fund and place it in a trust fund clarifying better LAFCo's status as an independent Commission. She said with this action it was necessary for LAFCo to contract with independent auditors for its annual audit beginning with the Fiscal Year ending June 30, 2019. She said the auditor that staff was recommending had several LAFCo clients and references were provided. She said the proposal for the audit was \$7,700 and would be payable in the Fiscal Year 2019-2020. She requested the Commission's authorization for her to sign an engagement letter from R. J. Ricciardi, Inc. for auditing services.

Chair O'Neill opened the public hearing.

Jim O'Neill, Redwood City, asked if the \$7,700 was a fixed price or an estimate.

Executive Officer Poyatos said it was a fixed price and further noted the relative small size of LAFCo's budget.

Chair O'Neill closed the public hearing.

Commission Action: Commissioner Cosgrove moved to authorize the Executive Officer to execute the attached engagement letter with R. J. Ricciardi, Inc. Commissioner Horsley seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Horsley, Sheridan, Slocum and Chair O'Neill; Abstentions: None; Noes: None.)

6. Legislative Report

Executive Officer Poyatos noted the staff report dated July 13, 2018 and the attached CALAFCO Daily Legislative Report which tracks all LAFCo-related bills or bills that could impact LAFCo. She said also attached was a letter to the Governor from the Executive Officer, authorized by the Commission's Legislative Committee, requesting the Governor sign AB 3524, the LAFCo omnibus bill making technical and clarifying revisions to the Cortese-Knox-Hertzberg law. She said she did not have any recommended actions on any of the listed items.

Commissioner Horsley asked about the applicability of SB 1215 for provision of sewer service to disadvantaged communities to certain areas of the County of San Mateo such as La Honda and Pescadero. Counsel Archer said she would need to review further and could respond later as to whether the state could order the county to provide service in such an instance and what the definition of disadvantaged community was. Commissioner Horsley asked Legal Counsel to also look at AB 2050, small water system authorization.

7. California Association of Local Agency Formation Commissions (CALAFCO)
 - a. 2018 Annual Conference, October 3-5, Tenaya Lodge, Yosemite

Executive Officer Poyatos explained who was eligible to attend and the process of registration and reimbursement. She asked that the Commissioners let her know by the deadline noted in the staff report so she might secure reservations.

- b. Call for Nominations for 2018-2019 CALAFCO Board Members due by September 4, 2018

Executive Officer Poyatos noted that the state LAFCos were considered as four regions, with San Mateo LAFCo in the Coastal Region. She said County member and District member positions on the CALAFCO Board for the Coastal Region would open. She said if a Commissioner would like to consider running for election to that Board that the Commission could make nominations at its September meeting. She noted the deadline for submitting nomination papers was September 24.

- c. 2018 Achievement Award Nominations due by August 3, 2018

Executive Officer Poyatos noted the annual recognition program and that a nomination would need to be made at this meeting. General discussion ensued with no nominations made.

8. Conflict of Interest Code (COI) Biennial Review

Executive Officer Poyatos said the staff report dated July 12 explained that every two years the Commission was required to review the positions in its conflict of interest code subject to it. She said staff recommended adding the position of Management Analyst that was expected to be filled by the end of summer.

Chair O'Neill opened the public comment period and closed it as there were no speakers.

Commission Action: Commissioner Horsley moved to add the position of Management Analyst to the list of positions required to do conflict of interest reporting and filing. Commissioner Cosgrove seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Horsley, Sheridan, Slocum and Chair O'Neill; Abstentions: None; Noes: None.)

9. Appointment of Public Member and Alternate Public Member

Executive Officer Poyatos said the Commission's Public Member Recruitment Committee of Chair O'Neill and Commissioners Martin and Horsley interviewed applicants, noting there were numerous applications. She said the Committee recommended reappointing Ann Draper for the

Public Member position and appointing James O'Neill of Redwood City for the Alternate Public Member position.

Chair O'Neill opened public comment and closed it as there were no speakers.

Commission Action: Commissioner Horsley moved to appoint James O'Neill as the Alternate Public Member. Chair O'Neill seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Horsley, Sheridan, Slocum and Chair O'Neill; Abstentions: None; Noes: None.)

Commission Action: Commissioner Horsley moved to reappoint Ann Draper as the Public Member. Commissioner Cosgrove seconded the motion, which passed unanimously. (Ayes: Commissioners Cosgrove, Horsley, Sheridan, Slocum and Chair O'Neill; Abstentions: None; Noes: None.)

10. Announcement of Independent Special District Selection Committee Results for Special District Member Term ending May 2022

Executive Officer Poyatos said an electronic mail ballot process with the Special District Selection Committee, consisting of the Board Presidents of the 21 Independent Special Districts in the County, was conducted for the Independent Special District position. She said they received 12 ballots with nine of those for Joshua Cosgrove and three for Fran Dehn, West Bay Sanitary District. She said Commissioner Cosgrove was reelected for another four years.

11. Commissioner/Staff Reports

None.

12. Adjournment

Commission Action: Commissioner Horsley moved to adjourn. Commissioner Cosgrove seconded the motion, which passed unanimously.

The meeting was adjourned at 2:58 p.m.