



LAFCO

Alameda Local Agency Formation Commission

NOTICE OF REGULAR MEETING AND AGENDA

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

THURSDAY, JULY 13, 2023

2:00 P.M.

Karla Brown, Chair — Ralph Johnson, Vice Chair — Nate Miley — David Haubert — Melissa Hernandez — Maria Fariellen — Sblend Sblendorio
Lena Tam, Alternate — John Marchand, Alternate — Georagan Vonheeder-Leopold, Alternate — Bob Woerner, Alternate

In Person:

Council Chamber
Dublin City Hall
100 Civic Plaza
Dublin, CA 94658

Or from the following remote locations:

- 1221 Oak Street, Suite 536, Oakland, CA 94612
- 4501 Pleasanton Avenue, Pleasanton, CA 94566
- 6302 E. Camelback Road in Scottsdale, AZ 85252

Via Video-Teleconference Participation:

<https://us02web.zoom.us/j/82983511571?pwd=bi8xWkVsU2QxYjB3bzE2S2lubnN2Zz09>

Meeting ID: 829 8351 1571

Password (if prompted): lafco or 140331

(669)-900-9128

Remote participation by e-mail is also welcomed by sending comments to LAFCO staff at rachel.jones@acgov.org. All e-mails received before 4:00 P.M. one business day before the meeting will be forwarded to the Commission and posted online. These comments will also be referenced at the meeting.

If you need assistance before the meeting, please contact Executive Officer, Rachel Jones at: rachel.jones@acgov.org

1. **2:00 P.M. – Call to Order and Pledge of Allegiance**
2. **Roll Call**
3. **Public Comment:** Anyone from the audience may address the Commission on any matter not listed on the agenda and within the jurisdiction of Alameda LAFCO. The Commission cannot act upon matters not appearing on the agenda. *Speakers are limited to three (3) minutes.*

4. Consent Items:

- a. Approval of Meeting Minutes: May 11, 2023 Regular Meeting and Strategic Planning Session
- b. ACRCO 2nd Contract Amendment
- c. Chase Designs 2nd Contract Amendment

5. Draft Report on Alameda LAFCO's South Livermore Valley Special Study – (Business)

The Alameda Local Agency Commission (LAFCO) will receive a draft report and presentation from consultant, Scott Gregory of Lamphier-Gregory on its *South Livermore Valley Special Study*. The report has been commissioned to provide objective information and data that may better inform deliberations and potential future policy decisions pertaining to the South Livermore Valley area through the support of agricultural preservation policies and the extension of municipal services.

LAFCO Staff Recommendation: The draft is being presented to the Commission for initial discussion and feedback ahead of initiating a formal 30-day public review and comment period.

6. Draft Report on Alameda LAFCO's Initial Feasibility Analysis – (Business)

The Alameda Local Agency Commission (LAFCO) will receive a draft report and presentation from consultant, Richard Berkson of Berkson Associates on its Initial Feasibility Analysis (IFA) for the potential incorporation of the unincorporated communities of Castro Valley, Ashland, Cherryland, San Lorenzo, Fairview, and Hayward Acres.

LAFCO Staff Recommendation: The draft is being presented to the Commission for initial discussion and feedback ahead of initiating a formal 30-day public review and comment period.

7. Contract Award for Community Services Municipal Service Review – (Business)

The Alameda Local Agency Formation Commission (LAFCO) will consider awarding a service contract to the consulting firm, RSG, to perform work associated with LAFCO's Community Service Municipal Service Review and relevant sphere of influence updates for the contract period of eighteen months, starting in August 2023; in an amount not to exceed \$129,695.

LAFCO Staff Recommendation: Staff recommends approval.

8. Policy and Budget Committee Member Appointment – (Business)

The Alameda Local Agency Formation Commission (LAFCO) will consider the appointment of one Commissioner to the Commission's Standing Policy and Budget Committee.

LAFCO Staff Recommendation: Appoint a Commissioner to the Policy and Budget Committee

9. CALAFCO Annual Conference and Achievement Award Nominations – (Business)

The Alameda Local Agency Formation Commission (LAFCO) will consider action items relating to the California Association of Local Agency Formation Commissions (CALAFCO) Annual Conference scheduled for October 18th – 20th in Monterey.

LAFCO Staff Recommendation: Appoint a voting delegate and alternate voting delegate for the 2023 CALAFCO Annual Conference; and advise staff or the Chair on any nominations for the CALAFCO Board of Directors or Achievement Awards.

- 10. Matters Initiated by Members of the Commission**
- 11. Executive Officer Report**
- 12. Informational Items**
 - a. Current and Pending Proposals
 - b. Alameda LAFCO Host of 2024 Staff Workshop from April 24-26
- 13. Adjournment of Regular Meeting**

Next Meetings of the Commission

Policy and Budget Committee Meeting

Thursday, August 3, 2023 at 2:00 p.m., Dublin City Hall, RMR

Regular Meeting

Thursday, September 14, 2023 at 2:00 p.m., Dublin City Hall, Council Chamber

DISCLOSURE OF BUSINESS OR CAMPAIGN CONTRIBUTIONS TO COMMISSIONERS

Government Code Section 84308 requires that a Commissioner (regular or alternate) disqualify herself or himself and not participate in a proceeding involving an "entitlement for use" application if, within the last twelve months, the Commissioner has received **\$250 or more in business or campaign contributions from an applicant, an agent of an applicant, or any financially interested person who actively supports or opposes a decision on the matter.** A LAFCo decision approving a proposal (e.g., for an annexation) will often be an "entitlement for use" within the meaning of Section 84308. Sphere of Influence determinations are exempt under Government Code Section 84308.

If you are an applicant or an agent of an applicant on such a matter to be heard by the Commission and if you have made business or campaign contributions totaling \$250 or more to any Commissioner in the past twelve months, Section 84308(d) requires that you disclose that fact for the official record of the proceeding. The disclosure of any such contribution (including the amount of the contribution and the name of the recipient Commissioner) must be made either: 1) In writing and delivered to the Secretary of the Commission prior to the hearing on the matter, or 2) By oral declaration made at the time the hearing on the matter is opened. Contribution disclosure forms are available at the meeting for anyone who prefers to disclose contributions in writing.

Pursuant to GC Section 84308, if you wish to participate in the above proceedings, you or your agent are prohibited from making a campaign contribution of \$250 or more to any Commissioner. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until 3 months after a final decision is rendered by LAFCO. If you or your agent have made a contribution of \$250 or more to any Commissioner during the 12 months preceding the decision, in the proceeding that Commissioner must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner returns that campaign contribution within 30 days of learning both about the contribution and the fact that you are a participant in the proceedings. Separately, any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three (3) working days prior to the meeting for any requested arrangements or accommodations.

Alameda LAFCO Administrative Office
224 West Winton Avenue, Suite 110
Hayward, CA 94544
T: 510.670.6267
W: alamedalafco.org



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 4a

TO: Alameda Commissioners

FROM: April L. Raffel, Commission Clerk

SUBJECT: **May 11th Regular Meeting and June 23rd Strategic Planning Session Minutes**

The Alameda Local Agency Formation Commission (LAFCO) will consider draft minutes prepared for the meeting held on May 11, 2023, and Strategic Planning Session on June 23, 2023. The minutes are in action-form and being presented for formal Commission approval.

Background

The Ralph M. Brown Act was enacted by the State Legislature in 1953 and – among other items – requires public agencies to maintain written minutes for qualifying meetings.

Discussion

This item is for Alameda LAFCO to consider approving action minutes for the May 11, 2023, regular meeting and June 23, 2023, Strategic Planning Session. The attendance record for the meeting follows.

- All Commissioners were present for the regular meeting, except David Haubert (County of Alameda), Sblend Sblendorio (Public) and Mariellen Faria (Special District)
- All Alternate Commissioners were present for the regular meeting.
- All Commissioners were present for the Strategic Planning Session.
- All Alternate Commissioners were present for the Strategic Planning Session except Lena Tam (County of Alameda) and Georgean Vonheeder-Leopold (Special District)

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Approve the draft minutes prepared for Alameda LAFCO’s May 11, 2023, regular meeting and June 23, 2023, Strategic Planning Session (Attachment 1 and 2) with any desired corrections or clarifications.

Alternative Two:

Continue consideration of the report to a future meeting and provide direction to staff as needed.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



April L. Raffel
Commission Clerk

Attachments:

1. Draft Meeting Minutes for March 9, 2023, Regular Meeting
2. Draft Meeting Minutes for June 23, 2023, Special Meeting (Strategic Planning Session)

SUMMARY ACTION MINUTES
ALAMEDA LOCAL AGENCY FORMATION COMMISSION
May 11, 2023, REGULAR MEETING

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. ROLL CALL

The regular meeting was called to order at 2:06 p.m. by Chair Brown.
The Commission Clerk performed the roll call with the following attendance recorded.

Regulars Present: Karla Brown, City of Pleasanton
Melissa Hernandez, City of Dublin
Ralph Johnson, Castro Valley Sanitary District
Nathan Miley, County of Alameda

Alternates Present: John Marchand, City of Livermore
Lena Tam, County of Alameda (voting)
Georgean Vonheeder-Leopold, Dublin San Ramon Services District
(voting)
Bob Woerner, Public (voting)

Members Absent: David Haubert, County of Alameda
Sblend Sblendorio, Public
Mariellen Faria, Special District

The Commission Clerk confirmed a quorum was present with seven voting members. Also present at the meeting were Executive Officer Rachel Jones, Commission Counsel Scott Dickey, and Commission Clerk April Raffel.

Commissioner Miley arrived at 2:30 p.m.

3. WELCOME NEW COMMISSIONER:

The Commission learned the outcome of the appointment made by the Independent Special District Selection Commission election of Mariellen Faria, Eden Township Healthcare District, for the special district seat held on May 10, 2023.

4. PUBLIC COMMENT:

Chair Brown invited anyone from the public to address the Commission on any matter not listed on the agenda and within the jurisdiction of the Commission.

The Commission Clerk confirmed there were no public comments to address the Commission. Chair Brown closed the public hearing.

5. APPOINTMENT OF ALTERNATE PUBLIC MEMBER:

The Alameda Local Agency Formation Commission (LAFCO) considered the recommendation from its Ad Hoc Selection Committee to appoint – Bob Woerner – as the Alternate Public Member.

Executive Officer Jones gave a verbal presentation stating at its January 12th regular meeting the Commission authorized staff to begin the recruitment of its Alternate Public Member seat and establish an ad hoc selection committee to review applications for the position. On March 31st, the Committee interviewed two applicants, and based on the interviews, expertise, and LAFCO knowledge, the Committee recommended the appointment of Bob Woerner as the Alternate Public Member. The appointment of the public member requires an affirmative vote of at least one member from each appointing authority: County, City, and Special District members.

Chair Brown opened the public hearing. The Commission Clerk confirmed there were no public comments. Chair Brown closed the public hearing.

Alternate Commissioner Marchand motioned with a second from Commissioner Hernandez to approve the alternate public member. Roll call requested:

AYES: Brown, Hernandez, Johnson, Marchand, Tam (voting for County), Vonheeder-Leopold (voting for Special District)
NOES: None
ABSENT: Haubert, Miley, and Sblendorio
ABSTAIN: None

The Commission Clerk confirmed the motion was approved 6-0.

6. CONSENT ITEMS

Item 6a

Approval Meeting Minutes for March 9, 2023

Item presented to approve draft action minutes prepared for the Commission's March 9, 2023 regular meeting. Recommendation to approve.

Item 6b

Approval of Quarterly Budget Report for Fiscal Year 2022-2023

Item presented to accept and file a Quarterly Budget Report for 2022-2023. Recommendation to approve.

Item 6c

Proposed Bylaws Amendment for Regular Meeting Location

Item presented to consider approval of the Proposed Bylaws Amendment for Regular Meeting Location. Recommendation to approve.

Item 6d

Approval of Contract Award for Professional Auditing Services

Item presented to consider approval of the Contract Award for Professional Auditing Services. Recommendation to approve.

Chair Brown asked if any Commissioners would like to pull any consent agenda item. No Commissioners wanted to pull any item from the consent agenda.

Chair Brown invited public comments. The Commission Clerk confirmed there were no public comments. Chair Brown proceeded to close the public hearing.

Alternate Commissioner Marchand motioned with a second from Alternate Commissioner Vonheeder-Leopold to approve the consent calendar. Roll call requested:

AYES: Brown, Hernandez, Johnson, Tam (voting for County), Vonheeder-Leopold (voting for Special District), and Woerner (voting for Public)
NOES: None
ABSENT: Haubert, Miley, and Sblendorio
ABSTAIN: None

The Commission Clerk confirmed the motion was approved 6-0.

7. Nomination and Election of Chair and Vice Chair – (Business)

Item presented to nominate and elect the Commission Chair and Vice Chair for a period of two calendar years.

Executive Officer Jones gave a staff report stating Alameda LAFCO elects its officers (Chair and Vice-Chair) at the May regular meeting for a period of two years, with newly elected officers assuming office at the next regular meeting. As set forth in the Commission's Policies and Procedures, the city member is the next Commissioner to serve as Chair in the established rotation for officers. Staff recommends the Commission nominate and elect the city member as Commission Chair and elect and nominate a Vice-Chair for a two-year period.

Chair Brown opened the public hearing. The Commission Clerk confirmed there were no public comments to address the Commission. Chair Brown proceeded to close the public hearing.

Chair Brown invited Commission discussion.

Alternate Commissioner Marchand nominated Commissioner Brown to be the Chair and Alternate Commissioner Vonheeder-Leopold nominated Commissioner Johnson to be the Vice Chair with a second from Alternate Commissioner Marchand. Roll call requested:

AYES: Brown, Hernandez, Johnson, Tam (voting for County), Vonheeder-Leopold (voting for Special District), and Woerner (voting for Public),
NOES: None
ABSENT: Haubert, Miley, and Sblendorio
ABSTAIN: None

The Commission Clerk confirmed the motion was approved 6-0.

8. Presentation from Alameda County Water District on Groundwater Conditions – (Business)

The Alameda Local Agency Formation Commission (LAFCO) received a presentation from Michelle Walden, Groundwater Resources Manager of the Alameda County Water District (ACWD), regarding the management of Niles Cone Subbasin 2.09.01 (Niles Cone).

Chair Brown invited Commission questions. Commission discussion followed.

Chair Brown invited public comments. The Commission Clerk confirmed there was one public comment to address the Commission. A comment was received from the following person:

- Kelly Abreau

Chair Brown proceeded to close the public hearing. Commission discussion continued.

9. Presentation on Multi-Agency Water Reuse Programs – (Business)

The Alameda Local Agency Formation Commission (LAFCO) received a presentation from Eric Rosenblum P.E. BCEE, a licensed and board-certified environmental engineer who helps industrial and municipal clients through the evaluation of alternatives, development of agreements and the design and implementation of sustainable water reuse projects.

Chair Brown invited Commission questions. Commission discussion continued.

Chair Brown opened the public hearing. The Commission Clerk confirmed there were public comments to address the Commission. Comments were received from the following persons:

- Kelly Abreau
- Gary Wolf

Chair Brown proceeded to close the public hearing.

10. Adoption of Final Operating Budget and Work Plan for FY 2023-2024 – (Public Hearing)

The Alameda Local Agency Formation Commission (LAFCO) considered adopting a final budget and work plan for the fiscal year 2023-2024. Both items return following their adoption in draft form and subsequent public review period. The final budget and work plan remain intact from its initial draft. The final budget expenses total \$784,740, representing an increase of \$38,312 or 5.1% from the current fiscal year. Recommendation to adopt the resolution approving the final budget and work plan for 2023-2024 and circulate the final budget to all LAFCO funding agencies.

Chair Brown invited Commission questions.

Chair Brown opened the public hearing. The Commission Clerk confirmed there were no public comments to address the Commission. Chair Brown proceeded to close the public hearing.

Alternate Commissioner Vonheeder-Leopold motioned with a second from Commissioner Hernandez to adopt the Final Operating Budget and Work Plan for FY 2023-2024. Roll call requested:

AYES: Brown, Hernandez, Johnson, Miley, Tam (voting for County), Vonheeder-Leopold (voting for Special District), and Woerner (voting for Public)
NOES: None
ABSENT: Haubert and Sblendorio
ABSTAIN: None

The Commission Clerk confirmed the motion was approved 7-0.

11. Initiate Government Code 56831(c) for Delinquent Agency Contributions – (Business)

The Alameda Local Agency Formation Commission (LAFCO) will consider authorizing the Executive Officer to initiate Government Code 56381(c) to request the County Auditor to collect payments from three delinquent agencies. Recommendation to approve a draft resolution to initiate payment collection process.

Chair Brown asked what methods were used to receive the funds. Executive Officer Jones reported the Auditor sent out three notices to retrieve the funds before bringing the matter to the Commission.

Chair Brown invited Commission questions. Commission discussion followed.

Chair Brown opened the public hearing. The Commission Clerk confirmed there were no public comments to address the Commission. Chair Brown proceeded to close the public hearing.

Alternate Commissioner Woerner motioned with a second from Commissioner Johnson to approve a draft resolution to initiate the payment collection process. Roll call requested:

AYES: Brown, Hernandez, Johnson, Miley, Tam (voting for County), Vonheeder-Leopold (voting for Special District), and Woerner (voting for Public)
NOES: None
ABSENT: Haubert and Sblendorio
ABSTAIN: None

The Commission Clerk confirmed the motion was approved 7-0.

12. MATTERS INITIATED BY MEMBERS OF THE COMMISSION

- Commissioner Johnson and his wife are proud of their 16-year-old grandson, who has a positive attitude about being grateful for his health after having a wrestling accident five years ago, which left him paralyzed from the waist down. He spent two years in recovery in a Colorado facility and went to Diablo Valley Junior College. He has a real dilemma because he was accepted to three UC schools which include Berkeley, Santa Barbara, and Davis, and needs to choose.

13. EXECUTIVE OFFICER REPORT

- a. Update on LAFCO Studies and Special Projects

14. INFORMATIONAL ITEMS

- a. Current and Pending Proposals
- b. Progress Report on Work Plan
- c. Alameda County Housing Element Update
- d. Legislative Update
- e. CALAFCO Staff Workshop from April 26-28 in Murphys, California

15. ADJOURNMENT OF REGULAR MEETING

Chair Brown adjourned the meeting at 3:34 p.m.

Next Meetings of the Commission

Policy and Budget Committee Meeting

Thursday, June 1, 2023, at 2:00 p.m., Dublin City Hall

Special Meeting

Friday, June 23, 2023, at 9:00 a.m., Dublin San Ramon Services District Boardroom

Regular Meeting

Thursday, July 13, 2023, at 2:00 p.m., Dublin City Hall, Council Chambers

I hereby attest the minutes above accurately reflect the Commission's deliberations at its May 11, 2023 meeting.

ATTEST,



April L. Raffel
Commission Clerk

DRAFT



SPECIAL MEETING – STRATEGIC PLANNING WORKSHOP

June 23, 2023
 9:00 a.m. - 12:00 p.m.
 Dublin San Ramon Services District
 7051 Dublin Blvd., Dublin, CA 94568

SUMMARY ACTION MINUTES

9:00 a.m. - Call to Order – Chair

Chair Brown called the meeting to order at 9:00 a.m. The **Pledge of Allegiance** was recited.

Roll was called. A quorum was present of the following commissioners.

City Members: Karla Brown, Melissa Hernandez, and alternate John Marchand

Special District Members: Ralph Johnson, and Mariellen Faria

County Members: David Haubert, and Nate Miley

Public Members: Sblend Sblendorio, and alternate Bob Woerner

Not Present: Alternate County Member Lena Tam, and alternate Special District Member Georgan Vonheeder-Leopold.

Staff present: Rachel Jones, Executive Officer; Andrew Massey, Legal Counsel; and April Raffel, Clerk

Public Comment – Chair Brown invited members in the audience to address the Commission on any matter not listed on the agenda and within the jurisdiction of the Commission. There were no comments.

9:07 a.m. Welcome Comments from Chair

Consent Calendar

- *3a. Approval of Meeting Minutes: March 9, 2023 Regular Meeting*
- *3b. Proposed Bylaws Amendment for Regular Meeting Location*
- *3c. Contract Award for Professional Auditing Services*
- *3d. Appointment of Alternate Public Member*
- *3e. Nomination and Election of Chair and Vice Chair*

M/S reapproved by Commissioners Haubert and Hernandez

AYES: Brown, Faria, Haubert, Hernandez, Johnson, and Sblendorio.

NOES: None

ABSENT: Miley

ABSTAIN: None

The Commission Clerk confirmed the motion was approved 6-0.

Introduction to Workshop

- *Chair and Executive Officer welcome comments*
- *Introduction of Facilitator Agenda review, norms for participation*
- *Connection activity - Contributions to the Commission*

9:35

LAFCO Overview

A look at the intent, role, and responsibilities of Local Agency Formation Commissions

9:55

Review of Alameda LAFCO goals and accomplishments

Assessment of actions, changes, and accomplishments during the past few years based on Strategic Plan

Looking to the future

- *Discussion of our current and emerging challenges and opportunities, and how to leverage our strengths.*
- *How do we want to be viewed by the public and partnering agencies?*
- *How can Alameda LAFCO make a difference?*

Future priorities and accomplishments

- *Discussion on what we want to accomplish in the next two years.*
- *Establish short-term and long-term priorities.*

Overarching strategic areas

Identify the overarching strategic areas needed to realize future shared vision.

Note: Commissioner Haubert left the meeting at 11:15 a.m.

11:35

Critical next steps

Ms. Pamela Miller will summarize the day's discussion and present a draft of the Strategic Plan 2023-2024. 1). Finish current studies, 2). Staffing includes getting new office space and hiring analyst, 3). Understand urban unincorporated areas to help Castro Valley with PFCA, 4). Help get application for sewer extension for wineries and improve water quality, 5). Participate in Regional Wastewater Committee, 6). Eliminate islands by understanding policies and practices, 7). Understand local conditions, LAFCO policies and best practices on out-of-area service agreements, 8). Safety Net Services for EMS Contract, mental health, and homeless support, 9). Encourage other HCDs in County to do what Eden is doing with study: Healthcare MSR.

11:50

Reflections on the Workshop & closing comments

12:00

Adjournment: Chair Brown adjourned the meeting.

Next Meetings of the Commission

Regular Meeting

Thursday, July 13, 2023, at 2:00 p.m. Dublin City Hall, Council Chambers

Policy and Budget Committee Meeting

Thursday, August 3, 2023, at 2:00 p.m. at Dublin City Hall, RMR

I hereby attest the minutes above accurately reflect the Commission’s deliberations at its June 23, 2023, Strategic Planning Meeting.

ATTEST,



April L. Raffel
Commission Clerk

DRAFT

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LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 4b

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

**SUBJECT: Proposed Contract Amendment |
Alameda County Resource Conservation District**

The Alameda Local Agency Formation Commission (LAFCO) will consider approving a proposed contract amendment for the agricultural planning grant with the Department of Conservation and its Sustainable Agricultural Lands Conservation (SALC) Program in partnership with the Alameda County Resource Conservation District (ACRCD). The amendment seeks to increase the contract agreement by \$14,875 to account for LAFCO’s matching grant funds. Staff recommends approval.

Background

At the Commission’s March 9, 2023 regular meeting, the Commission approved to extend the contract agreement with ACRCD for the SALC agricultural planning grant for an additional twelve-month period with an expiration date of March 15, 2024. Alameda LAFCO was awarded the SALC grant in partnership with ACRCD for a total of \$250,000 in November 2022. The Commission also approved allocating at least \$12,500 of reserves for the special project committed to matching funds of the SALC grant program. Unfortunately, due to staff error, those funds were never included in the contract agreement.

Staff now requests that the \$12,500, and an additional \$2,375, in matching grant funds be applied to the contract agreement. The additional \$2,375 accounts for extra costs associated with creating a GIS mapping system of high-priority parcels of agricultural lands within proximity to urban growth boundaries.

The project will enable and promote existing programs as well as allow transparency among the stakeholders on who is doing what for better coordination and collaboration to better support and improve strategies within the region. Alameda LAFCO will assist in creating a repository of agricultural and open space use policies from stakeholders throughout the County, while ACRCD will implement and manage the project’s priority sites.

A brief overview of the project tasks and timeline is as follows:

- **Task 1. Establishment of Stakeholder Group (4 months)**
Identify Stakeholders and conduct meetings to identify Stakeholder concerns.
- **Task 2. Stakeholder Planning Process (14 months)**
With Stakeholder participation, develop a comprehensive analysis of existing regulatory policies and suggest strategies to account for policy gaps, inconsistencies, overlap, and redundancies, as they relate to sustainable agricultural lands conservation in Alameda County.
- **Task 3. Create prioritization criteria to rank agricultural land parcels for preservation precedence (3 months)**
Research and gather current sources of information to develop ranking criteria needed to update inventories of (1) lands at risk of conversion from agricultural land use to more intensive GHG-emitting land-use practices, as well as of (2) lands that are protected.
- **Task 4. Create a draft map of relevant layers for land prioritization (3 months)**
Based on efforts in Task 3 and subtasks below, comprehensive priority draft maps will be developed.
- **Task 5. Community Outreach (3 months)**
Plan, prepare for, and conduct meetings with community groups to share ranking and incentive structures.
- **Task 6. Completion of final maps (2 months)**
Create and present final maps at Board of Supervisors Meetings.
- **Task 7. Final Plan Development and Review (6 months)**
Finalize summary of plan and policy recommendations and distribute to stakeholders and relevant State agencies.
- **Task 8. Administration (24 months)**
Grant administration (e.g., invoicing, invoice review, and document signing).

Task 6 (Completion of final maps) took additional time and costs for their completion. A second amendment is proposed to increase the contract amount by \$14,875 to account for the extra costs in Task 6 and the \$12,500 in matching grant funds from Alameda LAFCO.

Discussion

This item is for the Commission to consider approving the proposed second contract amendment with ACRCDD to increase the contract amount of its SALC planning grant project by \$14,875.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Approve the second contract amendment with ACRCDD for the SALC Planning grant project as shown in Attachment 1.

Alternative Two:

Continue consideration of the item to a future meeting and provide direction to staff as needed.

Alternative Three:

Deny the second contract amendment.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



Rachel Jones
Executive Officer

Attachments:

1. Proposed Contract Amendment with ACRCDD – 2nd Amendment
2. Contract Agreement with ACRCDD

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**CONTRACT EXTENSION
SECOND AMENDMENT TO AGREEMENT**

This Second Amendment to Agreement (“Second Amendment”) is made by the Alameda Local Agency Formation Commission (LAFCO) and Alameda County Resource Conservation District (ACRCD) with respect to that certain agreement entered by them on March 15, 2021 and that certain First Amendment to Contract dated March 9, 2023 (referred to herein as the “Agreement”) pursuant to which ACRCD provides staff time, consulting, and services for the Sustainable Agricultural Lands Conservation Planning Grant project.

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LAFCO and ACRCD agree to amend the Agreement in the following respects:

1. The term of the Agreement is currently scheduled to expire on March 15, 2024. The parties mutually agree that more funding is necessary to complete the project, including public meetings. Therefore, the parties mutually agree to increase the contract amount by \$14,875.
2. The term of the Agreement remains from March 15, 2021 through March 15, 2024.
3. Both parties agree to increase the contract amount by an additional \$14,875 for a total revised not-to-exceed amount of \$264,875.
4. Except as specifically and expressly modified by this second amendment, all of the terms and conditions of the Second Amendment are and remain in full force and effect. This second amendment is effective July 13, 2023.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Agreement as of the day and year first above written.

ALAMEDA LAFCO

Alameda County Resource Conservation District

By: _____
Rachel Jones, Executive Officer
Alameda Local Agency Formation Commission

By: _____
Signature

Name: _____
(Printed)

Title: _____

Date: _____

Approved as to Form:

By: _____
Andrew Massey, LAFCo Counsel

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

P.O./Contract # _____

**ALAMEDA LAFCO, ALAMEDA COUNTY, STATE OF CALIFORNIA
STANDARD AGREEMENT**

THIS AGREEMENT, made and entered into this 15th day of March, 2021 by and between the ALAMEDA LOCAL AGENCY FORMATION COMMISSION, a public agency of the State of California, hereafter called the "Alameda LAFCO", and Alameda County Resource Conservation District, a California special district duly qualified in the State of California, whose principal place of business is: 3585 Greenville Road, Suite 2, Livermore, CA 94550, hereafter called the "Contractor."

WITNESSETH

WHEREAS, the Alameda LAFCo desires to use professional services to administer and complete a grant project awarded by the Department of Conservation as described in Exhibit A attached hereto ("Scope of Work"); and

WHEREAS, Contractor is professionally qualified to provide such services; and

WHEREAS, the Alameda LAFCo desires to retain and employ the services of Contractor in connection with such work, and Contractor is agreeable with such employment.

NOW, THEREFORE, it is agreed that the Alameda LAFCo does hereby retain and employ Contractor to provide the Services in connection with such work, and Contractor accepts such employment, on the terms and conditions hereinafter specified in this Agreement and additional provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

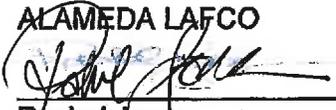
Exhibit A	Scope of Services & Project Timeline
Exhibit A-1	Grant Agreement between Alameda LAFCo and the State of California Department of Conservation (Grant Agreement No. 3020-901)
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements

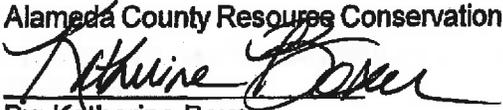
CONTRACT PERIOD will be from date executed through December 31, 2023. This Agreement may be extended for an additional six months if mutually agreed by both parties hereto, in writing not less than thirty (30) days prior to the expiration of this Agreement.

COMPENSATION: The Alameda LAFCo agrees to pay Contractor, pursuant to the terms set forth in Exhibit B, for services performed hereunder in a total amount not to exceed \$249,988 for the term of the current agreement, including all expenses, contingencies, and other miscellaneous expenses.

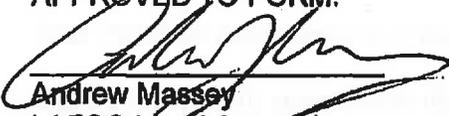
ADDITIONAL PROVISIONS, pages 3 through 18, attached hereto constitute a part of this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

ALAMEDA LAFCO
By: 
Rachel Jones
LAFCO Executive Officer

Alameda County Resource Conservation District
By: 
Katherine Boxer
Executive Director

Tax Payer I.D. # 94-2216653

APPROVED TO FORM:
By: 
Andrew Massey
LAFCO Legal Counsel

Date: 03.15.2021

ATTEST: 
Alameda LAFCO
County of Alameda
State of California

By: Rachel Jones

ADDITIONAL PROVISIONS

1. **EMPLOYER/EMPLOYEE RELATIONSHIP:** No relationship of employer and employee is created by this Agreement, it being understood that Contractor shall act hereunder as an independent Contractor; that Contractor shall not have any claim under this Agreement or otherwise against the Alameda LAFCO for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance, medical care, hospital care, retirement benefits, Social Security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind; that Contractor shall be solely liable for and obligated to pay directly all applicable taxes, including, but not limited to, Federal and State income taxes, and in connection therewith Contractor shall indemnify and hold the Alameda LAFCO harmless from any and all liability which the Alameda LAFCO may incur because of Contractor's failure to pay such taxes; that Contractor does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with currently approved methods and practices in his/her field and that the sole interest of the Alameda LAFCO is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the agency concerned. Notwithstanding the foregoing, if the Alameda LAFCO determines that pursuant to state and federal law Contractor is an employee for purposes of income tax withholding, the Alameda LAFCO shall, upon two weeks notice to Contractor withhold from the payments to Contractor hereunder federal and state income taxes and pay said sums over to the Federal and State governments.
2. **HOLD HARMLESS/INDEMNIFICATION:** To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify Alameda LAFCO, its Commissioners, employees and agents from and against any and all claims, losses, damages, liabilities and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of services under this Agreement, provided that any such claim, loss, damage, liability or expense is attributable to bodily injury, sickness, disease, death or to injury to or destruction of property, including the loss therefrom, or to any violation of federal, state or municipal law or regulation, which arises out of or is any way connected with the performance of this agreement (collectively "Liabilities") except where such Liabilities are caused solely by the negligence or willful misconduct of any indemnitee. Alameda LAFCO may participate in the defense of any such claim without relieving Contractor of any obligation hereunder. The obligations of this indemnity shall be for the full amount of all damage to Alameda LAFCO, including defense costs, and shall not be limited by any insurance limits.
3. **INSURANCE AND BOND:** Contractor shall at all times during the term of the Agreement with Alameda LAFCO maintain in force those insurance policies as designated in the attached Exhibit C, "Insurance Requirements," and will comply with all those requirements as stated herein.
4. **WORKERS' COMPENSATION:** Contractor shall provide Workers' Compensation insurance at Contractor's own cost and expense and further, neither the Contractor nor its carrier shall be entitled to recover from the Alameda LAFCO any costs, settlements, or expenses of Workers' Compensation claims arising out of this agreement.
5. **CONFORMITY WITH LAW AND SAFETY:**
 - A. Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services or any part hereof, including all provisions of the Occupational Safety and Health Act of 1979 and all amendments thereto, and

all applicable federal, state, municipal, and local safety regulations. All services performed by Contractor must be in accordance with these laws, ordinances, codes and regulations. Contractor shall indemnify and hold Alameda LAFCO harmless from any and all liability, fines, penalties and consequences from any noncompliance or violations of such laws, ordinances, codes and regulations. If a provision of this Agreement is found to be invalid, the parties legally, commercially, and practicably can continue this Agreement without that provision, and the remainder of this Agreement shall continue in force and effect unless an essential purpose of this Agreement would be defeated by the loss of such provision. In the event any of the terms, conditions, or provisions of this Agreement are held to be illegal or otherwise unenforceable, such term, condition or provision shall be deemed severable from the remainder of this Agreement and shall not cause any other part or provision of this Agreement to be illegal or unenforceable.

- B. **Accidents:** If death, serious personal injury or substantial property damage occurs in connection with the performance of this agreement, Contractor shall immediately notify Alameda LAFCO by telephone. Contractor shall promptly submit to Alameda LAFCO a written report, in such form as may be required by Alameda LAFCO of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of Contractor's subcontractor, if any; (3) name and address of Contractor's liability insurance carrier; and (4) a detailed description of accident and whether any of LAFCO's equipment, tools, material, or staff were involved. Contractor further agrees that it shall take all reasonable steps to preserve all physical evidence and information which may be relevant to accidents or circumstances surrounding a potential claim, while maintaining public safety. Contractor shall provide Alameda LAFCO the opportunity to review and inspect such evidence, including the scene of the accident.
6. **PAYMENT:** Payment to Contractor will be made only upon presentation of proper invoice by Contractor subject to the approval of Alameda LAFCO, and in accordance with this Agreement and its Exhibit B.
7. **TRAVEL EXPENSES:** Payment to Contractor for travel expenses will be made only upon presentation of proper invoice by Contractor subject to the prior approval of Alameda LAFCO, and in accordance with this Agreement.
8. **ROYALTIES AND INVENTIONS:** The Alameda LAFCO shall have a royalty-free, exclusive and irrevocable license to reproduce, publish and use the results produced in the course of or under this Agreement; and Contractor shall not publish any such material relating to Alameda LAFCO without prior consent of Alameda LAFCO.
9. **CONFIDENTIALITY OF INFORMATION:** Confidential information is defined as all information disclosed to Contractor which relates to Alameda LAFCO's past, present, and future activities, as well as activities under this Agreement. Contractor will hold all such information with the same degree of care which Contractor utilizes to protect its own data of a similar nature. Upon cancellation or expiration of this Agreement, Contractor will return to Alameda LAFCO all written or descriptive matter which contains any such confidential information.
10. **CONFLICT OF INTEREST:** No officer, member, or employee of Alameda LAFCO and no member of its governing body shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof. No Contractor, nor any member of Contractor's family shall serve on the Alameda

LAFCo, or hold any such position which either by rule, practice or action nominates, recommends, or supervises Contractor's operations, or authorizes funding to Contractor. Contractor shall immediately bring to Alameda LAFCo's attention any situation in which its client has, or is reasonably likely to have an application or other matter pending before Alameda LAFCo. The provisions of this Agreement are not exclusive, and thus Alameda LAFCo may at its discretion appoint a different firm to serve as its consultant in the event of a conflict. Contractor agrees not to assign any of the key personnel identified in Exhibit A to any matter that is, or is likely to be pending before Alameda LAFCo regardless of whether Alameda LAFCo in its discretion decides to hire another firm to avoid a conflict.

11. **USE OF ALAMEDA LAFCo PROPERTY:** Contractor shall not use Alameda LAFCo premises or property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
12. **EQUAL EMPLOYMENT OPPORTUNITY PRACTICES/PROVISIONS:** Contractor assures that it will comply with Title VII of the Civil Rights Act of 1964 and that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement.
 - A. Contractor shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - B. Contractor shall, if requested to so do by Alameda LAFCo, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - C. If requested to do so by Alameda LAFCo, Contractor shall provide Alameda LAFCo with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.
 - D. Contractor shall recruit vigorously and encourage minority- and women-owned businesses to bid its subcontracts.
 - E. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - F. The Contractor shall include the provisions set forth in paragraphs A through E (above) in each of its subcontracts.
13. **ASSIGNMENT OF CONTRACT:** Nothing contained in this Agreement shall be construed to permit assignment or transfer by Contractor of any rights under this Agreement and such assignment or transfer is expressly prohibited and void unless otherwise approved in writing by Alameda LAFCo.

14. **DRUG-FREE WORKPLACE:** Contractor and Contractor's employees shall comply with Alameda LAFCo's policy of maintaining a drug-free workplace. Neither Contractor nor Contractor's employees shall, unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code section 812, including marijuana, heroin, cocaine, and amphetamines, at any LAFCo facility or work site. If Contractor or any employee of Contractor is convicted or pleads nolo contendere to a criminal drug statute violation occurring at an Alameda LAFCo facility or work site, the Contractor within five days thereafter shall notify the Executive Officer of Alameda LAFCo. Violation of this provision shall constitute a material breach of this Agreement.
15. **FEDERAL AND STATE AUDITS:** Until the expiration of five (5) years after the furnishing of any services pursuant to this Agreement, Contractor shall make available, upon written request, to the Federal/State government or any of their duly authorized representatives, this Agreement, and such books, documents, and records of Contractor that are necessary to certify the nature and extent of the reasonable cost of services to Alameda LAFCo. If Contractor enters into any Agreement with any related organization to provide services pursuant to this Agreement with value or cost of \$10,000 or more over a twelve-month period, such Agreement shall contain a clause to the effect that until the expiration of five years after the furnishing of services pursuant to such subcontract, the related organization shall make available, upon written request, to the Federal/State government or any of their duly authorized representatives, the subcontract, and books, documents and records of such organization that are necessary to verify the nature and extent of such costs. This paragraph shall be of no force and effect when and if it is not required by law. Alameda LAFCo shall have access to Contractor's financial records for purposes of auditing payments made to Contractor hereunder. Such records shall be complete and available for audit ninety (90) days after final payment is made to Contractor hereunder and shall be retained and available for audit purposes for five (5) years after said final payment hereunder.
16. **TIME IS OF THE ESSENCE** in each and all of the provisions of this agreement.
17. **AMENDMENT:** No change, alteration, variation, modification of the terms, termination or discharge of this Agreement shall be valid unless made in writing and signed by the parties hereto.
18. **ASSURANCE OF PERFORMANCE:** If at any time Alameda LAFCO believes Contractor may not be adequately performing its obligations under this Agreement, that Contractor may fail to complete the Services as required by this Agreement, or has provided written notice of observed deficiencies in Contractor's performance, Alameda LAFCO may request from Contractor prompt written assurances of performance and a written plan to correct the observed deficiencies in Contractor's performance. Contractor shall provide such written assurances and written plan within ten (10) calendar days of receipt of Alameda LAFCO's written request and shall thereafter diligently commence and fully perform such written plan. Contractor acknowledges and agrees that any failure to provide written assurances and a written plan to correct observed deficiencies, in the required time, to diligently commence and fully perform such written plan, is a material breach under this Agreement.
19. **KEY PERSONNEL:** Contractor shall identify key personnel assigned to perform services in Exhibit A and obtain Alameda LAFCo approval of any substitution by the Contractor of key personnel. If the Contractor has subcontractors, this requirement extends to the subcontractors as well.
20. **SUBCONTRACTORS:** Contractor shall identify and obtain Alameda LAFCO approval of all subcontractors. Nothing provided herein shall create any obligation on the part of Alameda LAFCO to pay or to see to the payment by Contractor of any monies to any subcontractor, supplier or vendor, nor create any relationship in contract or otherwise, express or implied between any such

subcontractor, supplier or vendor and Alameda LAFCo. Approval by Alameda LAFCo of any subcontractor shall not constitute a waiver of any right of Alameda LAFCo to reject defective work, material or equipment, not in compliance with the requirements of this Agreement.

21. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws, and its courts shall have jurisdiction (but not exclusive jurisdiction) to hear and determine all questions relating to this Agreement.
22. **WAIVER:** Any failure of a party to assert any right under this Agreement shall not constitute a waiver or a termination of that right, under this Agreement or any provisions of this Agreement.
23. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire Agreement between Alameda LAFCo and Contractor relating to the subject matter of this Agreement. As used herein, Agreement refers to any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. The Agreement may not be modified except by a written document signed by both parties.
24. **TERMINATION:** Alameda LAFCo may terminate this Agreement with or without cause by providing thirty (30) days notice, in writing, to the Contractor. Upon the expiration of said notice, this Agreement shall become of no further force or effect whatsoever and each of the parties hereto shall be relieved and discharged here from. Alameda LAFCo may terminate at any time without notice upon material breach of the terms of this Agreement and/or in the event that Alameda LAFCo determines that the Contractor's performance is substandard or unsatisfactory.
25. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination or expiration of the Agreement, including without limitation, the obligations regarding Hold Harmless/Indemnification (paragraph 2), Confidentiality of Information (paragraph 9), and Conflict of Interest (paragraph 10), shall survive termination or expiration.
26. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:
 - **Personal delivery:** When personally delivered to the recipient, notices are effective on delivery.
 - **First Class Mail:** When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
 - **Certified Mail:** When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
 - **Overnight Delivery:** When delivered by overnight delivery (Federal Express/United Parcel Service/DHL WorldWide Express/etc.) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

- **Telex or facsimile transmission:** When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice, notice is effective on receipt, provided that (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipients time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To LAFCO: Alameda LAFCO
224 West Winton Avenue, Suite 110
Hayward, CA 94544

To Contractor: ACRCO
3585 Greenville Road, Suite 2
Livermore, CA 94550

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or telex or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

[END OF DOCUMENT]

EXHIBIT A - SCOPE OF WORK

The Alameda Local Agency Formation Commission (LAFCO) has been awarded \$249,988 for the agricultural planning grant with the Department of Conservation and its Sustainable Agricultural Lands Conservation (SALC) Program. Alameda LAFCO applied for the SALC grant to serve as the lead applicant and partner with the Alameda County Resource Conservation District (ACRCD) as the project manager to create an Alameda County Agricultural Resiliency Project that would establish a Countywide coalition of agricultural preservation policies and urban agricultural land use opportunities. The project’s purpose is to identify, map and monitor high-priority parcels of agricultural lands within proximity to urban growth boundaries of cities and unincorporated areas within the County of Alameda, along with identifying priority sites for additional urban agricultural community gardens for disadvantaged low-income and or unincorporated communities. The project will enable and promote existing programs as well as allow transparency among the stakeholders on who is doing what for better coordination and collaboration to better support and improve strategies within the region. Alameda LAFCO will assist in creating a repository of agricultural and open space use policies from stakeholders throughout the County, while ACRCD will implement and manage the project’s key tasks.

All of ACRCD’s work shall be performed in accordance with the terms and requirements of the Grant Agreement between Alameda LAFCo and the State of California Department of Conservation (Grant Agreement No. 3020-901), attached hereto as Exhibit A-1 (“the Grant Agreement”), including but not limited to the non-discrimination requirements of paragraph 9 of Exhibit C of the Grant Agreement.

Scope of Work and Project Timeline

Work Plan			
Task Number	Performance Measure	Timeline	Total Requested Grant Funds
<p>Task 1. Establishment of Stakeholder Group Identify Stakeholders and conduct meetings to identify Stakeholder concerns.</p> <p><i>Subtask A:</i> Conduct preparatory background research. <i>Subtask B:</i> Identify key agencies with planning responsibilities including unincorporated areas of Alameda Co. <i>Subtask C:</i> Prepare and send introductory letter and survey. <i>Subtask D:</i> Compile and communicate responses from survey. <i>Subtask E:</i> Develop Stakeholder group, ensuring areas of needed expertise are integrated.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Draft list of relevant policies • List of potential Stakeholders • Invitation letter and questionnaire • Summary of survey responses 	4 months	<p>\$48,375.53 from grant</p> <p>\$3,200.00 from match</p>

<p><i>Subtask F:</i> Create agendas for and schedule Stakeholder meetings. <i>Subtask G:</i> Summarize and communicate Stakeholder feedback. <i>Subtask H:</i> Create announcement of SALC grant project commencement county-wide, including description of primary goals.</p>	<ul style="list-style-type: none"> • Stakeholder group roster • Meeting notes • Summary of feedback from Stakeholders as a basis for entering Task 2 • Project announcement <p>Milestones:</p> <ul style="list-style-type: none"> • Creation of Stakeholder Group (May 2021) • Stakeholder Meetings (x 2, June 2021) 		
<p>Task 2. Stakeholder Planning Process With Stakeholder participation, develop a comprehensive analysis of existing regulatory policies and suggest strategies to account for policy gaps, inconsistencies, overlap and redundancies, as they relate to sustainable agricultural lands conservation in Alameda County.</p> <p><i>Subtask A:</i> Continue (from Task 1) to identify and review regulations and policy documents relevant to agricultural lands conservation within Alameda County. <i>Subtask B:</i> Convene committees to discuss and address inconsistencies in policies relevant to agricultural lands conservation in Alameda County. <i>Subtask C:</i> Summarize existing policy, highlighting gaps, overlap, and redundancies. <i>Subtask D:</i> Draft summary of findings.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Final list of relevant regulations, policies, and related source material • First draft summary of findings <p>Milestones:</p> <ul style="list-style-type: none"> • Stakeholder Meetings (approximately 6: committees meet periodically, full Stakeholder group meets at beginning and culmination of mapping and planning steps) 	<p>14 months</p>	<p>\$79,222.63 from grant</p> <p>\$6,200.00 from match</p>
<p>Task 3. Create prioritization criteria to rank agricultural land parcels for preservation precedence. Research and gather current sources of information to develop ranking criteria needed to update inventories of</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Ranking criteria to use in identification of 	<p>3 months</p>	<p>\$10,207.28 from grant</p>

<p>(i) lands at risk of conversion from agricultural land use to more intensive GHG-emitting land-use practices, as well as of (ii) lands that are protected.</p> <p><i>Subtask A:</i> For at-risk lands inventory, effort will concentrate on lands along urban growth boundaries, in unincorporated areas, in priority development areas within urban infill, and those of special environmental significance, e.g., areas of high carbon sequestration potential.</p> <p><i>Subtask B:</i> For protected lands inventory, effort will concentrate on lands including Williamson Act acquisitions and other specified open-space lands within Alameda County, recording term of conservation agreement per parcel.</p> <p><i>Subtask C:</i> Identify pertinent characteristics for ranking priority acquisitions of at-risk agricultural lands in proximity to urban growth boundaries and unincorporated areas of Alameda County.</p> <p><i>Subtask D:</i> Identify pertinent characteristics for ranking priority siting of community gardens within infill development areas.</p>	<p>agricultural land parcels for preservation (Subtask 4a), with description of metrics informing ranking protocol.</p> <ul style="list-style-type: none"> • Ranking criteria to use in identification of potential locations for urban garden placement (Subtask 4b), with description of metrics informing ranking protocol. 		<p>\$2,900.00 from match</p>
<p>Task 4. Create a draft map of relevant layers for land prioritization. Based on efforts in Task 3 and subtasks below, comprehensive priority draft maps will be developed.</p> <p><i>Subtask A:</i> Identify existing layers of GIS data, create layers from other pertinent digitizable information, create draft map with layers of GIS data for at-risk agricultural lands in proximity to urban growth boundaries and unincorporated areas within Alameda County.</p> <p><i>Subtask B:</i> Identify existing layers of GIS data, create layers from other pertinent digitizable information, create draft map with layers of GIS data for priority siting of urban agricultural/ community gardens within infill development areas.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • First draft map of high-priority parcels for conservation acquisition of agricultural lands in proximity to city urban growth boundaries and unincorporated areas within Alameda County. • First draft map of optimal urban agricultural/ community garden locations within potential infill development areas of Alameda County. • Updated inventory of at-risk agricultural lands in Alameda County. • Updated 	<p>3 months</p>	<p>\$23,408.01 from grant</p> <p>\$2,000.00 from match</p>

	inventory of protected agricultural lands in Alameda County.		
<p>Task 5. Community Outreach</p> <p><i>Sub-Task A:</i> Plan, prepare for and conduct meetings with community groups to share ranking and incentive structures.</p> <p><i>Sub-Task B:</i> Create a summary of the second round of feedback from community groups as a basis for recommendations.</p> <p><i>Subtask C:</i> Create media (e.g., press releases and web articles) summarizing project progress.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Summary of community feedback from meeting, and ensuing recommendations. • Bring community concerns back to Stakeholder group. • Outreach materials. <p>Milestones:</p> <ul style="list-style-type: none"> • Community meetings (x2-3) 	3 months	<p>\$23,287.82 from grant</p> <p>\$3,900.00 from match</p>
<p>Task 6. Completion of final maps</p> <p>Create and present final maps at Board of Supervisors Meetings.</p> <p><i>Subtask A:</i> Create final priority parcel map of high-priority parcels for conservation acquisition of agricultural lands in proximity to city urban growth boundaries and unincorporated areas within Alameda County.</p> <p><i>Subtask B:</i> Create final priority parcel map of optimal urban agricultural community garden locations within potential infill development areas of Alameda County.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Final map of high-priority parcels for conservation acquisition of agricultural lands in proximity to city urban growth boundaries and unincorporated areas within Alameda County. • Final map of optimal urban agricultural/ community garden locations within potential infill development areas of Alameda County. 	2 months	<p>\$22,204.74 from grant</p> <p>\$1,000.00 from match</p>
<p>Task 7. Final Plan Development and Review</p> <p><i>Subtask A:</i> Finalize summary of plan and policy recommendations.</p> <p><i>Subtask B:</i> Present recommendations at three meetings:</p> <p>1) LAFCO Board of Directors</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Final presentation of planning document and 	6 months	<p>\$39,065.18 from grant</p> <p>\$3,800.00 from match</p>

<p>2) Board of Supervisors 3) ACRCB Board of Directors</p> <p><i>Subtask C: Distribute final document to Stakeholders and other relevant State agencies.</i></p>	<p>recommendations for implementation of new policies and/or regulations.</p>		
<p>Task 8. Administration Grant administration (e.g., invoicing, invoice review, document signing)</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> Invoices Signed contract documents 	<p>24 months</p>	<p>\$4,213.60 from grant \$2,000.00 from match</p>

	Agency	Units (if applicable)										Rate (if applicable)		Program Reimbursement Request (\$1000)	Grants Match	Grand Total	
		1	2	3	4	5	6	7	8	9	10	\$/hour	\$/hour				
Task 1. Stakeholder Outreach																	
ACRCB Chief Executive Officer	4	0.10	0.10	0.10	0	0	0	12	0	0	\$ 75.00	\$ 75.00	\$ 75.00	\$ -	\$ 1,125.00	\$ 1,125.00	
ACRCB Chief Executive Officer	4	1.00	1.00	0.00	40	40	0	120	40	0	\$ 97.50	\$ 97.50	\$ 97.50	\$ 11,601.00	\$ 1,000.00	\$ 12,602.00	
ACRCB Resource Consultant II																	
ACRCB Project Assistant	8	1.00	1.00	0.00	72	82	0	216	80	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 3,308.40	\$ -	\$ 3,308.40	
Materials, Printing, Postage, Other																	
Subtotal								164	122	0				\$ 42,374.40	\$ 1,000.00	\$ 43,374.40	
Task 2. Stakeholder Planning Process																	
ACRCB Chief Executive Officer	16	0.10	0.10	0.10	0	0	0	64	12	0	\$ 75.00	\$ 75.00	\$ 75.00	\$ -	\$ 4,200.00	\$ 4,200.00	
ACRCB Chief Executive Officer	16	0.00	0.50	0.50	0	20	20	0	220	40	\$ 97.50	\$ 97.50	\$ 97.50	\$ 27,300.00	\$ -	\$ 27,300.00	
ACRCB Resource Consultant II																	
ACRCB Project Assistant	16	0.00	0.00	1.00	0	32	40	0	312	120	\$ 41.35	\$ 41.35	\$ 41.35	\$ 12,117.60	\$ 1,000.00	\$ 13,117.60	
Subtotal								0	308	172				\$ 37,727.60	\$ 1,000.00	\$ 38,727.60	
Task 3. Create and Assess Reading Orders																	
ACRCB Chief Executive Officer	3	0.00	0.10	0.00	0	0	0	0	12	0	\$ 75.00	\$ 75.00	\$ 75.00	\$ -	\$ 900.00	\$ 900.00	
ACRCB Chief Executive Officer	3	0.00	0.20	0.00	0	0	0	0	24	0	\$ 97.50	\$ 97.50	\$ 97.50	\$ 2,340.00	\$ -	\$ 2,340.00	
ACRCB Resource Consultant II																	
ACRCB Project Assistant	3	0.00	0.00	0.00	0	12	0	0	60	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 2,481.00	\$ 1,000.00	\$ 3,481.00	
Subtotal								0	156	0				\$ 5,761.00	\$ 2,000.00	\$ 7,761.00	
Task 4. Grant Management																	
ACRCB Chief Executive Officer	3	0.00	0.10	0.00	0	0	0	0	12	0	\$ 75.00	\$ 75.00	\$ 75.00	\$ -	\$ 900.00	\$ 900.00	
ACRCB Resource Consultant II																	
ACRCB Project Assistant	3	0.00	0.10	0.00	0	0	0	0	12	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 496.20	\$ -	\$ 496.20	
Subcontractor	3	0.00	0.10	0.00	0	24.33	0	0	100	0	\$ 200.00	\$ 200.00	\$ 200.00	\$ 20,000.00	\$ -	\$ 20,000.00	
Subtotal								0	156	0				\$ 21,496.20	\$ 2,000.00	\$ 23,496.20	
Task 5. Community Outreach																	
ACRCB Chief Executive Officer	3	0.00	0.10	0.10	0	0	0	0	0	0	\$ 75.00	\$ 75.00	\$ 75.00	\$ -	\$ 900.00	\$ 900.00	
ACRCB Chief Executive Officer	3	0.00	0.00	0.10	0	12	12	0	60	12	\$ 97.50	\$ 97.50	\$ 97.50	\$ 1,554.00	\$ 1,000.00	\$ 2,554.00	
ACRCB Resource Consultant II																	
ACRCB Project Assistant	3	0.00	0.10	0.00	0	12	12	0	60	12	\$ 41.35	\$ 41.35	\$ 41.35	\$ 2,481.00	\$ -	\$ 2,481.00	
Materials, Printing, Advertising, Postage, Other																	
Subtotal								0	156	12				\$ 23,971.20	\$ 1,000.00	\$ 24,971.20	
Task 6. Final Report																	
ACRCB Chief Executive Officer	3	0.00	0.00	0.10	0	0	0	0	0	0	\$ 97.50	\$ 97.50	\$ 97.50	\$ 900.00	\$ 1,000.00	\$ 1,900.00	
ACRCB Resource Consultant II																	
ACRCB Project Assistant	3	0.00	0.00	0.10	0	0	0	0	0	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 496.20	\$ -	\$ 496.20	
Materials, Printing, Advertising, Postage, Other																	
Subtotal								0	0	0				\$ 1,396.20	\$ 1,000.00	\$ 2,396.20	

Exhibit A-1
The Grant Agreement

Please refer to Attachment 1.

EXHIBIT B – CONTRACT PAYMENT TERMS

Professional fees include the design, preparation, client consultation and facilitation of the grant project described in the Scope of Work, as well as contractor’s own administrative costs and overhead. Professional fees will be billed on a monthly basis based on the staff hours and at the rates indicated in the scope of work and timeline. Fees are payable upon invoice following the completion of the work completed each month for each task. Fees may not exceed contract amount.

ACRCD will submit monthly invoices to the LAFCO Executive Officer. Invoices shall be submitted in a form that conforms to the requirements of the Grant Agreement, and nonconforming invoices may be rejected by Alameda LAFCo. Alameda LAFCO will then provide payment to ACRCD for those services rendered. The LAFCO Executive Officer will, in turn, submit those invoices to the Department of Conservation to seek repayment. In the event that the Department of Conservation denies an invoice and provides an opportunity for correction, Alameda LAFCo will notify ACRCD of the same and provide a reasonable amount of time for ACRCD to correct any deficiencies. Alameda LAFCo will then re-submit the corrected invoice. If, however, the Department of Conservation denies an invoice for which correction by ACRCD is not possible, or ACRCD fails to correct the deficiencies timely, Alameda LAFCO will subsequently submit an invoice to ACRCD to request a return of those funds and will not approve of any additional invoices until payment has been repaid to LAFCO. Alameda LAFCO will create a separate account similar to a revolving fund to manage the grant funds.

Alameda LAFCo’s obligation to pay for ACRCD’s work under this Agreement is contingent upon Alameda LAFCo’s ability to receive reimbursement for the cost of that work under the Grant Agreement. Should the Grant Agreement be terminated or suspended by the Department of Conservation for any reason, Alameda LAFCo shall notify ACRCD of the same at which time ACRCD shall stop work. Alameda LAFCo shall not be liable for any work performed by ACRCD subsequent to delivery of such a notice regardless of the conformity of that work to the terms of this Exhibit A, nor shall Alameda LAFCo be responsible for any costs associated with the work stoppage. In the event of such a termination or suspension, the parties shall promptly meet and confer to resolve any outstanding invoices. Alameda LAFCo shall use reasonable efforts to obtain from the Department of Conservation reimbursement for work performed prior to any termination or suspension of the Grant Agreement.

	Category	Rate	Rate	Rate	Units (if applicable)				Rate (if applicable)*			Program Reimbursement Request (\$200K)	Original Budget	Actual Budget	
					1	2	3	4	\$/hour	\$/hour	\$/hour				
Task 1.1	Establishment of Database/Mar														
LAFCO Chief	A	0.10	0.10	0.00	1	0	0	12		\$ 25.00	\$ 75.00	\$ 75.00	\$ -	\$ 1,200.00	\$ 1,200.00
Administrative/Office															
ACRCD Chief	4	1.50	2.00	0.00	40	40	0	120	80	\$ 97.52	\$ 97.52	\$ 97.52	\$ 14,401.60	\$ 14,401.60	\$ 15,462.63
Administrative/Office															
ACRCD Associate Conservationist II															
ACRCD Project Assistant	4	1.20	2.00	0.00	72	72	0	216	120	\$ 41.31	\$ 41.31	\$ 41.31	\$ 12,371.60	\$ -	\$ 12,371.60
Administrative/Office															
Professional Materials Printing Postage, Other															
Subtotal									104	204	72		\$ 45,375.13	\$ 3,200.00	\$ 51,575.13
Task 1.2	Database/Mar														
Planning Present															
LAFCO Chief	11	0.00	0.10	0.30	0	1	0	11	11	\$ 75.00	\$ 75.00	\$ 75.00	\$ -	\$ 4,200.00	\$ 4,200.00
Administrative/Office															
ACRCD Chief	14	0.00	0.50	0.50	0	10	0	140	140	\$ 97.52	\$ 97.52	\$ 97.52	\$ 17,202.80	\$ -	\$ 17,202.80
Administrative/Office															
ACRCD Associate Conservationist II															

ACRCD Project	00	000	000	100	0	00	00	0	000	000	\$ 41.35	\$ 41.35	\$ 41.35	\$ 18,512.20	\$ 1,000.00	\$ 18,512.20
Subtotal	-	-	-	-	-	-	-	-	1015	112	-	-	-	\$ 79,222.63	\$ 6,200.00	\$ 85,422.63
Task 3. Create Land Parcel Boundary Shaded																
LAFCO Civil Engineering Office	3	0.00	0.10	0.00	0	0	0	0	12	0	\$ 15.00	\$ 15.00	\$ 15.00	\$	\$	\$ 900.00
ACRCD Chief Legislative Officer	3	0.00	0.70	0.00	0	0	0	0	24	0	\$ 67.52	\$ 175.2	\$ 175.2	\$ 7,340.40	\$	\$ 2,340.40
ACRCD Resource Conservationist II																
ACRCD Project Subtotal	3	0.00	0.80	0.00	0	0	0	0	36	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 2,940.40	\$ 1,000.00	\$ 3,940.40
Task 4. Draft Maps																
ACRCD Chief Legislative Officer	3	0.00	0.21	0.00	0	0	0	0	27	0	\$ 97.52	\$ 97.52	\$ 97.52	\$ 3,614.55	\$ 1,000.00	\$ 4,614.55
ACRCD Resource Conservationist II																
ACRCD Project Subtotal	3	0.00	0.21	0.00	0	0	0	0	27	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 3,614.55	\$	\$ 3,614.55
Subtotal	3	0.00	0.81	0.00	0	0	0	0	100	0	\$ 200.00	\$ 200.00	\$ 200.00	\$ 8,000.00	\$	\$ 8,000.00
Task 5. Community Outreach																
LAFCO Civil Engineering Office	3	0.00	0.10	0.10	0	0	0	0	3	0	\$ 75.00	\$ 75.00	\$ 75.00	\$	\$	\$ 900.00
ACRCD Chief Legislative Officer	3	0.00	0.40	0.30	0	0	0	0	24	0	\$ 97.52	\$ 97.52	\$ 97.52	\$ 4,155.84	\$ 1,000.00	\$ 5,155.84
ACRCD Resource Conservationist II																
ACRCD Project Subtotal	3	0.00	0.50	0.40	0	0	0	0	27	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 2,940.40	\$ 1,000.00	\$ 3,940.40
Subtotal																
Task 6. Final Maps																
ACRCD Chief Legislative Officer	3	0.00	0.00	0.00	0	0	0	0	15	0	\$ 97.52	\$ 97.52	\$ 97.52	\$ 1,164.24	\$ 1,000.00	\$ 2,164.24
ACRCD Resource Conservationist II																
ACRCD Project Subtotal	3	0.00	0.00	0.00	0	0	0	0	15	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 221.40	\$	\$ 221.40
Subtotal	3	0.00	0.00	1.00	0	0	0	0	40	0	\$ 200.00	\$ 200.00	\$ 200.00	\$ 8,000.00	\$	\$ 8,000.00
Task 7. Final Plan																
LAFCO Civil Engineering Office	6	0.00	0.00	0.10	0	0	0	0	0	0	\$ 75.00	\$ 75.00	\$ 75.00	\$	\$ 1,000.00	\$ 1,075.00
ACRCD Chief Legislative Officer	6	0.00	0.00	0.70	0	0	0	0	24	0	\$ 97.52	\$ 97.52	\$ 97.52	\$ 10,322.71	\$	\$ 10,420.23
ACRCD Resource Conservationist II																
ACRCD Project Subtotal	6	0.00	0.00	0.80	0	0	0	0	24	0	\$ 41.35	\$ 41.35	\$ 41.35	\$ 6,512.20	\$ 1,000.00	\$ 7,512.20
Subtotal																
Task 8. Admin																
LAFCO Civil Engineering Office	24	0.01875	0.0125	0.01875	0.15	0.5	0.75	2.25	0	0	\$ 75.00	\$ 75.00	\$ 75.00	\$	\$ 1,175.00	\$ 1,175.00
ACRCD Chief Legislative Officer	24	0.05	0.025	0.0175	0	0	0	0	12	0	\$ 97.52	\$ 72.5	\$ 72.5	\$ 2,775.41	\$ 175.00	\$ 2,400.41
ACRCD Chief Legislative Officer	24	0.0125	0.0125	0.0125	0.1	0.5	0.5	1.5	0	0	\$ 97.52	\$ 97.52	\$ 97.52	\$ 1,970.20	\$	\$ 1,970.20
ACRCD Resource Conservationist II																
Subtotal									11.75	24	\$ 33.75	\$	\$	\$ 4,220.61	\$ 2,000.00	\$ 6,220.61
Grand Total									577	122	1308	\$	\$	\$ 24,044.22	\$ 21,000.00	\$ 45,044.22

TOTAL CONTRACT NOT TO EXCEED

\$249,988

EXHIBIT C - MINIMUM INSURANCE REQUIREMENTS

Without limiting any other obligation or liability under this Agreement, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following minimum insurance coverage, limits and endorsements:

	TYPE OF INSURANCE COVERAGES	MINIMUM LIMITS
A	Commercial General Liability Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B	Commercial or Business Automobile Liability All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses. Personal Automobile Liability is acceptable for individual contractors with no transportation or hauling related	\$1,000,000 per occurrence (CSL) Any Auto Bodily Injury and Property Damage
C	Workers' Compensation (WC) and Employers Liability (EL) Required for all contractors with employees	WC: Statutory Limits EL: \$1,000,000 per accident for bodily injury or disease
D	<p><u>Endorsements and Conditions:</u></p> <ol style="list-style-type: none"> 1. ADDITIONAL INSURED: All insurance required above with the exception of Commercial or Business Automobile Liability, Workers' Compensation and Employers Liability, shall be endorsed to name as additional insured: the Alameda Local Agency Formation Commission (LAFCO), the individual members thereof, and all Alameda LAFCO officers, agents, employees, volunteers, and representatives. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. 2. DURATION OF COVERAGE: All required insurance shall be maintained during the entire term of the Agreement. In addition, insurance policies and coverage(s) written on a claims-made basis shall be maintained during the entire term of the Agreement and until 3 years following the later of termination of the Agreement and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement. 3. REDUCTION OR LIMIT OF OBLIGATION: All insurance policies, including excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to Alameda LAFCO. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13. Pursuant to the provisions of this Agreement insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties. 4. INSURER FINANCIAL RATING: Insurance shall be maintained through an insurer with a A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to Alameda LAFCO. Acceptance of Contractor's insurance by Alameda LAFCO shall not relieve or decrease the liability of Contractor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. 5. SUBCONTRACTORS: Contractor shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. The additional insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. 6. JOINT VENTURES: If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by one of the following methods: <ul style="list-style-type: none"> - Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured" (covered party), or at minimum named as an "Additional Insured" on the other's policies. Coverage shall be at least as broad as in the ISO Forms named above. - Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured". 7. CANCELLATION OF INSURANCE: All insurance shall be required to provide thirty (30) days advance written notice to Alameda LAFCO of cancellation. 8. CERTIFICATE OF INSURANCE: Before commencing operations under this Agreement, Contractor shall provide Certificate(s) of Insurance and applicable insurance endorsements, in form and satisfactory to Alameda LAFCO, evidencing that all required insurance coverage is in effect. Alameda LAFCO reserves the rights to require the Contractor to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent as set forth in the Notices provision. 	

State of California - Department of Conservation GRANT AGREEMENT DOC6 (revised 12/18)		GRANT AGREEMENT NUMBER: 3020-901 FISCal NUMBER:
1. This Grant Agreement is entered into by and between the Department of Conservation ("Department") and Alameda LAFCO ("Grantee") with Alameda County Resource Conservation District ("Partner" and "Subcontractor")		
2. The Grant Agreement Term is:	From March 15, 2021 (Or upon execution of this Grant Agreement by both parties, whichever is later)	through March 14, 2023
3. The maximum amount of this Grant Agreement is:	\$250,000	
4. Signing this Grant Agreement means that Grantee agrees to comply with the terms and conditions of the following exhibits which are part of the Grant Agreement:		
Exhibit A, Scope of Work		4 Page(s)
Attachment 1: Authorized Signatory Form		1 Page(s)
Attachment 2: Work Plan		4 Page(s)
Attachment 3: Final Report		1 Page(s)
Exhibit B, Budget Detail and Payment Provisions		3 Page(s)
Attachment 4: Budget Detail Worksheet		1 Page(s)
Attachment 5: Invoice		3 Page(s)
Attachment 6: Invoice Dispute Notification Template		1 Page(s)
Exhibit C, General Terms and Conditions		3 Page(s)
Exhibit D, Special Terms and Conditions		6 Page(s)
Exhibit E, Award Letter		1 Page(s)
Exhibit F, Guidelines		92 Page(s)
IN WITNESS WHEREOF, this Grant Agreement has been executed by the Parties hereto.		
GRANTEE		
GRANTEE'S NAME Alameda LAFCO		
BY (Authorized Signature) <i>[Signature]</i>	DATE SIGNED	
PRINTED NAME AND TITLE OF PERSON SIGNING Rachel Jones, Chief Executive Officer		
ADDRESS 224 West Winton Avenue, Suite 10, Hayward, CA 94544		
STATE OF CALIFORNIA		
Agency Name: Department of Conservation		
BY (Authorized Signature) <i>[Signature]</i>	DATE SIGNED	
PRINTED NAME AND TITLE OF PERSON SIGNING David Shabazian, Department Director		
ADDRESS 801 K Street, MS 24-01, Sacramento, CA 95814		

Exhibit A, Scope of Work

1. Program Background

The Sustainable Agricultural Lands Conservation Program (SALC), a component of the Strategic Growth Council's (Council) Affordable Housing and Sustainable Communities Program, supports the California's greenhouse gas (GHG) emission reduction goals by making strategic investments to protect agricultural lands from conversion to more GHG intensive uses. Protecting critical agricultural lands from conversion to urban or rural residential development promotes smart growth within existing jurisdictions, ensures open space remains available, and supports a healthy agricultural economy and resulting food security. A healthy and resilient agricultural sector is becoming increasingly important in meeting the challenges occurring and anticipated as a result of climate change. Auction revenues from the Cap-and-Trade Program are deposited into the Greenhouse Gas Reduction Fund (GGRF), which the Legislature and Governor appropriate to a variety of programs such as the SALC and which operate under the umbrella of California Climate Investments. All projects funded by GGRF monies must reduce or avoid greenhouse gas emissions.

Agricultural Land Conservation Planning grants provide funds to cities and counties in collaboration with local stakeholders to develop and implement plans for the protection of agricultural land at risk of conversion to non-agricultural uses. This component of the program incentivizes local governments to work closely with local stakeholders to develop local and regional land use policies and implementation activities that integrate agricultural land conservation in a way that reduces greenhouse gas emissions, supports job creation, and benefits priority populations.

The Council identified the California Department of Conservation (Department) in conjunction with the Natural Resources Agency (Agency) to administer SALC. The Strategic Growth Council approved the roles of the Department and the Agency at its July 10, 2014 meeting. In addition, SALC has been developed in consultation with the California Department of Food and Agriculture.

2. The Project is Defined by the Application and Award Letter

The Council released the final Sustainable Agricultural Lands Conservation Program Grant Guidelines & Applications on February 25, 2020 ([Exhibit F](#)) (Guidelines). In accordance with the Guidelines, Grantee applied and was awarded a grant to fund the project described in the application. The project proposes to identify priority and critical areas for preservation proximal to urban growth boundaries, review existing ag conservation policies; identify infill development opportunities focused on healthy and resilient communities; and reduce greenhouse emissions by avoiding conversion. The project is subject to

**RELEASE OF LIABILITY, ASSUMPTION OF RISK AND INDEMNIFICATION AGREEMENT
ALAMEDA COUNTY RESOURCE CONSERVATION DISTRICT VOLUNTEERS**

For and in consideration of the Alameda County Resource Conservation District (District) permitting _____ (Volunteer) to participate in conservation, mitigation, education and/or land stewardship projects located on lands involved in a District stewardship project, on _____ (Date) the undersigned hereby KNOWINGLY AND VOLUNTARILY RELEASES, DISCHARGES, WAIVES AND COVENANTS NOT MAKE A CLAIM AGAINST OR TO SUE THE DISTRICT; FRIENDS OF SAN LORENZO CREEK; ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA; ALAMEDA COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA; THEIR DIRECTORS, OFFICERS, AGENTS, AND/OR EMPLOYEES for any and all losses, liabilities, expenses, claims, suits, actions, damages, and/or liability including attorney's fees, arising out of or resulting from the strict liability or ordinary negligence of the District or any other volunteer or participant which causes the Volunteer and/or the undersigned property damage, injury, and/or death. By signing this agreement, the undersigned further releases and discharges, the District, its Directors, Officers, Agents, and/or Employees from any and all losses, expenses, suits, actions, damages, claims and/or liabilities for injuries, death, and/or property damage arising out of or resulting from the Volunteer's own negligence or recklessness.

The undersigned hereby expressly agrees to DEFEND, INDEMNIFY, AND HOLD HARMLESS the DISTRICT, FRIENDS OF SAN LORENZO CREEK; ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA; ALAMEDA COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, and their Directors, Officers, Agents, and/or Employees from and against any and all loss, liability, expense, claim, suit, and damage, including attorney's fees, arising out of or resulting from the any negligent acts, errors or omissions, or willful misconduct arising out of the activities, participation, and/or presence of the Volunteer and/or other volunteers or participants on the District's property or on property where the District is conducting conservation or mitigation projects.

The undersigned acknowledges that she/he is aware of the risks inherent in this activity and knowingly and voluntarily elects to accept all risks associated with this activity and the Volunteer's presence on the land where the activity is being conducted.

* * * * *

I acknowledge that I have carefully read this document and fully understand its contents. I am aware that it is a release of all claims, an assumption of all risk inherent in this activity, and an agreement to indemnify the District, HARD, and Alameda County. I am fully aware of the legal consequences of signing this document and I voluntarily sign my name evidencing my acceptance of its provisions.

Printed Name of Volunteer: _____

Signature of Volunteer's Parent or Legal Guardian (if volunteer is under age 18) _____

Address: _____

Emergency Contact Name and Phone Number: _____

Media Release

I give my full permission to the ACRCDD to use my or my child's name and/or pictures, or voice recordings for any publicity and promotion purposes.

Name

Signature

Date

Alameda County Resource Conservation District (ACRCDD)
3585 Greenville Rd. Suite 2, Livermore, CA 94550 www.acrcdd.org
Clean Water Volunteers

any conditions contained within the Award Letter ([Exhibit E](#)). This will be referred to as the "Project" throughout this Agreement.

3. Authorized Signers

The Department Director or designee is authorized to sign this Grant Agreement and grant-related documents on behalf of the Department.

Grantee's Authorized Signatory or designee is authorized to sign this Grant Agreement and grant-related documents as shown in the Authorized Signatory Form (Attachment 1).

Grantee must keep Authorized Signatory Forms up to date. Within seven (7) working days of any change to the authorized signatory or to the delegated authorized signatory, Grantee shall notify the Department in writing of the change. The written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.

4. Project Representatives

The project representatives are the contact people for the Department and Grantee. The project representatives during the term of this Grant Agreement are:

Department

Name	Title	Phone Number	Email
Melinda Kelley	Grant Manager*	(916) 678-0076	Melinda.kelley@conservation.ca.gov

* Unless otherwise stated within this Grant Agreement, all correspondence and documents to the Department of Conservation will be sent to the Grant Manager as described in Document Submission ([Exhibit A, Section 6](#)).

Grantee

Name	Title	Phone Number	Email
Rachel Jones	CEO	(510)670-6267	rachel.jones@acgov.org

Department and Grantee must keep the Project Representative(s) up to date. Any changes to the Project Representatives by either Grantee or Department shall be made by providing seven (7) working days advance written notice to the other party. The written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.

5. Grantee Responsibilities

Grantee is responsible for:

- A. Using grant funds only as intended for the Project.
- B. Completing work on time and within budget. This includes meeting all milestones and deliverables, as described in the Work Plan ([Attachment 2](#)) and in accordance with the Budget Detail Worksheet ([Attachment 4](#)), unless otherwise agreed to by all parties through the amendment process described in Exhibit B, Section 7.
- C. Submitting invoices for reimbursement using the Invoice ([Attachment 5](#)) template, including any supporting documents.
- D. Submitting a final report with the last invoice, using the Final Report template ([Attachment 3](#)).
- E. Complying with all terms and conditions of this Grant Agreement, including all incorporated documents.
- F. Complying with statutes, rules, and regulations applicable to this Grant Agreement.
- G. Maintaining an accounting system that accurately reflects all fiscal transactions and provides accounting information, retaining all records and required documents as specified in [Exhibit C, Section 4](#), and providing all required documents during an audit, as specified in [Exhibit C, Section 5](#).

6. Document Submission

- A. Electronic Mail

When this Grant Agreement requires Grantee to give invoices, reports, or other documents to the Department, Grantee must use email unless this Grant Agreement specifically requires that the document be sent by mail. All email must contain the Grant Agreement number and Grantee's name in the subject line.

- B. Mail Service/Courier Service

Correspondence and documents submitted through mail, certified mail, or courier service must use the following address:

Department of Conservation
Division of Land Resource Protection
Attn: Melinda Kelley (3020-901)
801 K Street, 14th Floor, MS 14-15
Sacramento, CA 95814

7. Reporting Requirements

When the Project is completed, Grantee must submit a Final Report with the last invoice. To complete and submit the Final Report:

- A. Submit the Final Report with the last invoice. If Grantee does not submit the Final Report with the last invoice, then the last invoice will be considered incomplete and returned following process specified in [Exhibit D, Section 5](#).
- B. Use the Final Report Template, which is attached as [Attachment 3](#).
- C. Make sure the Final Report is signed by the person authorized to sign on the most current Authorized Signatory Form ([Attachment 1](#)).
- D. Put enough detail in the Final Report to show that Grantee fulfilled the terms of the Grant Agreement and should be paid for completing the project.

Attachment 1: Authorized Signatory Form

I hereby verify that I am an authorized Grantee representative and signatory and, as such, can sign and/or delegate authorization to sign and bind Grantee as it relates to the above-referenced Grant Agreement and grant related documents.

Grantee Authorized Signatory:

Name: Rachel Jones **Title:** CEO

Signature: **Date:**

Delegated Authorized Signatories:

Name: **Title:**

Signature: **Date:**

Document(s) Authorized to sign:

- All Grant Related Documents **or** Grant Agreement
- Grant Amendments Budget Amendments Reports
- Invoices Other _____

Name: **Title:**

Signature: **Date:**

Document(s) Authorized to sign:

- All Grant Related Documents **or** Grant Agreement
- Grant Amendments Budget Amendments Reports
- Invoices Other _____

Attachment 2: Work Plan

Work Plan			
Task Number	Performance Measure	Timeline	Total Requested Grant Funds
<p>Task 1. Establishment of Stakeholder Group</p> <p>Identify Stakeholders and conduct meetings to identify Stakeholder concerns.</p> <p><i>Subtask A:</i> Conduct preparatory background research.</p> <p><i>Subtask B:</i> Identify key agencies with planning responsibilities including unincorporated areas of Alameda Co.</p> <p><i>Subtask C:</i> Prepare and send introductory letter and survey.</p> <p><i>Subtask D:</i> Compile and communicate responses from survey.</p> <p><i>Subtask E:</i> Develop Stakeholder group, ensuring areas of needed expertise are integrated.</p> <p><i>Subtask F:</i> Create agendas for and schedule Stakeholder meetings.</p> <p><i>Subtask G:</i> Summarize and communicate Stakeholder feedback.</p> <p><i>Subtask H:</i> Create announcement of SALC grant project commencement county-wide, including description of primary goals.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Draft list of relevant policies • List of potential Stakeholders • Invitation letter and questionnaire • Summary of survey responses • Stakeholder group roster • Meeting notes • Summary of feedback from Stakeholders as a basis for entering Task 2 • Project announcement <p>Milestones:</p> <ul style="list-style-type: none"> • Creation of Stakeholder Group (May 2021) • Stakeholder Meetings (x 2, June 2021) 	4 months	<p>\$48,375.53 from grant</p> <p>\$3,200.00 from match</p>
<p>Task 2. Stakeholder Planning Process</p> <p>With Stakeholder participation, develop a comprehensive analysis of existing regulatory policies and suggest strategies</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Final list of relevant regulations, policies, 	14 months	\$79,222.63 from grant

<p>to account for policy gaps, inconsistencies, overlap and redundancies, as they relate to sustainable agricultural lands conservation in Alameda County.</p> <p><i>Subtask A:</i> Continue (from Task 1) to identify and review regulations and policy documents relevant to agricultural lands conservation within Alameda County.</p> <p><i>Subtask B:</i> Convene committees to discuss and address inconsistencies in policies relevant to agricultural lands conservation in Alameda County.</p> <p><i>Subtask C:</i> Summarize existing policy, highlighting gaps, overlap, and redundancies.</p> <p><i>Subtask D:</i> Draft summary of findings.</p>	<p>and related source material</p> <ul style="list-style-type: none"> • First draft summary of findings <p>Milestones:</p> <ul style="list-style-type: none"> • Stakeholder Meetings (approximately 6: committees meet periodically, full Stakeholder group meets at beginning and culmination of mapping and planning steps) 		<p>\$6,200.00 from match</p>
<p>Task 3. Create prioritization criteria to rank agricultural land parcels for preservation precedence.</p> <p>Research and gather current sources of information to develop ranking criteria needed to update inventories of (i) lands at risk of conversion from agricultural land use to more intensive GHG-emitting land-use practices, as well as of (ii) lands that are protected.</p> <p><i>Subtask A:</i> For at-risk lands inventory, effort will concentrate on lands along urban growth boundaries, in unincorporated areas, in priority development areas within urban infill, and those of special environmental significance, e.g., areas of high carbon sequestration potential.</p> <p><i>Subtask B:</i> For protected lands inventory, effort will concentrate on lands including Williamson Act acquisitions and other specified open-space lands within Alameda County, recording term of conservation agreement per parcel.</p> <p><i>Subtask C:</i> Identify pertinent characteristics for ranking priority acquisitions of at-risk agricultural lands in proximity to urban growth boundaries and unincorporated areas of Alameda County.</p> <p><i>Subtask D:</i> Identify pertinent characteristics for ranking priority siting of community gardens within infill development areas.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Ranking criteria to use in identification of agricultural land parcels for preservation (Subtask 4a), with description of metrics informing ranking protocol. • Ranking criteria to use in identification of potential locations for urban garden placement (Subtask 4b), with description of metrics informing ranking protocol. 	<p>3 months</p>	<p>\$10,207.28 from grant \$2,900.00 from match</p>

<p>Task 4. Create a draft map of relevant layers for land prioritization.</p> <p>Based on efforts in Task 3 and subtasks below, comprehensive priority draft maps will be developed.</p> <p><i>Subtask A:</i> Identify existing layers of GIS data, create layers from other pertinent digitizable information, create draft map with layers of GIS data for at-risk agricultural lands in proximity to urban growth boundaries and unincorporated areas within Alameda County.</p> <p><i>Subtask B:</i> Identify existing layers of GIS data, create layers from other pertinent digitizable information, create draft map with layers of GIS data for priority siting of urban agricultural/ community gardens within infill development areas.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • First draft map of high-priority parcels for conservation acquisition of agricultural lands in proximity to city urban growth boundaries and unincorporated areas within Alameda County. • First draft map of optimal urban agricultural/ community garden locations within potential infill development areas of Alameda County. • Updated inventory of at-risk agricultural lands in Alameda County. • Updated inventory of protected agricultural lands in Alameda County. 	<p>3 months</p>	<p>\$23,408.01 from grant</p> <p>\$2,000.00 from match</p>
<p>Task 5. Community Outreach</p> <p><i>Sub-Task A:</i> Plan, prepare for and conduct meetings with community groups to share ranking and incentive structures.</p> <p><i>Sub-Task B:</i> Create a summary of the second round of feedback from community groups as a basis for recommendations.</p> <p><i>Subtask C:</i> Create media (e.g., press releases and web articles) summarizing project progress.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> • Summary of community feedback from meeting, and ensuing recommendations. • Bring community concerns back to Stakeholder group. • Outreach materials. <p>Milestones:</p>	<p>3 months</p>	<p>\$23,287.82 from grant</p> <p>\$3,900.00 from match</p>

	<ul style="list-style-type: none"> Community meetings (x2-3) 		
<p>Task 6. Completion of final maps</p> <p>Create and present final maps at Board of Supervisors Meetings.</p> <p><i>Subtask A:</i> Create final priority parcel map of high-priority parcels for conservation acquisition of agricultural lands in proximity to city urban growth boundaries and unincorporated areas within Alameda County.</p> <p><i>Subtask B:</i> Create final priority parcel map of optimal urban agricultural community garden locations within potential infill development areas of Alameda County.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> Final map of high-priority parcels for conservation acquisition of agricultural lands in proximity to city urban growth boundaries and unincorporated areas within Alameda County. Final map of optimal urban agricultural/ community garden locations within potential infill development areas of Alameda County. 	2 months	<p>\$22,204.74 from grant</p> <p>\$1,000.00 from match</p>
<p>Task 7. Final Plan Development and Review</p> <p><i>Subtask A:</i> Finalize summary of plan and policy recommendations.</p> <p><i>Subtask B:</i> Present recommendations at three meetings:</p> <ol style="list-style-type: none"> LAFCO Board of Directors Board of Supervisors ACRCD Board of Directors <p><i>Subtask C:</i> Distribute final document to Stakeholders and other relevant State agencies.</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> Final presentation of planning document and recommendations for implementation of new policies and/ or regulations. 	6 months	<p>\$39,065.18 from grant</p> <p>\$3,800.00 from match</p>
<p>Task 8. Administration</p> <p>Grant administration (e.g., invoicing, invoice review, document signing)</p>	<p>Deliverables:</p> <ul style="list-style-type: none"> Invoices Signed contract documents 	24 months	<p>\$4,213.60 from grant</p> <p>\$2,000.00 from match</p>

Attachment 3: Final Report

Final Report	Date Submitted:
Grantee Name:	Grant Number:
Project Name:	

1. Based on your experiences with this grant program, please provide feedback about how the Department can improve future grant programs.
2. Briefly summarize the Project's results and outcomes, including how the goals and objectives were accomplished, findings or conclusions, and planned or potential future projects that may result from the Project. Include a list of other sources of funding that were secured, directly or indirectly, through this Project.
3. Describe and explain any differences between the planned results, as listed in the Work Plan ([Attachment 2 to the Grant Agreement](#)), and the actual results. Include a discussion of any problems, barriers, or issues that occurred during the Project, corrective actions taken, and the outcomes.
4. Explain any plans to continue funding for the Project, and/or to expand, modify, or replicate the Project.
5. Attach any relevant documents to this report. If the documents cannot be sent electronically, notify the Grant Manager.

I certify that this Final Report is accurate and that this project complies with the Agreement. I further certify that any expenditure discussed in this report is allowed under the Agreement and that all funds were expended for the purposes of this Project.

Agreement and that all funds were expended for the purposes of this Project.

Name:

Title:

Signature:

Date:

Exhibit B, Budget Detail and Payment Provisions

1. Payment

- A. To receive payments of grant funds, Grantee must submit an invoice. Advance payments are not permitted under this Grant Agreement.
- B. Upon receipt and approval of an itemized invoice and required supporting documentation, the Department agrees to reimburse Grantee for actual expenditures for work completed, in accordance with the rates specified in the Budget Detail Worksheet ([Attachment 4](#)).
- C. The Department may withhold final payment until all terms of the Grant Agreement have been satisfied.
- D. Payment shall be made within forty-five (45) days upon receipt and approval of an invoice. Failure to comply with requirements may result in non-payment or delayed payment.
- E. For cost principles, see [Exhibit B, Section 5](#).

2. How to Submit Invoices

- A. Send the invoices to the Grant Manager by email. Include the Grant Agreement number and Grantee's name in the subject line.
- B. Send invoices regularly, to keep getting paid. Grantee shall submit invoices no more frequently than monthly, in arrears, to the Grant Manager.
- C. A request for payment shall consist of:
- D. The Invoice ([Attachment 5](#)) on official letterhead and signed by the Authorized Signatory, or authorized designee on file with the Department ([Exhibit A, Section 3](#)), certifying the expenditures are for actual expenses for the tasks performed under this Grant Agreement.
- E. Each cost category and task must correspond to a cost category and task identified in the Budget Detail Worksheet ([Attachment 4](#)).
- F. Supporting documentation for reimbursement of funds.
- G. Supporting documentation (e.g., timesheets, activity logs, cancelled checks) for matching funds does not need to be submitted to the Department but should be retained by Grantee in the event of an audit ([Exhibit C, Section 5](#)).
- H. At any time, the Department may request hard copies of invoices, reports, supporting documentation, and evidence of progress.

3. Invoice Dispute

In the event of an invoice dispute, see [Exhibit D, Section 5](#).

4. Budget Contingency Clause

- A. If the Budget Act of the current year and/or any subsequent years covered under this Grant Agreement does not appropriate sufficient funds for the program, this Grant Agreement shall have no further force nor effect. In this event, the Department shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under

this Grant Agreement, and Grantee shall not be obligated to perform any provisions of this Grant Agreement.

- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the Department shall have the option to either cancel this Grant Agreement with no liability occurring to the Department or offer an amendment to reflect the reduced amount.

5. Cost Principles

- A. All costs to be reimbursed must be consistent with the Guidelines ([Exhibit E](#)).
- B. All costs to be reimbursed must be reasonable, as defined in the Guidelines ([Exhibit F](#)).

6. Travel Reimbursement

Travel expenses directly related to the performance of this Grant Agreement will be subject to the State of California travel reimbursement rates in effect during the term of this Grant Agreement.

- A. The Department will only reimburse for actual expenditures incurred for in-state travel as specified in the Guidelines ([Exhibit F](#)).
- B. Grantee shall maintain, and submit upon request, detailed travel records and supporting documents (e.g., travel request and approval forms, expense claims, invoices, receipts for lodging and transportation) showing the date and purpose of the grant-related travel, destination, and, in the case of travel by automobile, the number of miles driven.
- C. Grantee shall ensure travel costs are included in the Budget Detail Worksheet ([Attachment 4](#)) and are tied to tasks and deliverables in the Work Plan ([Attachment 2](#)).
- D. Grantee and any person traveling pursuant to this Grant Agreement shall indemnify and hold harmless the Department and State of California for any liabilities resulting from such travel.

7. Budget Modifications

- A. Grantee must keep the [Budget Detail Worksheet](#) up to date.
- B. Changes up to twenty percent (20%) between tasks shall be made by providing written notice with or before submission of an invoice. If submitted before the invoice, the written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.
- C. Changes of more than twenty percent (20%) between tasks shall follow the amendment process, specified in [Exhibit B, Section 8](#).

8. Amendments

- A. This section applies to any changes to this Grant Agreement, excluding the following:
 - i. Changes to the Authorized Signatory Form ([Attachment 1](#)). For changes to the Authorized Signatory Form see [Exhibit A, Section 3](#).

- ii. Changes to project representatives, see [Exhibit A, Section 4](#).
 - iii. Changes to the Budget Detail Worksheet of up to twenty percent (20%) between tasks, see [Exhibit B, Section 7](#).
- B. Except as otherwise specified, Grantee must request and obtain prior written approval before any change (amendment) to this Grant Agreement is valid.
- C. Request for amendments must:
- i. Be prepared, in writing, on official letterhead and signed by the Authorized Signatory or designee on file with the Department.
 - ii. Be submitted to the Grant Manager at least two (2) months prior to when the amendment is needed.
 - iii. Include the Grant Agreement number, a detailed explanation of the proposed amendment, reason for the amendment, and the effect of not approving the request.
 - iv. Include a copy of the document(s) requested for amendment that shows the requested changes.
- D. The Grant Manager will respond in writing within fifteen (15) working days from receipt of request to approve or deny the request for amendment, including the reason for the decision.
- E. The Grant Manager will process amendments within thirty (30) days of the approval date. The amendment will not be in effect until both parties have signed the Grant Agreement amendment.

STATE OF CALIFORNIA
 Department of Conservation
GRANT AGREEMENT
 Sustainable Agricultural Lands Conservation Program

Alameda LAFCO
 3020-901
 Agricultural Land Conservation Planning Grant
 Page 16 of 31

AEBCO Dist	24	005	005	0015	0	1	LS	0	LS	155	\$ 7751	\$ 7750	\$ 7750	\$ 3,050.01	\$ 319.65	\$ 7,494.09
AEBCO Dist	24	0015	0015	0015	05	05	05	LS	0	65	\$ 9751	\$ 9751	\$ 9751	\$ 1,170.00	\$ -	\$ 1,170.00
AEBCO Dist																
AEBCO Dist																
AEBCO Dist																
Subtotal								12.75	35	11.75				\$ 4,218.00	\$ 2,000.00	\$ 6,218.00
Grand Total								12.75	35	11.75				\$ 4,218.00	\$ 2,000.00	\$ 6,218.00

Attachment 5, Invoice

Department of Conservation

Date:

Division of Land Resource Protection

Email required invoice documents to: Grant Manager

Invoice Number:

Grantee Name:

Grant Number:

Project Name:

Invoice Period From: To:

Cost Category	Task #1	Task #2	Task #3	Task #4	Total
Staff					
Current Total					
Cumulative Total					
Allocated Total					

Cost Category	Total
Administration (not to exceed 20%)	
Travel	
Cumulative Total	
Allocated Total	

Work Plan Task #	Description of Work Completed

	<i>Please refer to specific deliverables in the Budget and Work Plan.</i>

Status Update			
Work Plan Task #	On Schedule (Y/N)	Within Budget (Y/N)	Corrective Plan or Action, if needed

CERTIFICATION: By my signature below, I certify that I have full authority to execute this payment request on behalf of Grantee. I declare under penalty of perjury, under the laws of the State of California, that this invoice for reimbursement, and any accompanying supporting documents, are true and correct to the best of my knowledge, and all disbursements have been made for the purposes and conditions as outlined in the Grant Agreement.

Name:

Print Name:	Print Title:
Signature:	Date:

Attachment 6, Invoice Dispute Notification

GRANTEE ADDRESS		INVOICE DATE
		INVOICE NUMBER
		INVOICE AMOUNT
		\$
		DATE INVOICE RECEIVED
		GRANT AGREEMENT NUMBER

The invoice referenced above is disputed for the following reasons:

- Request reimbursement for expenses not in the Budget Detail
- Invoiced for indirect cost reimbursement
- Invoiced for incidental costs or travel costs outside of CA
- Work performed prior to the Grant start or end date
- Insufficient evidence of progress made or task completion
- Invoice submitted without using required templates
- Insufficient supporting document for reimbursement
- Progress Report or Final Report not included with invoice
- Invoice not submitted by 5:00 p.m. on the required due date
- Request reimbursement through another funding source
- Other not listed above:

Comments:

THIS NOTIFICATION IS A FOLLOW UP TO A PHONE CONVERSATION WITH THE GRANTEE OR DESIGNEE WHOSE NAME APPEARS BELOW.

NAME	DATE OF CONVERSATION
------	----------------------

IF YOU HAVE ANY QUESTIONS REGARDING THIS DISPUTE, CONTACT:

NAME	TELEPHONE NUMBER (include Area Code)
------	--------------------------------------

RETURN A COPY OF THIS NOTIFICATION WITH THE CORRECTED INVOICE TO:	STATE OF CALIFORNIA USE ONLY	
	DATE DISPUTE RESOLVED	INITIALS
	RESOLUTION	

Exhibit C, General Terms and Conditions

1. Approval

This Grant Agreement is of no force or effect until signed by both parties. Grantee may not commence performance until such approval has been obtained.

2. Amendment

No change to this Grant Agreement shall be valid unless made in accordance with [Exhibit A, Section 3 or 4](#), or [Exhibit B, Section 7](#). No oral understanding or change not incorporated in this Grant Agreement is binding on any of the parties.

3. Assignment

This Grant Agreement is not assignable by Grantee, either in whole or in part, without the consent of the Department in the form of an amendment.

4. Records Retention

- A. Grantee shall establish an official file containing adequate documentation of all actions taken with respect to the Project, including copies of the Grant Agreement, changes, amendments, letters, email correspondence, financial records, and required reports for a minimum of four (4) years following the final payment of funds or until completion of any action and resolution of all issues which may arise as a result of an audit, whichever is later.
- B. Grantee shall adequately protect all records, physical and electronic, from loss, damage, or destruction during the four (4) year retention period.

5. Audit

- A. Grant funded projects are subject to audit by the State of California during the grant term and for up to four years following the termination of the grant agreement. Grantee agrees that the Department, Department of Finance, Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant Agreement. The audit may consist of examining and auditing pertinent books, documents, papers, and records including financial transactions and supporting documents, general accounting systems, internal controls, management practices, policies, and procedures pertaining to the performance of this Grant Agreement.
- B. At any time, the Department, Department of Finance, Bureau of State Audits, or their designated representative may request to review Grantee's records to ensure proper grant management. Grantee shall be given advance notice when the grant-funded Project is selected for an audit or review by the Department, Department of Finance, Bureau of

State Audits, or their designated representative. Grantee agrees to allow the auditor(s) access to such records during normal business hours, excluding State of California holidays, and to allow Interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the Department to audit records and interview staff in any subcontract related to performance of this Grant Agreement in accordance with Government Code section 8546.7. Grantee shall comply with the above and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code section 10115.10.

6. Indemnification

Grantee agrees to indemnify, defend, and hold harmless the State of California, its officers, agents, and employees from any and all claims and losses accruing or resulting to any and all Grantees, partners, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Grant Agreement.

7. Disputes

Grantee shall continue with the responsibilities under this Grant Agreement during any dispute.

8. Independent Grantee

Grantee, and the agents and employees of Grantee, in the performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the Department.

9. Non-Discrimination Clause

During the performance of this Grant Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, color, ancestry, national origin, religion, creed, age (over 40), mental disability, physical disability, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity, gender expression, medical condition, genetic information, marital status, and military and veteran status. Grantee and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of

the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Grant Agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

10. Timeliness

Time is of the essence in this Grant Agreement. The Department and Grantee will work collaboratively to ensure this Grant Agreement is administered in a timely fashion.

11. Governing Law

This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

12. Unenforceable Provision

If any provision of this Grant Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant Agreement have force and effect and shall not be affected thereby.

Exhibit D, Special Terms and Conditions

1. Compliance with Laws and Regulations

By signing this Grant Agreement, Grantee certifies that it shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits and shall secure any new permits required by authorities having jurisdiction over the Project(s) and maintain all presently required permits. Grantee shall ensure that any applicable requirements of the California Environmental Quality Act are met in order to carry out the terms of this Grant Agreement.

2. Subcontractors

The Department's contractual relationship is with Grantee, and not any of its subcontractors. Grantee is entitled to make use of its own staff and subcontractors, as identified in the Budget Detail Worksheet ([Attachment 4](#)), and will comply with its own competitive bidding and sole sourcing requirements for subcontracts that arise out of or in connection with this Grant Agreement. Grantee shall manage, monitor, and accept responsibility for the performance of its own staff and subcontractors, and will conduct Project activities and services consistent with professional standards for the industry and type of work being performed under this Grant Agreement.

Nothing contained in this Grant Agreement or otherwise, shall create any contractual relation between the Department and any subcontractors, and no subcontract shall relieve Grantee of its responsibilities and obligations hereunder. Grantee agrees to be as fully responsible to the Department for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Grantee. Grantee's obligation to pay its subcontractors is an independent obligation from the Department's obligation to make payments to Grantee. As a result, the Department shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

3. No Third-Party Beneficiaries

This Grant Agreement is not intended for the benefit of any person or entity other than the parties, and no one other than the parties themselves may enforce any of the rights or obligations created by this Grant Agreement.

4. Project Monitoring and Oversight

Project monitoring and oversight is essential to ensure the Project stays within scope and is completed on schedule and within budget in accordance with this Grant Agreement.

5. Dispute Resolution

A. Invoice Disputes

- i. In the event of an invoice dispute, the Grant Manager will notify Grantee by phone and follow up in writing using the Invoice Dispute Notification Template ([Attachment 6](#)) within ten (10) working days of receipt of the disputed invoice.
- ii. During the dispute, both parties shall deal in good faith to resolve the dispute. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement.
- iii. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

B. General Disputes

- i. In the event of a dispute unrelated to the dispute of an invoice, Grantee shall first attempt to resolve the dispute with the Grant Manager.
- ii. Both parties shall deal in good faith and attempt to resolve the dispute informally.
- iii. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement during a dispute.
- iv. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

C. Contesting a Dispute Decision

- i. If Grantee contests a decision made by the Grant Manager, Grantee may submit a written "Notice of Dispute" on official letterhead. The "Notice of Dispute" shall include:
 - The Grant Agreement number
 - A complete description of the basis for the dispute
 - Legal authority or pertinent facts, supporting arguments and documentation
 - Action requested for resolution

The "Notice of Dispute" shall be sent to:

Department of Conservation
Division of Land Resource Protection
Attn: Division Director
801 K Street, 14th Floor, MS 14-15
Sacramento, CA 95814

- ii. Within 30 days after receipt of the "Notice of Dispute," the Division Director shall review the dispute and submit a written decision to Grantee, which shall include:
 - The decision made
 - An explanation for the decision
 - Whether the decision shall be conclusive and binding or can be appealed and the steps to take to appeal the decision

6. Termination

- A. Completion of Project. This Grant Agreement shall terminate upon completion of the project and payment of the last invoice.
- B. Early Termination. Either Party may terminate this Grant Agreement upon thirty (30) days advance written notice by certified mail to the other Party. The notice shall specify the reason for early termination and may permit Grantee or Department to rectify any deficiency(ies) prior to the early termination date.

7. Waiver of Rights

- A. Grantee waives any and all rights to any type of express or implied indemnity or right of contribution from the Department, its officers, agents, or employees for any liability arising from, growing out of, or in any way connected with this Grant Agreement.
- B. Grantee waives all claims and recourses against the Department, including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Grant Agreement, except claims arising from the gross negligence of the Department, its officers, agents, and employees.
- C. None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing.

8. Insurance Requirements

- A. Grantee that is a governmental organization may provide evidence of self-insurance to satisfy this requirement.
- B. If Grantee is not a governmental organization or is a governmental organization that is unable to provide evidence of self-insurance, then it shall obtain and keep in force for the term of this Agreement the following insurance policies that cover any acts or omissions of Grantee, its subcontractors, or its employees engaged in the provision of service specified in this Agreement:
 - i. Workers' Compensation Insurance in an amount of not less than \$1,000,000 in accordance with the statutory requirement of the State of California (California Labor Code § 3700 et seq.).
 - ii. Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence for bodily injury and property damage combined.

- iii. Motor vehicle liability insurance in an amount not less than \$1,000,000 per accident for bodily injury and property damage combined. Such insurance shall cover liability arising out of any motor vehicle including owned or hired, and non-owned motor vehicles.
- C. The State of California, its officers, agents, and employees are included as additional insured, but only with respect to work performed for the State of California under this Grant Agreement. The additional insured endorsement must accompany the certificate of insurance.
- D. Grantee shall submit proof of insurance documents referencing this Grant Agreement number to the Department electronically within thirty (30) days of signing this Grant Agreement.
- E. Grantee shall notify Department in writing within five (5) working days of any cancellation, non-renewal, or material change that affects required insurance coverage.
- F. Grantee shall submit proof of new or updated policy based on insurance requirements within thirty (30) days of policy cancellation or substantial policy change. Failure to provide proof of insurance may result in termination of this Grant Agreement.

9. Stop Work

If it is determined, at the sole discretion of the Department, that Grantee is not meeting the terms and conditions of this Grant Agreement, immediately upon receiving a written notice through certified mail from the Department to stop work, Grantee shall cease all work under this Grant Agreement. The Department has the sole discretion to determine that Grantee meets the terms and conditions after a stop work order, and to send through certified mail a written notice to Grantee to resume work under this Grant Agreement.

10. Publicity

Grantee agrees that it will acknowledge the Department's support whenever activities or projects funded, in whole or in part, by this Grant Agreement are publicized in any news media, brochures, articles, seminars, websites, or other type of promotional material.

Grantee shall also include in any publication resulting from work performed under this grant an acknowledgment substantially as follows:

"The work upon which this publication is based was funded in whole or in part through a grant awarded by the California Department of Conservation."

Media: Grantee is required to identify a point of contact for all press inquiries and communications needs related to the Project and provide the name, phone number, and email address of this individual to the Department. All press releases must be approved by the Department prior to distribution, and the

Department must be alerted and invited to participate in all press conferences related to the grant.

Social Media: Grantee is encouraged to use social media to inform and share with the public activities under this Grant Agreement. Furthermore, the Department should be tagged on all posts related to activities under this Grant Agreement.

All publicity must comply with the Publicity and Confidentiality requirements set forth in the Guidelines ([Exhibit F](#)).

11. Drug-Free Workplace Certification

In signing this Grant Agreement, Grantee certifies that it will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace.
 - ii. The person's or organization's policy of maintaining a drug-free workplace.
 - iii. Any available counseling, rehabilitation, and employee assistance programs.
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
- C. Every employee who works on this Grant Agreement will:
 - i. Receive a copy of the company's drug-free workplace policy statement.
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on this Grant Agreement.

Failure to comply with these requirements may result in suspension of payments under this Grant Agreement or termination of this Grant Agreement or both, and Grantee may be ineligible for award of any future State of California agreements if the Department determines that any of the following has occurred: Grantee has made false certification, or violated the certification by failing to carry out the requirements as noted above (Gov. Code §8350 et seq.).

12. Americans with Disabilities Act

Grantee assures the Department that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of

disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

13. Air/Water Pollution Violation Certification

Under State of California laws, Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the California Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

14. Payee Data Record Form - STD 204

This form must be completed by all Grantees that are not another state agency or other governmental entity.

Exhibit E, Award Letter

DocuSign Envelope ID: 8A6DDEB3-FD5A-43D2-BE7C-46EC29AA3074



California
Department of Conservation
Division of Land Resource Protection

Govin Newsom, Governor
David Shobezen, Director

January 13, 2021

Rachel Jones
Alameda LAFCO
Via Email to: rachel.jones@acgov.org

Re: Planning Grant Application for Sustainable Agricultural Lands Conservation Program Funding

Dear Ms. Jones:

Thank you for your planning grant application to the Sustainable Agricultural Lands Program solicitation. The Department of Conservation received over \$2.4 million in planning grant applications. We are pleased to have received so many quality proposals demonstrating a strong commitment to local and regional planning efforts that protect and restore agricultural lands at risk of conversion to other uses.

It is my pleasure to inform you that your proposal has been awarded \$249,988.32 in project funding.

Department of Conservation staff will work with you to complete the draft grant agreement. Staff will also work with you to update the budget, work plan, or other elements of your grant proposal as appropriate. The grant agreement must be fully executed before expenses can be incurred.

We look forward to working with you and wish you success in implementing your work plan. Should you have any questions, please contact Melinda Kelley, grant manager, via email at melinda.kelley@conservation.ca.gov.

Thank you for your interest in our program!

Sincerely,



Keali'i Bright
Director, Division of Land Resource Protection

Exhibit F, Guidelines

[Insert Guidelines here.] Will be inserted with PDF version

Blank for Photocopying



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 4c

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: Proposed Contract Amendment | Chase Designs

The Alameda Local Agency Formation Commission (LAFCO) will consider approving a proposed contract amendment with Chase Designs at a not-to-exceed amount of \$15,500 over a three-year period. The purpose of the amendment is for Chase Designs to continue providing the Commission with professional services in creating additional LAFCO brochures, pamphlets, and brand consulting.

Background

Alameda LAFCO has contracted branding services with Chase Designs since September 17, 2021. The Commission approved an 18-month contract with the firm to provide professional branding services. Chase Designs has created Alameda LAFCO’s new logo and local agency directory. Staff would like Chase Designs to also digitize the Commission’s upcoming Strategic Work Plan, develop a pamphlet for its Fire Protection and Emergency Medical Services Municipal Service Review (MSR), and provide brand guidance support as needed.

Discussion

As of April 30, 2023, Alameda LAFCO’s contract with Chase Designs has expired. Staff recommends to retroactively approve a second contract amendment with Chase Designs from the period of April 30, 2023 to April 30, 2026 with an increase in the contract amount by \$10,000, at a not-to-exceed cost of \$15,500. The cost of service reflects the Commission’s approved budget and work plan for the fiscal year 2023-2024.

Staff would like to continue its relationship with Chase Designs through this contract because of the firm’s general approach and experience executing LAFCO graphic design and its extensive familiarity with government branding. A draft contract amendment is attached (Attachment 1).

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Approve the second contract amendment with Chase Designs for as-needed brand design as shown in Attachment 1.

Alternative Two:

Continue consideration of the item to a future meeting and provide direction to staff as needed.

Alternative Three:

Deny the second contract amendment.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



Rachel Jones
Executive Officer

Attachments:

1. Proposed Contract Amendment with Chase Designs – 2nd Amendment
2. Chase Designs – 1st Contract Amendment

SECOND AMENDMENT TO AGREEMENT

This Second Amendment to Agreement (“Second Amendment”) is made by and between the Alameda Local Agency Formation Commission (LAFCO) and Chase Designs, Inc., (“Contractor”) with respect to that certain agreement entered by them on September 17, 2021 and that certain First Amendment to Contract dated March 10, 2022, (collectively referred to herein as “the Agreement”) pursuant to which Chase Designs provides professional branding services related to the completion of Alameda LAFCO’s flyers, brochures, pamphlets, and graphic designs.

WHEREAS, pursuant to the Agreement, the CONTRACT PERIOD is from September 17, 2021 through April 30, 2023. This Agreement may be extended for an additional thirty-six month period, if mutually agreed by both parties hereto, in writing not less than thirty (30) days prior to the expiration of this Agreement.

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LAFCO and Chase Designs agree to amend the Agreement in the following respects:

Said Agreement is hereby amended as follows:

1. The term of the Agreement expired on April 30, 2023. The parties mutually agree that more time is necessary to complete the projects. Therefore, the parties mutually agree to extend the current term for three additional years from the current end date of April 30, 2023.
2. The term of the Agreement shall be amended to extend the end date from September 17, 2021 to April 30, 2026.
3. Both parties agree to increase the contract amount by an additional \$10,000, for a total revised not-to-exceed amount of \$15,500.
4. Exhibit A-1 remains unchanged.

This amendment is effective April 30, 2023. Except as specifically amended, the remaining provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Agreement as of the day and year first above written.

ALAMEDA LAFCO

Chase Designs

By: _____
Rachel Jones, Executive Officer
Alameda Local Agency Formation Commission

By: _____
Signature

Name: _____
(Printed)

Title: _____

Date: _____
Address:
2011 Palomar Airport Road, Suite 304
Carlsbad, CA 92011

Approved as to Form:

By: _____
Andrew Massey, LAFCo Counsel

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

AGREEMENT AMENDMENT

Reference is made to the contract entered into on the 17th day of September 2021, by and between the Alameda Local Agency Formation Commission and Chase Designs (“the Agreement”).

Said Agreement is hereby amended as follows:

1. The term of the Agreement shall be amended to extend the end date from September 17, 2021 to April 30, 2023 with an increase for a total contract not-to-exceed amount of \$10,000.
2. The Definition of Services (Exhibit A) shall be amended to add supplemental scope of work to complete Alameda LAFCO’s flyers, brochures, and presentations as more fully described in Exhibit A-1, attached hereto and incorporated as if set forth more fully herein.
3. Exhibit B is replaced with a revised Exhibit B, attached hereto and incorporated as if set forth more fully herein.

This amendment is effective March 10, 2022. Except as specifically amended, the remaining provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Agreement as of the day and year first above written.

ALAMEDA LAFCO

By: 
Rachel Jones, Executive Officer
Alameda Local Agency Formation Commission

Chase Designs

By: 
Signature

Name: Chris Chase
(Printed)

Title: CEO

Date: 3-21-22

Address:
2011 Palomar Airport Road, Suite 304
Carlsbad, CA 92011

Approved as to Form:

By: 
Andrew Massey, LAFCo Counsel

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

Exhibit A-1

Kick off meeting: The Contractor will gather info from staff on the design project so both parties will know the direction to go in terms of deliverables for brochures, flyers, Powerpoint presentations, MSR summary reports, and social media graphics.

Price estimates for the Alameda LAFCO pieces.

LAFCO_MSRSummaryReport_8.5x11 = 3-5 Hours x \$150/hr = \$450 - \$750

LAFCO_RecruitmentFlyer_8.5x11 = 3-4 Hours x \$150/hr = \$450 - \$600

LAFCO_brochure_9.75x9.75_4Panel = 20-25 Hours x \$150/hr = \$3,000 - 3,750

Chris Chase – Creative Director: \$150/hour

Exhibit B

1. The Alameda LAFCO will pay Contractor for services provided herein, upon the submittal of an invoice and summary report of services performed pursuant to this agreement. All services will be performed at the direction of, and with the prior authorization of, the LAFCO Executive Officer. Invoices will be approved by the Alameda LAFCO Executive Officer. Payments under the terms of this Agreement shall not exceed \$10,000. This amount includes all administrative expenses and costs, travel expenses and contingencies. For the purposes assigned in the proposal, the billing rates are as listed in the firm's proposal and shown below:

Logo Design:

Payment shall be made in lump sum as follows: Deposit of \$2,500 at start of contract agreement and \$2,500 once LAFCO approves of the logo design and receives the identity sheet.

Document Design:

Payment shall be made at hourly rates as follows:

Chris Chase – Creative Director: \$150/hour

LAFCO_MSRSummaryReport_8.5x11 = 3-5 Hours x \$150/hr = \$450 - \$750

LAFCO_RecruitmentFlyer_8.5x11 = 3-4 Hours x \$150/hr = \$450 - \$600

LAFCO_brochure_9.75x9.75_4Panel = 20-25 Hours x \$150/hr = \$3,000 - 3,750

2. Payments under the terms of this Agreement shall not exceed \$10,000. This amount includes: 1 LAFCO branded Powerpoint presentation, 3 MSR Summary Reports, 2 LAFCO Flyers, and 2 LAFCO brochures.
3. The term of this Agreement is April 30, 2022 to April 30, 2023.



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 5

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: Draft Report on Alameda LAFCO’s South Livermore Valley Special Study

The Alameda Local Agency Commission (LAFCO) will receive a draft report and presentation from consultant, Scott Gregory of Lamphier-Gregory on its *South Livermore Valley Special Study*. The draft report has been prepared as part of the Commission’s adopted work plan and is intended to review, examine, and highlight current and emerging issues, specifically related to the potential extension of municipal services (especially wastewater), agricultural land preservation, and the economic vitality of the South Livermore Valley. The draft is being presented to the Commission for initial discussion and feedback ahead of initiating a formal 30-day public review and comment period.

Background

In 1987, the County of Alameda, in conjunction with the cities of Livermore and Pleasanton, created the South Livermore Valley Area Plan (SLVAP) that provided land use policies aimed at preserving existing vineyards and wineries to enhance the recognition and image of the South Livermore Valley as an important premium wine-producing region and to create incentives for the investment and expansion of vineyards and other cultivated agriculture. The plan was approved by the County and City of Livermore in 1993.

The SLVAP specifically calls for the expansion of cultivated agricultural acreage from approximately 2,100 acres in 1993, to a minimum of 5,000 acres. The SLVAP established policies and implementation programs to direct new residential development to appropriate locations adjacent to cities and required that new urbanization provides additional economic resources necessary to preserve and expand viticulture and other cultivated agriculture on the most important agricultural lands in the area.

After 30 years since the passage of the County’s 1993 SLVAP and the City of Livermore’s 1993 General Plan Amendment, Alameda LAFCO amended its study schedule in January 2021 to review and examine the relative success of the SLVAP and the interrelated City of Livermore Valley Specific Plan, as well as assess the current growth management needs of the region moving forward.

Discussion

This item is for the Commission to receive and review the draft report on its *South Livermore Valley Special Study* consistent with the adopted work plan and ahead of staff initiating a formal 30-day public review and comment period. Similarly, it is also an opportunity for staff to present the report's findings to key stakeholders and agencies in the region. Feedback will be incorporated as appropriate into a final report presented for future action as early as September for the Commission to formally accept and file or return with specific actions.

Analysis

The report has been commissioned to provide objective information and data that may better inform deliberations and potential future policy decisions pertaining to the South Livermore Valley area through the support of agricultural preservation policies and the extension of municipal services. This information includes a retrospective review and establishment of current conditions within the South Livermore Valley relative to key Alameda LAFCO interests, policy positions, and procedural requirements.

A summary of key findings follows:

South Livermore Valley Specific Annexations

- In 1993 there were 2,100 acres of planted vineyards. By 2010, with the combination of the County's Density Bonus Program and the Tri-Valley Conservancy land acquisitions, approximately 5,000 acres of land had been placed under permanent conservation easement.
- In 1993, there were only 11 wineries in the South Livermore Valley, and in 2023 that number is estimated to be around 45 wineries.
- Between 1993 and 2010, 1,155 new homes had been built in six new neighborhoods to create a new agriculture and urban interface.

Now in 2023, most of the SLVSP's expected annexations and new development have been completed. Table 1 presents a summary of the SLVSP's expectations, as compared to today's current conditions.

Table 1: SLVSP Development Potential and Actual Development to Date

	<u>SLVSP Development Potential¹</u>	<u>Actual Development (2023)</u>
Sub-Area #1 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	133	133
New Commercial Development (sites)	0	0
Agricultural Land (acres)	94	73
Sub-Area #2 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	574	530
New Commercial Development (sites)	2	0
Agricultural Land (acres)	177	219
Sub-Area #3 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	195	244
Commercial Development (sites)	2	0
Agricultural Land (acres)	16	18
Sub-Area #4 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	130	130
New Commercial Development (sites)	4	2
Agricultural Land (acres)	117	126
Sub-Area #5 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	177	175
New Commercial Development (sites)	5	1
Agricultural Land (acres)	42	48
Sub-Area #6 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	0	0
New Commercial Development (sites)	1	0
Agricultural Land (acres)	174	188
Sub-Area #7 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	12	0
New Commercial Development (sites)	1	0
Agricultural Land (acres)	188	76
Total SLVSP		
Residential Development (lots)	1,221	1,212
New Commercial Development (sites)	16	3
Agricultural Land (acres)	810	747

Source: City of Livermore, SLVSP, 1997 as amended 2004

Vineyard Acreage

- Most recently, in the UC Davis study titled, “*Grape Growing and Winemaking in the Livermore Valley, Realizing the Heritage*” reports that as of September 2020, there were just over 3,100 acres of orchards and vineyards in the South Livermore Valley, of which 2,824 acres were planted to vineyards (wine grapes), 160 acres were planted to olives, and 135 acres planted to pistachios.
- Livermore Valley’s 45 wineries represent about 1% of California’s bonded wineries.

Cannabis

- The only fully permitted and operating cannabis facility within SLVAP is a retail operation, Garden of Eden at Highlands, at 7000 Tesla Road, the first cannabis business to open in the unincorporated East County area near Livermore. The facility was approved by the Alameda County in May of 2022. Cannabis is not, and may not be grown at this property.

South Livermore Sewer Extension Project

- Measure P only allows sewer service to be extended for commercial and residential uses that are permitted by Alameda County's SLVAP and allowed by Alameda County’s Measure D, as those County policies exist now, or as they may be amended in the future. Measure P will not change the location of the South Livermore Urban Growth Boundary, does not amend Alameda County's SLVAP, and does not amend Alameda County’s Measure D.
- *Incremental Expansion of Local Winery Demand:* Increasing the number of small local wineries in the Livermore Valley can only marginally increase the local demand for Livermore grapes. As reported in *Realizing the Heritage*, the smaller Livermore wineries reportedly purchased 1,729 tons of grapes grown in the Livermore Valley, representing the product of perhaps 346 acres of vineyards, or about 12 percent of Livermore’s vineyard acreage. It would require a doubling of more of these small wineries, which are dependent on wine tourism and the direct-to-consumer purchase of wine, to have a major impact on the demand for Livermore grapes. The two largest wineries, Wente Vineyards and Concannon, are largely self-sufficient in grape production. Each of these wineries own and operate their own vineyards, which provide enough grapes to generally satisfy their own demand. As is, these wineries are unlikely to support a substantial increase in demand for more grapes. However, with the recent changes to Measure D that allow for an increased FAR for agricultural buildings, combined with the availability of a municipal sewer system to help overcome new regulatory obligations, these new conditions may provide enough of an incentive for these wineries to expand their operations, and therefore require additional grapes.

Alameda LAFCO Policy Considerations

Specific Proposal Policy 16.1: LAFCO will encourage jurisdictional changes rather than out-of-area agreements if territory is within a city's or district's sphere of influence and can be efficiently served by the agency.

Consistency Consideration: Of the 200 properties within the likely service area for the South Livermore Sewer Expansion Project, approximately 58 properties (or about 30%) are located outside of the City of Livermore and its Sphere of Influence. Of the 2,710 acres within the likely service area, those properties outside of Livermore and its Sphere of Influence amount to approximately 1,760 acres of land (or about 70% of the potentially served area).

Specific Proposal Policy 2.4: Land may not be annexed to a city unless it is contiguous to the city at the time the proposal is initiated unless the land is owned by the city, is being used for municipal purposes at the time Commission proceedings are initiated, is within the same county as the city, and does not exceed 300 acres in area.

Consistency Consideration: Of the 200 properties within the likely service area for the South Livermore Sewer Expansion Project, approximately 144 properties, including about 107 parcels within the Buena Vista neighborhood (or more than 70%), are located either contiguous to the City of Livermore boundary or within the City of Livermore's Sphere of Influence. Of the 2,710 acres within the likely service area, those properties within Livermore's Sphere of Influence amount to approximately 950 acres of land (or about 30% of the potentially served area).

These properties are all within Alameda County, only one of these properties (the Alameda County Martinelli Event Center) is used for municipal purposes, and these properties combine far more than 300 acres in area.

Recommendation

It is recommended Alameda LAFCO discuss the draft report on its *South Livermore Valley Special Study* and provide related feedback to staff. This includes providing direction on desired revisions and/or additions ahead of staff circulating the draft for public review and comment and returning with a final version for action as early as the Commission's next regular meeting.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the business calendar. The following procedures are recommended in consideration of this item:

1. Receive verbal presentation from staff unless waived.
2. Invite any comments from the public.
3. Provide feedback on the item as needed.

Respectfully,



Rachel Jones
Executive Officer

Attachment:

1. Alameda LAFCO's South Livermore Valley Special Study, Draft Report

Alameda LAFCO South Livermore Valley Special Study

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Chapter 1: Introduction

Generally, the Alameda Local Agency Formation Commission (Alameda LAFCO) uses special studies to encourage local governments to evaluate their current operations and to consider options for reorganization of municipal services. Special studies are intended to provide general information about local governments, and to present alternatives for improving services and reducing operational cost. Alameda LAFCO uses these special studies to seek a balance between the competing needs for affordable housing, economic opportunity, and conservation of natural resources.

This special study has a somewhat different purpose, as specifically directed by the Alameda LAFCO Board. This Special Study's purpose includes providing information to the LAFCO Board that is specific to the South Livermore Valley. This information includes a retrospective review and establishment of current conditions within the South Livermore Valley relative to the following key Alameda LAFCO interests:

- How many acres of land in the Livermore Valley have been annexed to the City of Livermore and/or the City of Pleasanton for residential or urban uses, as compared to data from prior years?
- How many changes in Spheres of influence or municipal service boundary adjustments have occurred in the past?
- How much urban development has occurred within the Livermore Valley pursuant to the goals of the City of Livermore's South Livermore Valley Specific Plan (SLVSP), planning goals and expectations of the City of Pleasanton, and goals and plans of the Alameda County South Livermore Valley Area Plan (SLVAP)?
- What is the status of current vineyard acreage and the number of wineries in South Livermore, as compared to data from prior years, and as compared to County SLVAP goals?
- How many acres of open space and agricultural lands are currently preserved through conservation easements and/or land trusts in South Livermore, as compared to prior years and as compared to the County's SLVAP goals?
- What has been the impact of cannabis cultivation within SLVAP, as related to acreage of cannabis crop production and potential replacement of viticulture croplands?

Since the time that this Special study was originally initiated by Alameda LAFCO, several important events have occurred that provide a re-focus for this Study. In January 2021, the State Water Resources Control Board issued new General Waste Discharge Requirements for Winery Process Water, applicable throughout the state. In June of 2022, the Alameda County Board of Supervisors certified an Addendum to the East County Area Plan EIR, and approved language for a countywide ballot initiative intended to increase the allowable development intensity on agriculturally designated lands in the East County. In November of 2022, that ballot initiative passed, amending Measure D to provide for increased development potential on agriculturally designated lands in the East County. In July of 2022, the Livermore City Council certified an EIR for the South Livermore Sewer Expansion Project, and approved language for a citywide ballot initiative to extend sanitary sewer service beyond Livermore's Urban Growth Boundary, principally to serve residences wine country uses currently relying on on-site wastewater treatment systems. In November 2022, that ballot measure also passed, allowing for the extension of sewer services to permitted uses within the SLVAP planning area.

These relatively recent events will likely have significant influence regarding the future of the Livermore Valley. Accordingly, the scope of this Special Study has expanded to provide information that is relevant to Alameda LAFCOs interests, policy positions and procedural requirements relative to the following topics:

- How might the new wastewater disposal requirements of the Water Board’s General Waste Discharge Requirements for Winery Process Water (the General Order) affect existing winery operations, and the potential for expansion of wineries in the Livermore Valley?
- How might the City’s plans for extended sewer service to new areas affect existing and potential new development?
- How might the City’s plans for extended sewer service affect the City/County Urban Growth Boundary, Livermore’s existing City boundary and Sphere of Influence, and the City’s current municipal service area for sewer service?
- How might the recent changes to Measure D, which increased the FAR for potential agricultural development, combined with expanded sewer service, affect vineyard lands within the Valley?
- What other factors that are relevant to Alameda LAFCO’s mission might affect the viability of agricultural businesses in the Livermore Valley, and what means and methods might be available to Alameda LAFCO to influence these outcomes?
- What is Alameda LAFCO’s role relative to the City of Livermore’s proposed sewer expansion project and the City’s intent to provide municipal sewer services outside of their established City and municipal service boundaries?
- What are the important policy and procedural implications for Alameda LAFCO, relative to the City of Livermore’s proposed sewer expansion project?

Another important event that has occurred since the time this Special Study was initiated is the Tri Valley Conservancy’s commission of a study by the University of California at Davis titled, “*Grape Growing and Winemaking in the Livermore Valley, Realizing the Heritage*”, which was prepared by UC Davis Professors James T. Lapsley, Ph.D. and Daniel A. Sumner, Ph.D. This important study provides a definitive, impartial assessment of the economic viability of wine production in the Livermore Valley. It includes context, background, economic reasoning and evidence to help address the potential to maintain and perhaps expand profitable commercial wine grape and wine production in the Livermore region. This Special Study relies heavily on the data generated by *Realizing the Heritage*, and many of the conclusions of this Special Study could not be substantiated without the critical analysis presented in *Realizing the Heritage*. The work of Professors Lapsley and Sumner is heavily cited and sourced throughout this Special Study. Alameda LAFCO staff and their consultants have benefited greatly from their work and we are grateful for their efforts and the Tri Valley Conservancy’s leadership on these issues.

Chapter 2: Applicable Land Use Plans

The South Livermore Valley is generally defined as being the level to slightly sloping land south and southeast of the city of Livermore, where almost all Livermore Valley vineyards are located. The South Livermore Valley is about 8 miles wide (west to east) from Ruby Hill in Pleasanton on the west to just past Greenville Road to the east, and about 2 miles long (north to south) from the City of Livermore's southerly boundary in the north to the southern foothills of the Diablo Range to the south. The South Livermore Valley generally corresponds to the boundaries of the Alameda County South Livermore Valley Area Plan.

The South Livermore Valley is subject to several overlapping land use plans of Alameda County, the City of Livermore and the City of Pleasanton. The applicable land use plans are briefly summarized below.

2.1 - Alameda County's 1993 South Livermore Valley Area Plan

In an early effort to halt the urbanization of vineyards that was taking place in South Livermore, the County of Alameda and the cities of Livermore and Pleasanton initiated a multi-year planning process in the late 1980s aimed at protecting and rejuvenating the South Livermore Valley as a premium wine-producing region. Working with a wide range of interest groups and citizens, the County and the cities of Pleasanton and Livermore reached a consensus on a set of goals and objectives to guide future land use in the South Livermore Valley. This process resulted in the *South Livermore Valley Area Plan*, which was approved by the County Board of Supervisors in 1993.¹ The planning area for the South Livermore Valley Area Plan (SLVAP) includes approximately 14,000 acres of unincorporated land that extends in a broad crescent around the southern edge of the cities of Livermore and Pleasanton, and encompasses the majority of the South Livermore Valley's most suitable agricultural and viticulture land between Livermore's city limits and the ridge lands to the south, east and west (see **Figure 1**).

The SLVAP created no new entitlement for urban or other development, but rather creates a framework for the consideration of future development based on whether such development would further the agricultural preservation strategies of the SLVAP. The SLVAP recognizes that agriculture cannot compete on an economic basis with urban development, and so policies and implementation programs of the SLVAP direct new residential development to appropriate locations adjacent to cities, and requires that new urbanization provide additional economic resources necessary to preserve and expand viticulture and other cultivated agriculture on the most important agricultural lands in the area. Among its goals, the SLVAP specifically calls for the expansion of cultivated agricultural acreage from approximately 2,100 acres in 1993, to a minimum of 5,000 acres.

¹ Alameda County, South Livermore Valley Area Plan, 1993

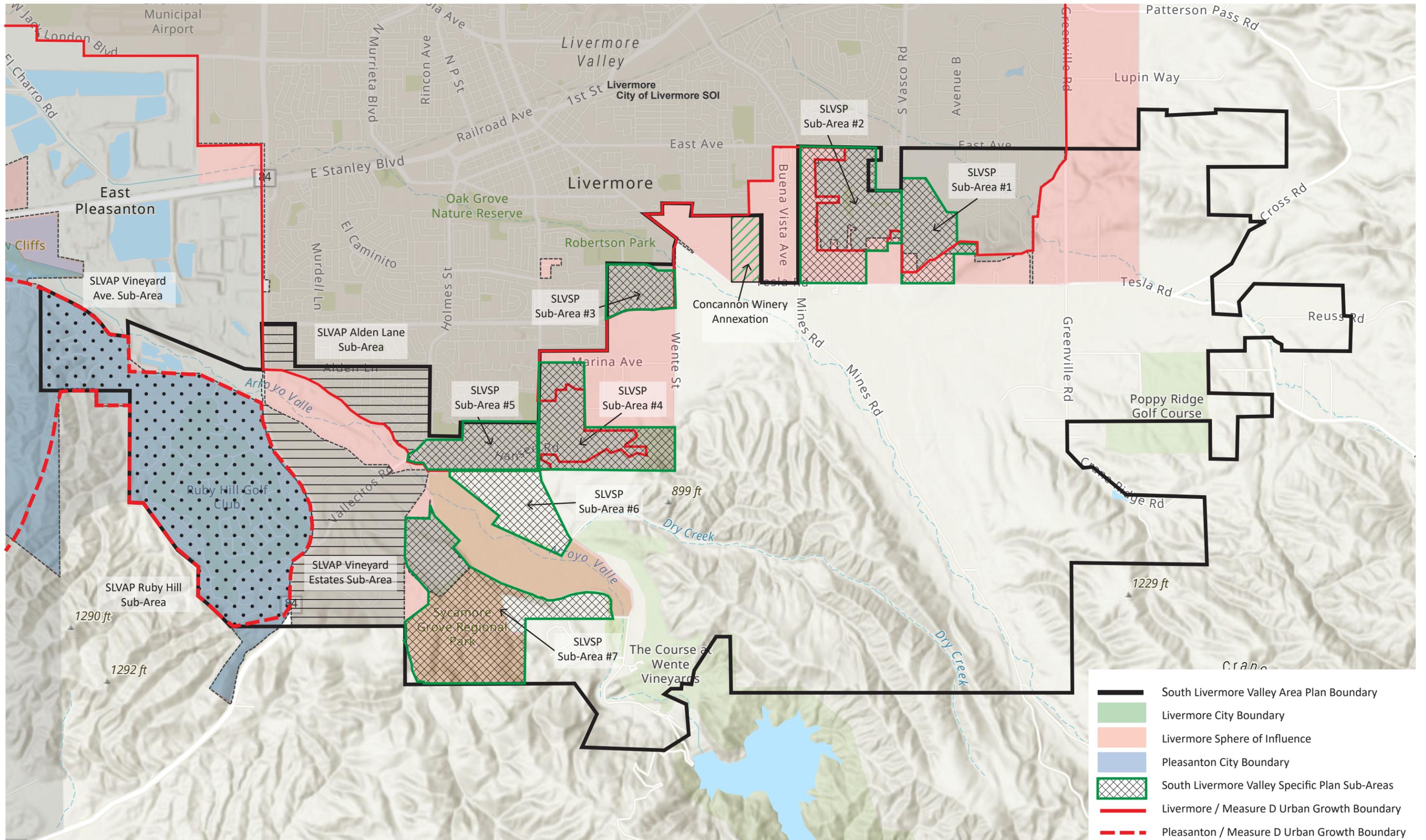


Figure 1
South Livermore Planning Areas and Boundaries

To achieve these goals, the SLVAP includes the following land use strategies:

- Creation of a density bonus system that provides an economic incentive to encourage landowners to expand viticulture acreage by permitting a reduction in the minimum parcel size, provided the landowner planted wine grapes and placed the land under a permanent agricultural easement;
- Establishment of an agricultural land trust (now the Tri Valley Conservancy) capable of accepting donations or purchasing conservation easements to protect productive agricultural lands in perpetuity; and
- Requiring all new urban development in the surrounding area of Livermore to contribute to preservation, promotion and expansion of viticulture in the Valley, which could include development of new vineyards, dedication of agricultural easements, financial contributions to the land trust, refurbishment of existing wineries, or the inclusion of wine country amenities such as golf courses, conference centers, and a wine museum.

The SLVAP encourages development of new wineries and other tourist-related projects that attract tourists and that increases recognition of the South Livermore Valley as a premium wine-producing region. The SLVAP suggests that such uses could include a wine museum, a culinary institute, conference center, or a resort hotel. These destination-type uses would be complemented by tourist-serving retail uses such as restaurants, bicycle rentals, art galleries or other small-scale uses that would contribute to the creation of an attractive, full-service destination for visitors to the wine country. Retail use and other major attractions are subject to an agricultural mitigation fee, rather than the acre-for-acre mitigation required of residential development. The SLVAP also recognizes that the City of Livermore has primary responsibility for overseeing and implementing an accompanying urban component of the SLVAP, since the majority of the SLVAP's anticipated urban development would need to be annexed into and served by the City of Livermore.

2.2 - City of Livermore' 1993 General Plan Amendment

Following the County's adoption of the SLVAP, the City of Livermore amended its General Plan in 1993 to incorporate compatible policies of the County's SLVAP. Livermore's amended General Plan provided a policy framework for the South Livermore Valley consistent with the County's SLVAP and established a City Urban Growth Boundary (see also **Figure 1**).² The policy direction of the General Plan amendment was intended to result in development of new residential units within the new South Livermore Urban Growth Boundary as a means of achieving expanded viticulture acreage via implementation of an agricultural mitigation program. That program was intended to require new urban development to plant one acre of new vineyard or other cultivated agriculture for every acre of urbanized land, and to plant one acre of new vineyard or other appropriate crop for every new home constructed. All new agricultural acreage planted under this mitigation program was to be located within the County's SLVAP planning area, and placed under a permanent agricultural easement. Developers were also required to provide evidence of a long-term (8 years or more) maintenance contract for care of the vineyards. Thus, the mitigation program was intended to use the increased economic value associated with new residential development to contribute to the expansion of viticulture in the South Livermore Valley. The City's 1993 amended General Plan also indicated Livermore's intention to establish a more detailed Specific Plan to establish the exact location of new urban development in the South Livermore Valley.

² Livermore, *City of Livermore General Plan, 1993*

2.3 - Alameda County's 1994 East County Area Plan

The Alameda County East County Area Plan (or ECAP) was originally approved by the County Board of Supervisors in 1994.³ The East County planning area encompasses 418 square miles of eastern Alameda County and includes the cities of Dublin, Livermore, Pleasanton and a portion of Hayward, as well as surrounding unincorporated areas. The planning area extends from the Pleasanton/Dublin ridgeline on the west to the San Joaquin County line on the east, and from the Contra Costa County line on the north to the Santa Clara County line on the south. The ECAP is the County's General Plan for all of East County, including the South Livermore Valley. At the time of preparation of the 1994 ECAP, the East County was experiencing significant growth pressure. With a population of approximately 133,000 in 1990, and projected to exceed 250,000 by the year 2010, growth and its effect on quality-of-life were the central issues in East County. Accordingly, the first, primary goal of the 1994 ECAP was to delineate areas suitable for urban development from other open space areas suitable for long-term protection of natural resources, agriculture and public safety, relying on an Urban Growth Boundary, or UGB.

The 1994 ECAP incorporated the SLVAP in its entirety (with minor reorganization and editorial changes to format). Relative to the South Livermore Valley, the 1994 ECAP recognized four separate subareas of the SLVAP, including the Vineyard Avenue, Alden Lane, Ruby Hill and the Vineyard areas (see also **Figure 1**).

- ECAP policy recognized the Vineyard Avenue and Alden Lane subareas as "Transitional Areas," due to their physical or visual isolation from the main part of the South Livermore Valley, adjacency and relationship to existing urbanized areas, and their location within the boundaries of Pleasanton and Livermore, respectively. The 1994 ECAP policy called for working with the cities of Pleasanton and Livermore to encourage urban development to provide a graceful transition between existing urban areas and the Vineyard area, and to promote recognition of the surrounding area as a premium wine-producing region through structural design, appropriate landscaping and open space, and signage. 1994 ECAP policies also called for working with the cities of Pleasanton and Livermore to ensure that new urban development within these Transitional Areas compensate for loss of cultivable or potentially cultivable soils through use of agricultural mitigation fees to fund the South Livermore Agricultural Land Trust.
- For the Ruby Hill area, 1994 ECAP policies called for establishment of development agreements, pre-annexation agreements or other means, such that the Ruby Hill area in Pleasanton would be developed to include up to 850 homes and a golf course, and required 467 acres of vineyards to be planted, two wineries to be restored, and the payment of a minimum of \$8.5 million in agricultural mitigation fees to be used to fund the South Livermore Agricultural Land Trust.
- Within the Vineyard Area, 1994 ECAP policies retained parcel size regulations at a 100-acre minimum per residence, and permitted agricultural uses that are compatible with the promotion of the area as a wine region. The 1994 ECAP formalized the SLVAP's "Cultivated Agriculture Overlay District" for the remaining Vineyard Area. This Overlay District allows for a density bonus of up to four additional home sites per 100 acres if, and only if the applicant can demonstrate that the density bonus would contribute substantially to the goal of promoting viticulture or other cultivated agriculture, and if the land meets certain site criteria.

The 1994 ECAP also encouraged Livermore and Pleasanton to adopt policies and programs establishing other sources of funds for the Agricultural Land Trust, such as fees on appropriate development outside of the South Livermore Valley.

³ Alameda County, *Alameda County East County Area Plan (ECAP)*, 1994

2.4 - Livermore's 1997 South Livermore Valley Specific Plan

In 1997, the City of Livermore adopted the South Livermore Valley Specific Plan (SLVSP).⁴ The land use concept for the SLVSP was intended to protect and enhance open space and agricultural uses, as well as to create a logical and coherent pattern of new urban uses. Accordingly, lands that are critical to the Valley's future as a major wine-producing region are to be placed under permanent agricultural easements and planted with vineyards or other intensive agricultural crops. The easement-protected lands establish a permanent boundary to prevent future urban expansion, and an agricultural mitigation program secured under permanent agricultural easements, the newly planted vineyards and other intensive agriculture.

New development within the SLVSP is intended to establish a permanent edge to the urban area, providing a gradual transition from urban to rural that allows agriculture to blend with developed areas, and integrates new development within an agricultural setting. The SLVSP focuses seven distinct Sub-Areas (see also **Figure 1**) that have relatively compact development patterns that allow for creation of residential neighborhoods that have a rural character, consistent with the area's scenic natural setting and the Valley's historic wine country character. Within these seven Sub-Areas, the SLVSP provides for the potential development of 487 acres (or 26% of the total 1,891-acre SLVSP planning area), accommodating up to up to 1,221 dwelling units. All of the units are to be single-family detached residences. The SLVSP also designates 16 sites (nearly 60 acres) for possible commercial development that is intended to provide amenities that enhance the experience of visitors to the South Livermore Valley wine country, and only those commercial uses that support wine-related tourism are permitted.

In order to offset the impacts of this development, land that is critical to the Valley's future as a major wine producing region is to be placed under permanent agricultural easements and planted with vineyards or other intensive agricultural crops. In total, the agricultural mitigation program set forth in the SLVSP is intended to secure, under permanent agricultural easement, approximately 1,920 acres of newly planted vineyards and other intensive agricultural lands.

By siting new development and directing the location of agricultural easements, the SLVSP establishes a permanent boundary that prevents future urban expansion from threatening the viability of the South Livermore Valley wine region.

2.5 - Alameda County's 2000 Measure D Initiative and ECAP Amendments

In November of 2000, a ballot measure known as Measure D (or the Save Agriculture and Open Space Lands Initiative) passed by a majority of Alameda County voters, and became effective as of December 22, 2000. The 2000 Measure D was an ordinance that amended the 1994 ECAP to revise the East County UGB to reserve less land for urban growth and more land for agriculture and open space, applied similar policies to rural Castro Valley, required new housing to be located primarily within existing cities, modified land use restrictions applicable to rural areas, and required a County-wide vote prior to any changes to these policies.⁵ The ordinance was specifically designed to remove the County government from urban development outside the new UGB.

By May of 2002, Alameda County completed and adopted corresponding amendments to ECAP.⁶ The Initiative resulted in the addition, deletion and revision of more than 60 policies and programs of the previously applicable 1994 ECAP, as well as establishment of and changes to the UGB and the ECAP Land Use Diagram. Two major changes were made in the 2002 ECAP in response to Measure D that are particularly

⁴ Livermore, South Livermore Valley Specific Plan,

⁵ League of Women Voters, accessed at: <http://www.smartvoter.org/2000/11/07/ca/alm/meas/D/>

⁶ Alameda County, *East County Area Plan*, as adopted by the Board May 2002

relevant to South Livermore. First, Measure D resulted in amending the South Livermore Valley Area Plan to place absolute limits on the density and geographic extent of this Area Plan. Second, ECAP land use policies for Large Parcel Agriculture, Resource Management and Rural Residential land use designations were amended to be more restrictive, including changes related to development standards for subdivisions and requiring Site Development Review for agricultural parcels. To maximize the long-term productivity of East County's agricultural resources (most of which are found in the South Livermore Valley), the 2002 ECAP calls for the conservation of Prime Agricultural Soils, Farmlands of Statewide Importance and Unique Farmlands that are located outside the UGB.

With the exception of specifically identified Parklands (Sycamore Grove Park, the Del Valle Regional Park and the Ohlone Regional Wilderness), the remainder of the South Livermore Valley has a land use designation under the 2002 ECAP of Large Parcel Agriculture (LPA). The LPA designation is primarily intended to provide for low-intensity agricultural and grazing uses, and also permits agricultural processing facilities (e.g., wineries and olive presses), limited agricultural support service uses (e.g., animal feed facilities, silos, stables and feed stores), secondary residential units, visitor-serving commercial facilities (e.g., tasting rooms, fruit stands, bed and breakfast inns), recreational uses, public and quasi-public uses, solid waste landfills and related waste management facilities, quarries, windfarms, utility corridors, and similar uses compatible with agriculture.

Specific policy limitations of ECAP as modified by the 2000 Measure D Initiative and that apply to the Large Parcel Agriculture land use designation included:

- A minimum parcel size of 100 acres (with exceptions for smaller existing parcels)
- A maximum building intensity for non-residential buildings of a .01 FAR (floor area ratio), but not less than 20,000 square feet, and where permitted, greenhouses shall have a maximum intensity of .025
- One single-family home per parcel, provided that all other County standards are met for adequate road access, sewer and water facilities, building envelope location, visual protection and public services
- Residential and residential accessory buildings shall have a maximum floor space of 12,000 square feet. Additional residential units may be allowed if they are occupied by farm employees required to reside on-site
- Apart from infrastructure, all buildings shall be located on a contiguous development envelope not to exceed 2 acres, except they may be located outside the envelope if necessary for security reasons or, for agricultural structures necessary for agricultural uses

The year 2000 Measure D Initiative did not supersede or change any of the provisions of the SLVAP, and did not address the City of Livermore's SLVSP. The 2000 Measure D only applies to lands within unincorporated East Alameda County.

2.6 - Alameda County's 2022 Measure D Initiative

In November of 2022, another ballot measure also known as Measure D was placed on the ballot by the County Board of Supervisors, and was passed by a majority of Alameda County voters. This 2022 ballot measure amended certain policies and standards of the 2000 Measure D, providing for an increased development potential for agricultural buildings and covered equestrian riding arenas. Specifically, the 2022 Measure D allows for:

- A maximum floor area ratio of 0.025 (or 2.5% FAR) for “agricultural buildings”⁷ in areas designated under the General Plan as Large Parcel Agriculture (LPA), which includes much of the unincorporated South Livermore Valley; and
- A maximum FAR of 0.025, with at least 20,000 square feet allowed on smaller parcels, up to a maximum of 60,000 square feet on larger parcels, for covered equestrian riding arenas in areas designated under the General Plan as Large Parcel Agriculture (LA) and Resource Management (RM).

The 2022 Measure D did not change the regulations pertaining to building space relative to residential and residential accessory buildings, did not change the FAR allowed for non-residential buildings⁸, and did not change the requirements for a 2-acre contiguous development envelope. The permissible FAR for Agricultural Buildings and for Non-Residential Buildings are therefore additive, in that the total permitted FAR for combined agricultural buildings and non-residential buildings within the Large Parcel Agriculture land use designation is 0.035.

⁷ The County’s Agricultural Advisory Committee has recommended a definition for “agricultural buildings” be added to the County zoning ordinance to include accessory farm buildings (including stable, barn, pen, maintenance shops, corral, or coops); building or rooms for packing or handling agricultural products raised on the premises, or a packing house for fruit or vegetables not raised on the premises (but not including a cannery, or a plant for food processing or freezing); stands for the retail sale of agricultural items produced or raised on the premises; winery, microbrewery or olive oil mill (includes production and maintenance facilities, and cooperage); facilities for the breeding or training of horses as part of a ranch or farm operation; facilities for the boarding and/or training of horses not owned by the property owner, including a covered equestrian arena; killing and dressing of poultry, rabbits and other small livestock raised on the premises, but not including an abattoir; and cannabis cultivation (including greenhouses) and cannabis testing laboratories.

⁸ The County’s Agricultural Advisory Committee has also recommended a definition for “Non-Residential Buildings” to include all of the Agricultural Building types listed above, plus other buildings that contain uses which are accessory or incidental to the primary on-site agricultural use, including visitor centers at wineries, microbreweries, or olive oil mills (e.g., a day use facility which may include tours and on-site tasting, retail sales of wine, beer, or olive oil and related items, and marketing activities); administrative offices and maintenance buildings, when accessory to a principal agricultural use; buildings or structures intended to house various temporary cultural and social events (e.g., catered banquets, receptions, concerts, food and wine festivals, races); overnight room accommodations for use business associates; bed-and-breakfast inns; small restaurants; and cannabis distribution and cannabis retail sales.

Chapter 3: Current Status within the South Livermore Valley

The land use policy framework as described in Chapter 2 has presided over a relatively complex and often controversial land use and development pattern throughout the Livermore Valley over the past 30 years. Over this time-period, the broader issue of halting expanding urbanization of the Valley and preserving vineyards and other agricultural and open space lands has generally been resolved with establishment of the Measure D and corresponding Livermore and Pleasanton Urban Growth Boundaries. However, efforts to achieve the ECAP/SLVAP goals for rejuvenating the South Livermore Valley as a premium wine-producing region and achieving as much as 5,000 acres of planted vineyards remain ongoing.

The following provides a brief summary of the 20-year history and current land use status within the South Livermore Valley.

3.1 - Annexations and Development of SLVAP Transition Areas

When the original SLVAP was being prepared, and just prior to approval of the original 1994 ECAP, the South Livermore Valley included several transitional areas at the urban/agricultural edge. These areas included Ruby Hill Area, the Ruby Hill Vineyard Estates, the Vineyard Avenue Corridor Area, and the Alden Lane Area. The 1993 and subsequent 2002 ECAP amendments incorporated development plans for these transitional areas that have now been implemented and are substantially complete, as described below and as shown in **Figure 2**.

Ruby Hill

In 1991, Alameda County approved development of the approximately 96-acre Ruby Hill master-planned community, which was expected to include 850 homes, a golf course, a retail site and other improvements on an approximately 1,600-acre site. Following this initial County approval, the City of Livermore enjoined Alameda County and the Ruby Hill developers in a legal challenge to this approval. The legal challenge was resolved via a four-way development agreement between Pleasanton, Livermore, Alameda County and the Ruby Hill developers, and included a number of pre-annexation agreements and other conditions of approval for the Ruby Hill project. These agreements and conditions provided for the annexation of Ruby Hill to the City of Pleasanton, permitting up to 850 homes and a golf course, and requiring 467 acres of vineyards to be planted within and adjacent to the development and permanently protected from further development by agricultural easements. Additionally, two historic wineries present on the site were required to be renovated and refurbished, and the project was conditioned on payment of agricultural mitigation fees to be used to fund the South Livermore Agricultural Land Trust (now Tri Valley Conservancy). The settlement agreement over Ruby Hill was also the stimulus for preparation of the County's SLVAP, adopted by Alameda County in 1993.

The Ruby Hill development began construction in 1993 and is now essentially complete, with 850 homes, an 18-hole golf course, approximately 280 acres of vineyard and vineyard-related area within the boundaries of Ruby Hill and additional adjacent vineyard area, and 91 acres of open space.

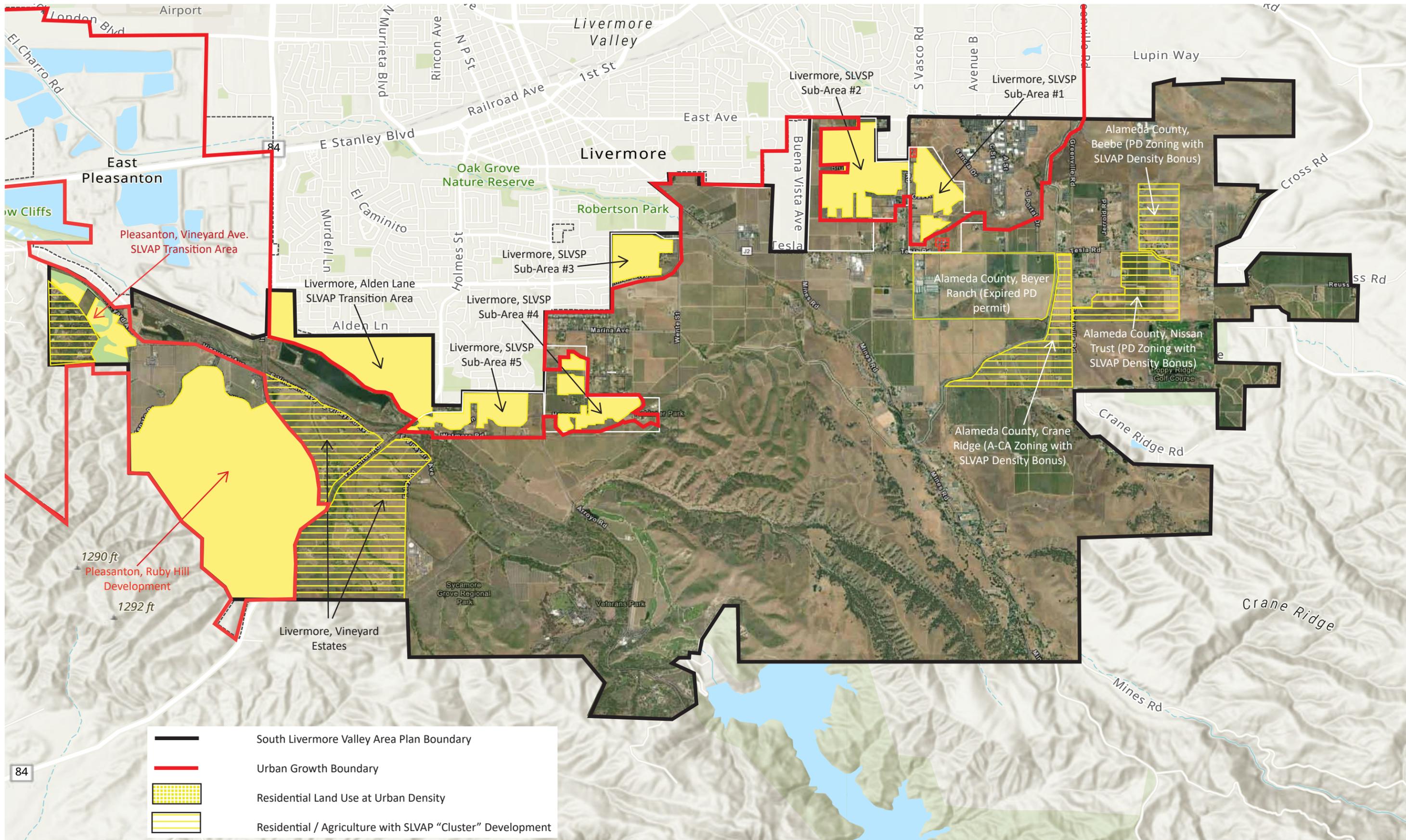


Figure 2
Residential Development within South Livermore Valley (urban and agricultural)

Source: Alameda LAFCO Base Map with 2023 Google Earth aerial photography; Livermore SLVSP, 1997; Alameda County SLVAP, 1994; Alameda County permit activity through 2023

Vineyard Estates / Alden Lane

The Ruby Hill development proposal also included a separate component known as the Vineyard Estates area, located on 694 acres immediately east of Ruby Hill. As an additional element of the Ruby Hill settlement agreement, the City of Livermore agreed to annex the Vineyard Estates area. Livermore's annexation of the Vineyard Estates lands adjacent to Ruby Hill was intended to establish an urban limit that would prevent further eastward expansion of Pleasanton's urban lands. In 1992, the City of Livermore issued a CEQA Negative Declaration, and approved the Alden Lane/South Vineyard Avenue Area (Vineyard Estates) project.

The Vineyard Estates was then subdivided into thirty-two 20-acre parcels, each of which has been planted with vineyards and developed with an estate home on each parcel.

The companion Alden Lane Transitional Area in Livermore is just south of Alden Lane and north of Lake A, one of the first lakes in the 'Chain of Lakes' pursuant to the Alameda County Specific Plan for Livermore-Amador Valley Quarry Area Reclamation. The intent of annexing the Alden Lane Transitional Area was to encourage new urban development that provides a transition between existing urban areas and the adjacent vineyard area, and establishing a permanent urban/agriculture edge. Construction of the South Alden Lane area (now known as the Oaks neighborhood) was completed in 2002, with approximately 280 single-family homes on lot sizes of generally 10,000 to 15,000 square feet in size. The Chain of Lakes located just south of the Alden Area Transition Area provides a buffer between this urban neighborhood and the predominantly agricultural land uses south of Vineyard Avenue.

Vineyard Avenue Corridor

The SLVAP established a Vineyard Avenue Transitional Area in Pleasanton, and policies for the Vineyard Avenue Area encouraged new urban development in this area to, "provide a graceful transition between existing urban areas and the adjacent vineyards area, and to promote recognition of the area as a premium wine-producing region through structural design, appropriate landscaping and open space, and signage." In 1999, the City of Pleasanton annexed the Vineyard Avenue Area and adopted the Vineyard Avenue Specific Plan, governing development of the 384-acre area located on both sides of old Vineyard Avenue in the southeastern portion of Pleasanton, south of the Arroyo Del Valle and west of Ruby Hill.⁹

Pleasanton's Vineyard Avenue Specific Plan provides for development of 189 new housing units in addition to 18 then-existing homes, which were planned to be retained or relocated on-site. The Specific Plan accommodates a range of housing types and densities that respond to the site's terrain and community needs, including four different residential designations. The Semi-Rural Residential designation permits custom homes on five-acre minimum-sized lots, intended to provide a transitional buffer between residential uses to the north and agricultural land to the south. The Hillside Residential district provided for 19 new homes on 40,000-square foot minimum-sized lots, allowing for a clustering of homes in well-defined areas of the hills, and permanent reservation of surrounding open space land. The Low Density Residential district permits 79 new homes with a 20,000-square foot minimum lot size, and is generally located in the rolling hills south of Vineyard Avenue. The Medium Density Residential district provides for up to 85 new single-family homes on 10,000-square foot minimum-sized lots, and is concentrated in the more accessible and flatter portions of the planning area north of the prior alignment of Vineyard Avenue, to be developed as individual neighborhoods with a design character compatible with a "vineyard village" concept. An additional land use component of the Vineyard Avenue Specific Plan is the Vineyard district, which provides for a total of 66 acres of planted vineyards on five separate lots, with an estate home and support facilities permitted on each. The Specific Plan also anticipated development of a community park and an elementary school.

⁹ Pleasanton, *Vineyard Avenue Specific Plan*, June 1999

As of 2006, most of the single-family homes had been built or had planning approvals and Vineyard Avenue had been realigned. Today, the Vineyard Avenue Specific Plan includes approximately 168 residential homes, approximately 30 acres of vineyard or other agricultural crops, and surrounding open space. Neither the community park nor the elementary school have been constructed.

3.2 - South Livermore Valley Specific Plan Annexations

The City of Livermore's 1997 SLVSP was developed with the intention of creating a logical and coherent pattern of new urban uses, with corresponding permanent protection through conservation easements of agricultural lands that are critical to the Valley's future as a major wine-producing region. The new development permitted pursuant to the SLVSP is not intended to be an extension of the City's urban pattern, but rather a new and permanent edge to the urban area. As such, the SLVSP establishes development patterns that provide a more gradual and graceful transition from urban to rural. The protected agricultural lands and the City's Urban Growth Boundary establish a permanent boundary to prevent future urban expansion. The SLVSP includes seven distinct and non-contiguous sub-areas distributed along Livermore's southern boundary, within which 487 acres are designated for the development of up to 1,221 single-family detached residences, as well as 16 sites for possible commercial development supportive of wine-related tourism.¹⁰

In order to ensure that new development will make a direct contribution to the expansion of viticulture in the South Livermore Valley, the SLVSP established an accompanying mitigation program that requires new urban development pursuant to the SLVSP to plant one acre of new vineyard (or other appropriate cultivated agriculture, such as orchards) for every acre urbanized, and to plant one acre of new vineyard (or other appropriate crop) for every new home constructed. All new agricultural acreage planted under this mitigation program must be located within the County's SLVAP boundaries (inclusive of the SLVSP Sub-Areas), and must be placed under permanent agricultural easement. In addition to the planting and dedicating of easements on the mitigation acreage, developers are also required to provide evidence of a long-term (8 years or more) maintenance contract for care of the vineyards. Thus, the mitigation program uses the increased economic value associated with new residential development to directly contribute to the expansion of viticulture in the South Valley. The agricultural mitigation program was intended to secure, under permanent agricultural easement, approximately 1,920 acres of newly planted vineyards and other intensive agricultural lands.

The SLVSP established the City of Livermore's primary responsibility for overseeing and implementing the urban component of this strategy, since the majority of the urban development was to be annexed into and served by the City. The Implementation Element of the SLVSP set forth a variety of implementing steps and regulatory procedures necessary to implement the SLVSP, including City-initiated pre-zoning and annexations, and adjustments to the City's Growth Management System. The Implementation Element also established the basic steps that developers needed to follow to obtain project approvals, including preparation of public improvement plans, financing plans and development agreements.

Development pursuant to the SLVSP has occurred primarily on five of the seven sub-areas of the SLVSP, throughout an approximate ten-year period from 2003 through 2013. In a presentation prepared by the Livermore Community Development Director in 2011, that presentation identified the following progress toward implementation of the SLVSP:¹¹

- In 1993 there were 2,100 acres in planted vineyards. By 2010, with the combination of the County's Density Bonus Program and the Tri-Valley Conservancy land acquisitions, approximately 5,000 acres of

¹⁰ Livermore, *SLVSP 1997*, page 3-1

¹¹ Livermore Community Development Director, *Managing the Agricultural/Urban Interface*, September 2011

land had been placed under permanent conservation easement. This included dedication of 371 acres to the EBRPD as an addition to Sycamore Grove Park, and the dedication of 55 acres as regional open space.

- In 1993 there were only 11 wineries in the South Livermore Valley, and in 2010 that number had increased to 42 wineries.
- Between 1993 and 2010, 1,155 new homes had built in six new neighborhoods to create a new agriculture/urban interface.

Now in 2023, most of the SLVSP's expected annexations and new development have been completed. **Table 1** presents a summary of the SLVSP's expectations, as compared to today's current conditions.

As indicated in the table above, virtually all of the new residential development contemplated under the SLVSP has been annexed to the City of Livermore, and construction of these new homes occurred between the years of 2003 and as recently as 2013. There is no new residential development associated with the SLVSP that has not already occurred, with the exception of 12 units (6 one-acre parcels and 6 20-acre parcels) within Sub-Area 7. Accordingly, the SLVSP's agricultural mitigation program has been almost completely implemented, and very little additional vineyard or orchard plantings can be expected pursuant to the mitigation program.

Likely due to weaker market demand, land costs and financial risks, the extent of small-scale wine-country commercial uses (e.g. inns, bed and breakfasts, wineries, tasting rooms, restaurants, etc.) on the SLVSP's designated commercial sites has not been as strong as anticipated. Of the SLVSP's 16 commercial sites, only three of these sites have been developed (the Cuda Ridge, Dante Robere and Las Positas wineries in Sub-Areas 4 and 5). Other pre-existing commercial uses within the SLVSP Sub-Areas, including four equestrian facilities, two wineries (Rios-Lovell and Livermore Valley Cellars) and a tree farm, remain.¹²

The SLVSP's agricultural mitigation program did not intend to accommodate all of the expected 1,920 acres of newly planted vineyards or orchards to occur only within the seven Sub-Areas of the SLVSP. As shown in the table above, the SLVSP did anticipate the potential for as much as 810 acres of new agricultural lands within these Sub-Areas, and nearly 750 acres of vineyards and orchards have been established (nearly 100 acres of anticipated vineyards/orchards in Sub-Area 7 have yet to be established). The remaining agricultural mitigation acreage has occurred outside of the SLVSP's Sub-Areas. Agricultural mitigation fees from new development within the SLVSP area were used by the Tri Valley Conservancy to secure conservation easements elsewhere within the South Livermore Valley.

¹² Livermore, City Council Staff Report, Item #7-2, *Receive Alameda County Local Agency Formation Commission 20-Year Report on Measure D*, June 27, 2022

Table 1: SLVSP Development Potential and Actual Development to Date

	<u>SLVSP Development Potential</u> ¹	<u>Actual Development (2023)</u>
Sub-Area #1 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	133	133
New Commercial Development (sites)	0	0
Agricultural Land (acres)	94	73
Sub-Area #2 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	574	530
New Commercial Development (sites)	2	0
Agricultural Land (acres)	177	219
Sub-Area #3 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	195	244
Commercial Development (sites)	2	0
Agricultural Land (acres)	16	18
Sub-Area #4 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	130	130
New Commercial Development (sites)	4	2
Agricultural Land (acres)	117	126
Sub-Area #5 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	177	175
New Commercial Development (sites)	5	1
Agricultural Land (acres)	42	48
Sub-Area #6 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	0	0
New Commercial Development (sites)	1	0
Agricultural Land (acres)	174	188
Sub-Area #7 (east side of South Vasco Road between East Avenue and Tesla Road)		
Residential Development (lots)	12	0
New Commercial Development (sites)	1	0
Agricultural Land (acres)	188	76
Total SLVSP		
Residential Development (lots)	1,221	1,212
New Commercial Development (sites)	16	3
Agricultural Land (acres)	810	747

Source: City of Livermore, SLVSP, 1997 as amended 2004

3.3 - Special Annexations and Island Annexations

Concannon Winery

In 2014, the Water Board adopted Waste Discharge Requirements for the Concannon Winery that allowed the winery to discharge treated wastewater to land, and allowed the winery two years to complete a connection to a municipal sanitary sewer or to initiate alternative compliance actions.¹³ The winery was not able to complete either of those actions, and the discharge of treated wastewater to land was terminated in 2016. The winery was required to haul sanitary wastewater and winery wastewater to the EBMUD wastewater treatment plant for disposal. To remedy this condition, Concannon Winery pursued additional measures to comply with the Water Board's waste discharge requirements. These measures included substantial improvements to its wastewater treatment system, and seeking a connection to the City of Livermore sewer system.

Concannon Winery's 2017 Wastewater Management Plan (WMP) included substantial new wastewater treatment systems (including collection, conveyance, treatment, storage and discharge system designed to reduce biochemical oxygen demand, total suspended solids and total nitrogen in winery wastewater), the use of treated winery wastewater for irrigation of vineyards and cover crops, and the cessation of discharge of sanitary waste to land. The WMP also includes an anticipated connection to the City of Livermore's sewer system for discharge of all sanitary waste from the facility, and as a backup discharge location for treated winery wastewater. In 2017, the Water Board adopted a new Waste Discharge Requirement Order to reflect the improved conditions at the Concannon Winery, including the changes made to the wastewater treatment system, changes to the location and method of discharging treated wastewater, and adoption of a self-monitoring program.¹⁴

Concurrently, Concannon Winery pursued a connection to the City of Livermore sewer system by seeking to annex to the City of Livermore. In October of 2017, the City of Livermore agreed to a request by owners of the Concannon Winery to annex and pre-zone three parcels totaling 79.4 acres at Tesla Road to enable the property to connect to the City's sanitary sewer system. The City adopted a resolution certifying an environmental determination and authorizing submittal of an application to Alameda LAFCO to request initiation of proceedings for the proposed annexation of the Concannon Winery property, and adopted a resolution authorizing execution of a transfer of property tax revenue agreement for the Concannon Winery property with Alameda County.

In September of 2018, Alameda LAFCO considered and approved the annexation proposal filed on behalf of the Concannon Winery landowners by the City of Livermore, annexing the Concannon Winery property into the City of Livermore for purposes of receiving public wastewater services. The annexation was found necessary for the discharge of industrial and domestic waste to alleviate environmental health concerns.¹⁵

Other "Island" Annexations

Alameda LAFCO has worked with the cities of Livermore and Pleasanton to consider and approve several annexation applications for unincorporated "island" properties substantially surrounded by incorporated lands, has considered an out-of-area service agreement to extend sewer services to a proposed project in Livermore Valley known as Beyer Ranch (that project was approved by the County but is permit subsequently

¹³ SFRWQCB, *Order # R2-2014-0029, Waste Discharge Requirements for the Wine Group, LLC., Concannon Winery Wastewater Management Systems*, July 9, 2014

¹⁴ SFRWQCB, *Order #R2-2017-0010, Waste Discharge Requirements for the Wine Group, LLC., Concannon Winery Wastewater Management Systems*, April 12, 2017

¹⁵ Alameda LAFCO Agenda Report, *Proposal for Annexation of 4592 Tesla Road et al to the City of Livermore*, for September 20, 2018, Item #10, and *Summary Action Minutes, Regular Meeting*, September 20, 2018

lapsed),¹⁶ and to consider the appropriate Sphere for certain gravel quarry properties within the Chain of Lakes. None of these prior Alameda LAFCO actions or considerations for “island” properties have materially altered or affected municipal services or changes of organization within the South Livermore Valley.

3.4 - SLVAP “Cluster” Development

Within the unincorporated Vineyard Area of South Livermore Valley, the County’s SLVAP provides for a “Cultivated Agriculture Overlay District”. This district provides for certain exceptions or differences in land use policies that apply elsewhere in County-designated Agricultural and/or Resource Management areas. Specifically, the Overlay District provides for a base density of 100 acres per home site, but also allows a density bonus of up to 4 additional home sites per 100 acres or fraction thereof (i.e., up to 5 units per 100 acres). The density bonus must demonstrate that the development will contribute substantially to the goal of promoting viticulture or other cultivated agriculture. Accordingly, an applicant must guarantee that a minimum of 90% of the original parcel will be permanently set aside for viticulture or other cultivated agriculture, that the set-aside acreage will be planted in wine grapes or other cultivated agriculture, and that provisions (such as agricultural conservation easements) are in place to ensure its continued cultivated agricultural use. Building site envelopes for homes and ancillary uses shall be designated on the 10%-portion of the parcel, outside the required 90% set aside for agricultural areas, and no building site envelope may exceed a 25% slope. New commercial uses may also be proposed as part of a bonus density application, and are similarly limited to the 10% maximum area of each parcel not dedicated to cultivated agriculture. Wineries and small bed-and-breakfast establishments are examples of appropriate commercial uses.

Since the approval of the SLVAP and its “Cultivated Agriculture Overlay District”, Alameda County has only approved a few projects that have been developed relying on the density bonus provisions:¹⁷

- The Vineyard Estates development adjacent to Ruby Hill (described above), was one of the first projects in South Livermore Valley to take advantage of the clustering and density bonus provisions. Vineyard Estates is located on 694 acres immediately east of Ruby Hill. The Vineyard Estates property was subdivided into thirty-two 20-acre parcels. Each parcel is planted with vineyards and developed with one estate home on each parcel, resulting in 90% of the overall Vineyard Estates property set aside for agricultural or open space use.
- The Crane Ridge development along the west side of Greenville Road and south of Tesla Road relied on the provisions of the Cultivated Agriculture Overlay District (A-CA district) to allow for the subdivision of 243 acres into six (6) residential sites and six (6) winery commercial sites (i.e., 12, 20-acre parcels), with the majority of these parcels planted as wine grapes.
- The Beebe Family Trust project (Zoning Unit 2006) relied on the Planned Development District provisions of the SLVAP’s Cultivated Overlay District to subdivide an 85-acre parcel along the north side of Tesla Road and east of Greenville Road into four lots (i.e., 4, 20-acre minimum parcel), with required planting of approximately 37 acres of new vineyards and retaining 11 acres of existing vineyards. A conservation easement protects 90% of the property for permanent agricultural use.
- The Nissan Family Trust project (Zoning Unit 2005) also relied on the Planned Development District provisions of the SLVAP’s Cultivated Overlay District to subdivide an approximately 162-acre parcel along

¹⁶ Alameda County Community Development Agency, *Planning Department Staff Report to the Planning Commission, Beyer Ranch Winery Project*, February 5, 2018

¹⁷ Alameda County Community Development Agency, personal communication, planning cases in the SVAP are for the past 20 years, 2023

the south side of Tesla Road and east of Greenville Road into eight lots (i.e., 8, 20-acre minimum parcels), with associated vineyard planting and conservation easements.

One additional cluster development project (Beyer Ranch) was approved by the County but its subdivision permit has expired and the development project did not proceed. Beyer Ranch was a proposal to subdivide a roughly 244-acre site into 12 lots, with a minimum area of 20 acres each. Six lots on the north half of the site were intended for commercial winery facilities with a large winery hospitality/events center. The other six lots on the south half and east side of the site were intended to be developed with one single-family residence each, plus vineyards.¹⁸

3.5 - Agricultural Lands

Agricultural Land, per California Department of Conservation's Farmland Mapping

The California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) provides data pertaining to California's agricultural land resources. This data is an inventory of agricultural soil resources, generally updated every two years (however, the latest data available for Alameda County is for the year 2018). Agricultural lands within Alameda County that are tracked by the FMMP fall within the categories of Prime Farmland, Farmland of Statewide Importance, Unique Farmland and Grazing Land. These land use categories are more specifically described below:¹⁹

- *Prime Farmland*: Farmland that is best suited for producing food, feed, forage, fiber and oilseed crops, with the best combination of physical and chemical features able to sustain long-term agricultural production, and also available for these uses. This land has the soil quality, growing season and moisture supply needed to produce sustained high yields. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date, to be considered "Prime".
- *Farmland of Statewide Importance*: Farmland of Statewide Importance has a good combination of physical and chemical characteristics for producing food, feed, forage, and fiber and oilseed crops, and is available for these uses. Farmland of Statewide Importance is similar to Prime Farmland but with minor shortcomings, such as greater slopes or less ability to store soil moisture. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date, to be considered of Statewide Importance.
- *Unique Farmland*: Unique Farmland is land other than Prime and Farmland of Statewide Importance that is currently used for the production of specific high value food and fiber crops. It has the special combination of soil quality, location, growing season and moisture supply needed to produce sustained high quality and/or high yields of a specific crop when treated and managed according to modern farming methods. These lands are currently producing crops of high economic importance to California (e.g., vineyards). They are usually irrigated but they may include non-irrigated orchards or vineyards, as found in some climatic zones in California. Land must have been cropped at some time during the four years prior to the mapping date, to qualify as being Unique Farmland.
- *Grazing Land*: Grazing Lands are those lands on which the existing vegetation is suited to the grazing of livestock. This category was developed in cooperation with the California Cattlemen's Association,

¹⁸ Alameda County Community Development Agency, *Planning Department Staff Report to the Planning Commission, Beyer Ranch Winery Project*, February 5, 2018

¹⁹ California Department of Conservation, Farmland Mapping and Monitoring Program (FMMP) accessed at: <https://maps.conservation.ca.gov/dlrp/ciftimeseries/>

University of California Cooperative Extension, and other groups interested in the extent of grazing activities.

According to the FMMP's 2018 data, the South Livermore Valley contains 1,127 acres of Prime Farmland, 1,014 acres of Farmland of Statewide Importance and 1,680 acres of Unique Farmland – for a total of 3,822 acres of designated/identified agricultural land resources (see **Figure 3**).

Whereas these agricultural land resource designations are premised on soil quality, growing season and moisture, they also require the land to have been used for agricultural production at some time during the four years prior to the mapping date. Therefore, there is a strong correlation between FMMP data and mapped vineyards and orchards (see below).

The majority of the remaining land within the South Livermore Valley is currently designated as Grazing Land. This designation does not suggest that the underlying soil types are not agriculturally productive, but only that they have not been actively used for agricultural production at some time during the past four years. Based on a review of historic FMMP data, many of the areas currently designated as important agricultural resources and that are now actively under agricultural production were, at some point, previously designated as Grazing Land. Also, the FMMP's designation of Farmland of Statewide Importance and Unique Farmland is not intended to indicate a soil category of lesser value than Prime. The FMMP's designation of Statewide Important or Unique Farmland simply recognizes vineyards as providing a sustained production of a specific high quality and high yield crop of economic importance to California.

3.6 - Vineyards and Orchards Vineyards

Vineyard Acreage over Time

Wine grapes are the major agricultural crop in the Livermore Valley, comprising 90 percent of the Valley's irrigated agricultural acreage. Since the 1880s, the Livermore Valley has had a distinguished history as one of California's premium wine grape regions. However, according to information from *Realizing the Heritage* and from City of Livermore research, the extent of vineyard acreage in the Livermore Valley has varied substantially over time:²⁰

- In 1891, the California Board of Viticultural Commissioners conducted an in-depth survey of grape growing and winemaking in each California County. According to this survey, Livermore had approximately 3,770 acres planted in vineyards.
- Wine production ebbed during the early 1900s due to the Depression, prohibition, and outbreak of phylloxera. By 1966, there were only about 1,690 acres of vineyard land remaining, partially due to the threat of encroaching urban development.
- By the early 1990s, the County's SLVAP EIR estimated that the South Livermore Valley vineyards had grown to contain perhaps 2,000 acres of vineyards and 100 acres of orchards.
- The 1990s were a boom period for California vineyards in general, with wine grape acreage doubling statewide in a single decade. In Livermore, approximately 1,900 acres of vineyards were planted or re-planted, most of which was a result of mitigation offsets for urban development.
- Most recently, *Realizing the Heritage* reports that as of September of 2020, there were just over 3,100 acres of orchards and vineyards in the South Livermore Valley, of which 2,824 acres were planted vineyards (wine grapes), 160 acres were planted to olives, 135 acres planted to pistachios.²¹

²⁰ Lapsley and Sumner, *Realizing the Heritage* 2022

²¹ Lapsley and Sumner, *Realizing the Heritage*, 2022, page 21

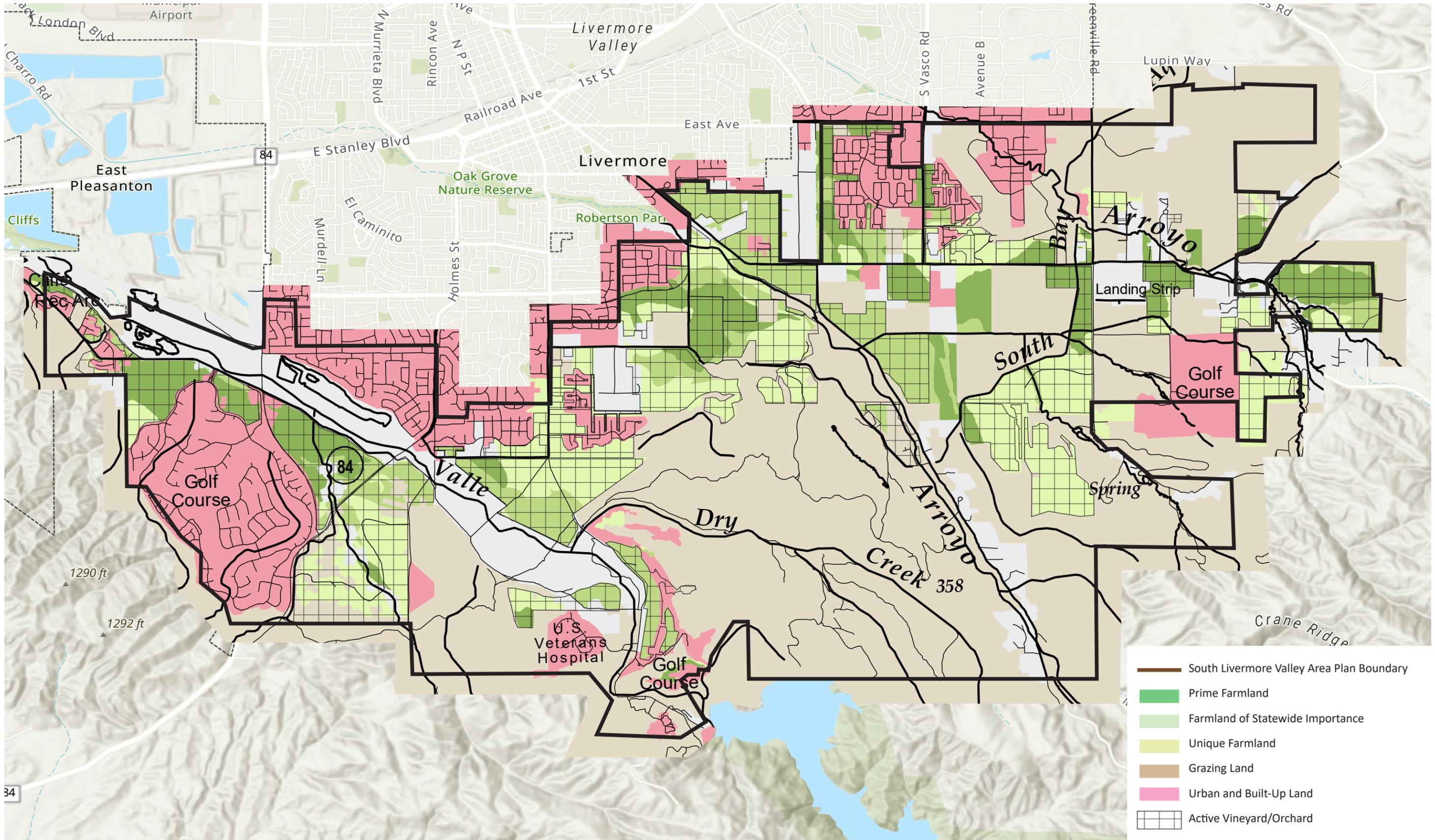
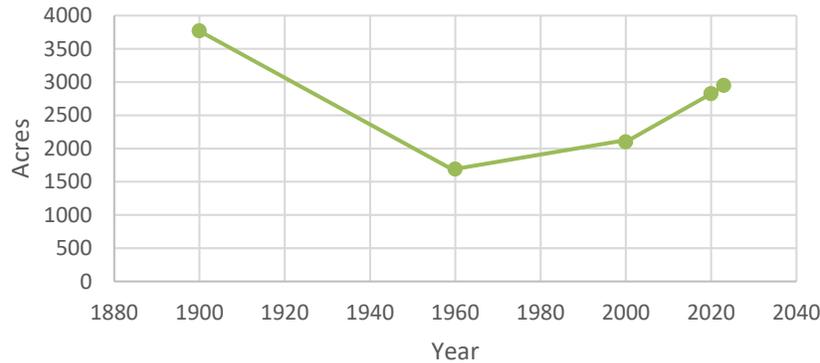


Figure 3
Important Farmlands as defined by the California Department of Conservation

Source: California Department of Conservation
 Farmland Mapping & Monitoring Program, accessed at: <https://maps.conservation.ca.gov/DLRP/CIFF/>

Livermore Valley has seen a surge in vineyard acreage over the past 30 years, in strong response to Livermore and County plans that have established Urban Growth boundaries and required planting or re-planting of vineyards as mitigation offsets for urban development. Livermore Valley’s vineyard acreage has also benefitted from a projected profitability of wine grapes and relatively reliable water supply from Zone 7.²² The chart below demonstrates this substantial swing in cultivated acreage in Livermore Valley.

Chart 2: Change in Vineyard Acreage over Time



Source: Lapsley and Sumner, *Realizing the Heritage 2022*

Characteristics of Livermore Valley’s Existing Vineyards

Livermore Valley’s vineyard acreage is divided among approximately 125 separate vineyards, most of which are small and independent.

- 68 vineyards are under 10 acres in size, and 36 vineyards are over 10 but less than 20 acres. Collectively these 104 vineyards account for about one-third of the Valley’s vineyard acreage
- 13 vineyards of between 20 acres and 100 acres account for just over one-third of Valley’s vineyard acreage
- 8 vineyards are larger than 100 acres in size, and account for nearly 1,000 acres, or just less than one-third of the Valley’s vineyard acreage

Two companies (Wente and Concanon) own approximately half of Livermore Valley’s wine grape acreage, including most of the larger and mid-sized vineyards. Most of the small vineyards are farmed by vineyard management companies rather than by the vineyard owner, and about 500 acres of vineyards are leased to third parties.²³

Vineyard Age

As much as 1,500 acres of Livermore’s vineyards were planted in the late 1990s and early 2000s, as mitigation for urban development. Other new vineyard plantings occurred during this time in response to projected winegrape profitability and improved water availability from Zone 7. *Realizing the Heritage* estimates that between 1,900 and 2,100 acres of vineyards were established in the Livermore Valley in the late 1990s and early 2000s.²⁴ Most California coastal vineyards have an economic life of about 30 years. Vineyards older than 30 years of age can certainly continue to produce grapes, but the yield per acre

²² Lapsley and Sumner, *Realizing the Heritage 2022*

²³ Lapsley and Sumner, *Realizing the Heritage, 2022*, starting at page 25

²⁴ Lapsley and Sumner, *Realizing the Heritage 2022*, page 75

declines, making them less economical to farm. These 1,900 to 2,100 acres of 1990's-era vineyards, which represent approximately 65 percent of Livermore's current vineyard acreage, will be due to be replaced in the coming decade. ²⁵

Economic Outlook for Livermore Valley Vineyards

Existing Vineyards

Realizing the Heritage suggests that one of the most important findings of their study is that, "many of Livermore's independent vineyards have not been profitable. While revenue may be sufficient to cover annual operating expenses, in many cases the amount of annual revenue above annual operating expenses is not sufficient to cover the amortized expenses of establishing a vineyard or to generate a return on the investment in vineyard." ²⁶

Most independent Livermore vineyards are small. These smaller vineyards tend to have higher operating costs per acre than larger vineyards, and lower market prices than those vineyards with on-going contracts with wineries. Many of these smaller vineyards are also relatively old. Almost 2,000 of Livermore's 2,900 acres of vineyards were planted between 1995 and 2003, and are now in or entering their third decade of production. Since California vineyards generally have an economic lifespan of about 30 years before declining productivity, the owners of these older Livermore vineyards will soon face a decision about replanting. Anecdotal reports indicate that some Livermore Valley vineyards have not been profitable for decades, which is consistent with lack of new vineyard plantings in the Valley since the early 2000's. Given the decades-long experience of low returns on investment in vineyards, and especially the difficulty in finding a profitable market for grapes, it is likely that many vineyard owners will not invest in re-planting, unless they have a winery contract for their production. ²⁷

The findings from *Realizing the Heritage* are supported by data presented in Alameda County's annual Crop Reports. ²⁸The charts presented below compare annual production of wine grapes (almost exclusively from the Livermore Valley) to total sales (as adjusted for an annual average inflation rate of 2.44%). As the first chart demonstrates, the annual production of wine grapes has generally been on an increasing trajectory since 2000 (although there was a major dip in 2019-2020), representing an average annual increase of nearly 9% in total grape production. The second chart presents the value of wine grapes sold during that same period. Whereas the annual value of wine grapes sales has also generally been on an increasing trajectory since 2000, the average annual increase in sales is just over 5%, indicating that the relative value of grapes has not kept pace with production (i.e. lower returns per ton of grapes).

²⁵ Lapsley and Sumner, *Realizing the Heritage* 2022, page 102

²⁶ Lapsley and Sumner, *Realizing the Heritage* 2022, page 110

²⁷ *Realizing the Heritage*, 2022 pages 110-111

²⁸ Alameda County Community Development Agency, Agriculture/Weights & Measures, Crop Reports, years 2000 to 2021

Chart 3: Alameda County Annual Wine Grape Production (tons), 2000 to 2021



Source: Alameda County Community Development Agency, Agriculture/Weights & Measures, *Crop Reports, years 2000 to 2021*

Chart 4: Alameda County Value of Wine Grapes Sold, 2000 to 2021



Source: Alameda County Community Development Agency, Agriculture/Weights & Measures, *Crop Reports, years 2000 to 2021*

New Vineyards

Realizing the Heritage makes the clear statement that, “new vineyards are expensive, thirty-year capital investments”, and cites two recent U.C. studies that estimate the cost of establishing and operating a new vineyard in the Livermore Valley. These studies estimate that:

- vineyard-suitable land in the Livermore Valley may cost as much as \$25,000 per acre
- it costs another approximately \$30,000 per acre to establish new vineyard planting, and
- cash costs for farming an acre of grapes was reported as being between \$4,000 and \$5,000 per acre

The Cost and Return studies cited in *Realizing the Heritage* conclude that, “a well-managed vineyard, with better than average yields and expected prices at or just above those prevailing for high quality Livermore

Valley grapes, could expect an annual return of about \$2,800 per acre after covering the interest costs on the land and vineyard establishment. Under these conditions, new vineyards would be profitable.”²⁹

However, *Realizing the Heritage* also finds that, “attempting to encourage more Livermore grape supply without stimulating additional demand for those grapes is unlikely to be successful. Insufficient grower returns are not a recipe to stimulate investment. We have found that there can be profitable vineyard and winery investment at suitable market prices, but any increase in acreage must be supported by increased demand for Livermore grapes and wine.”³⁰

Realizing the Heritage also cautions that many of the conditions that will affect future grape prices will be regional in nature not Livermore-specific. Regional and statewide supply and demand for California coastal grapes and wine over the next three decades is difficult to predict, and these changes will affect the prices for Livermore grapes and the profitability of Livermore vineyards. Thus, as with other farm investments, planting a Livermore vineyard remains a risky undertaking.³¹

Orchards

Livermore Valley has also found a niche in production of olives and pistachios. There are three commercial-scale olive orchards in the Livermore Valley, totaling approximately 160 acres. These olive orchards are distributed across the Livermore Valley. Although additional olives are grown as boundaries or around wineries, these limited plantings are not included in the total of olive orchards.

Livermore Valley also has five different pistachio orchards, totaling 135 acres. These pistachio orchards are all located in the Arroyo Mocho area. Pistachios seem particularly suitable for property adjacent to housing because they do not require as many agricultural operations each year as do wine grapes.³²

Currently Estimated Vineyard and Orchard Acreage

Using the numbers from *Realizing the Heritage* and maps prepared by the Tri Valley Conservancy as a starting point,³³ and relying aerial photographs as of 2023 (Google Earth), this Study estimates that the current acreage of vineyards in the South Livermore Valley is approximately 2,950 acres, and the current acreage of orchards (primarily pistachio and olive) is approximately 350 acres, for a total cultivated acreage of approximately 3,300 acres, as indicated in **Table 2** and shown on **Figure 4**.

²⁹ Lapsley and Sumner, *Realizing the Heritage* 2022, page 14

³⁰ Lapsley and Sumner, *Realizing the Heritage* 2022, page 113

³¹ Lapsley and Sumner, *Realizing the Heritage* 2022, page 89

³² Lapsley and Sumner, *Realizing the Heritage* 2022, page 22

³³ Tri Valley Conservancy, *Preserving South Livermore* - 2019, accessed at:
<https://trivalleyconservancy.org/preserving-agriculture>

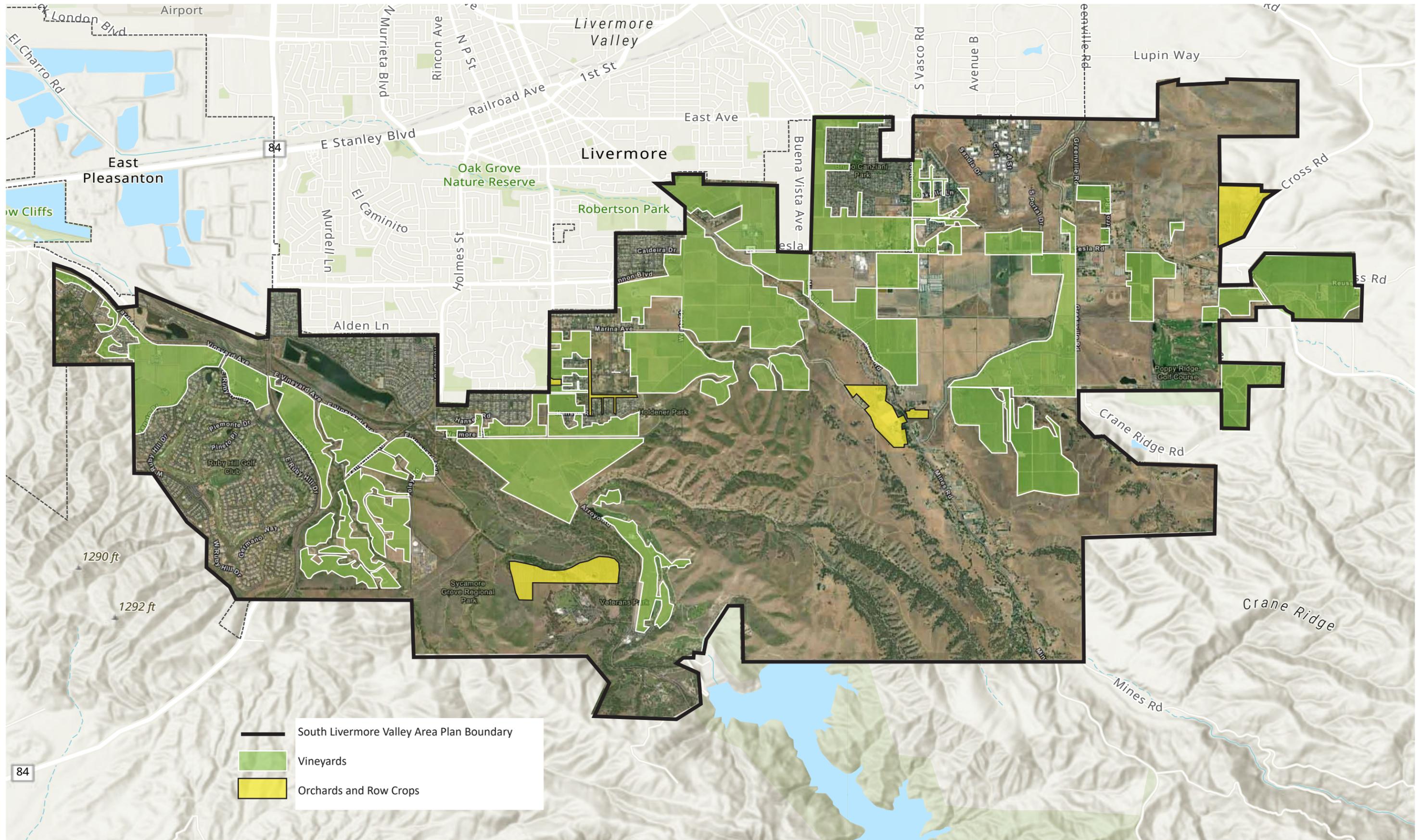


Figure 4
Vineyards and Other Crops within South Livermore Valley Area Plan

Table 5: South Livermore Valley – Existing Vineyards and Orchards

	<u>Vineyard Acres</u>	<u>Orchard Acres</u>	<u>Total Planted Acres</u>
Vineyard Ave. Specific Plan Area	25	10	35
Ruby Hill	175	-	175
Vineyard Estates	350	-	350
SVSP On-Site	610	110	720
Vineyard Area	<u>1,790</u>	<u>230</u>	<u>2,020</u>
Total:	2,950	350	3,300

Source: Tri Valley Conservancy 2019, and GoogleEarth imagery 2023

Note: The difference between the estimated vineyard acreage presented in Realizing the Heritage and the acreage as calculated for this Study is less than 5%, which may account for differences in methodology and assumptions, as well as changes in planted acreage over time (between 2020 and 2023).

3.7 - Conservation Easements and Public Lands/Parks

Conservation Easements

The 1993 County ECAP (Program 129) envisioned the establishment of a South Livermore Valley Agricultural Land Trust as an autonomous non-profit corporation with federal and State tax-exempt status. The Trust would be enabled to purchase or accept donations of lands in the South Livermore Valley, in fee or easement, that will further the goals of the SLVAP. Following the County’s adoption of ECAP, the South Livermore Valley Agricultural Land Trust was established in 1994 to preserve and protect important agricultural and open space lands. Agricultural mitigation funds required to be paid by the Ruby Hill development, as well as other sources, were to fund the Trust’s initial purchases.

Over time, the Land Trust recognized the need to have a greater conservation presence in the region, and expanded its geographic area to cover the entire Tri Valley area (the cities of Livermore, Pleasanton, Dublin, San Ramon and the Sunol). The South Livermore Valley Agricultural Land Trust was renamed the Tri-Valley Conservancy (or TVC). The TVC also expanded their operational mission to include not only agricultural protection and preservation, but also preserving and protecting open space, habitat and parkland, promoting the Tri Valley’s agricultural economy, and working to nurture a conservation ethic especially among the region’s young people. The mission of Tri-Valley Conservancy (TVC) is to “*promote economically sustainable vineyards and orchards, and increase permanently protected, biologically diverse open spaces.*”³⁴

To accomplish this mission, one of the tools that the TVC relies on is conservation easements. The TVC works with willing landowners to acquire the development rights of a property through a voluntary legal arrangement of a conservation easement, which ensures that the property will be protected from future development. A conservation easement allows the property owner to retain ownership and to use the land for agricultural or other conservation purposes, and to sell the land or pass it on heirs with the easement attached, but limits or restricts development for non-conservation purposes. The TVC is then responsible for making sure the easement’s terms are followed on a long-term basis. Another tool of the TVC is direct land acquisition, or purchasing a property to preserve the land’s resources. Once land is preserved (through easement or acquisition) the TVC takes on a land stewardship role to best protect its resources.

³⁴ Tri-Valley Conservancy (TVC), accessed at: <https://trivalleyconservancy.org/about-us/>

According to their website, the Tri-Valley Conservancy now holds conservation easements on more than 4,500 acres across over one hundred properties, including 3,881 acres of farms and agriculture and 643 acres of habitat land. The TVC has also worked to secure an additional 500 acres of parks and open space lands, including the purchase of 74 acres that was added to Sycamore Grove Park in South Livermore Valley.³⁵

A map of the TVC's current (as of 2019) conservation easements is shown on **Figure 5**.

Public Open Space Parks

The South Livermore Valley has a number of open space and recreational amenities that contribute to the attractiveness of the South Livermore Valley as a visitor destination, as described below and shown on **Figure 5**.

- *Sycamore Grove Park*: The Livermore Area Recreation and Park District (LARPD) owns and operates the Sycamore Grove Park regional park, which includes the Arroyo del Valle corridor and one of the largest remaining stands of Western Sycamores in the U.S. Veterans Park, which is located adjacent to Sycamore Grove Park, also consists of open space and natural parkland with group picnic facilities.
- *Ravenswood Historic Site*: Ravenswood Historic Site is a special use park as a National Register-listed 19th century vineyard estate, with Victorian-style structures, vineyards and winery ruins. The site has been renovated by LARPD and is used for meetings and special events. Proposals have been explored by LARPD and the Friends of the Vineyards about the possibility of building a wine museum at the south end of the Ravenswood site, on land that is currently undeveloped.
- *Robertson Park*: Robertson Park is a 133-acre regional park located along both sides of a Arroyo Mocho, and is a developed urban park that includes lighted ballfields, soccer fields and other active recreation facilities. The park also includes a major equestrian center including a stadium that serves as home to the annual Livermore Rodeo.
- *Del Valle Regional Park*: Del Valle Regional Park is a 4,000-acre recreation area surrounding the Del Valle Reservoir. Located in the foothills, this regional park is managed by the East Bay Regional Park District (EBRPD) for the California Department of Parks and Recreation. The park offers boating, fishing, sailboarding, swimming, picnicking and hiking.

³⁵ <https://trivalleyconservancy.org/what-we-do/protect-land/preserving-land/>

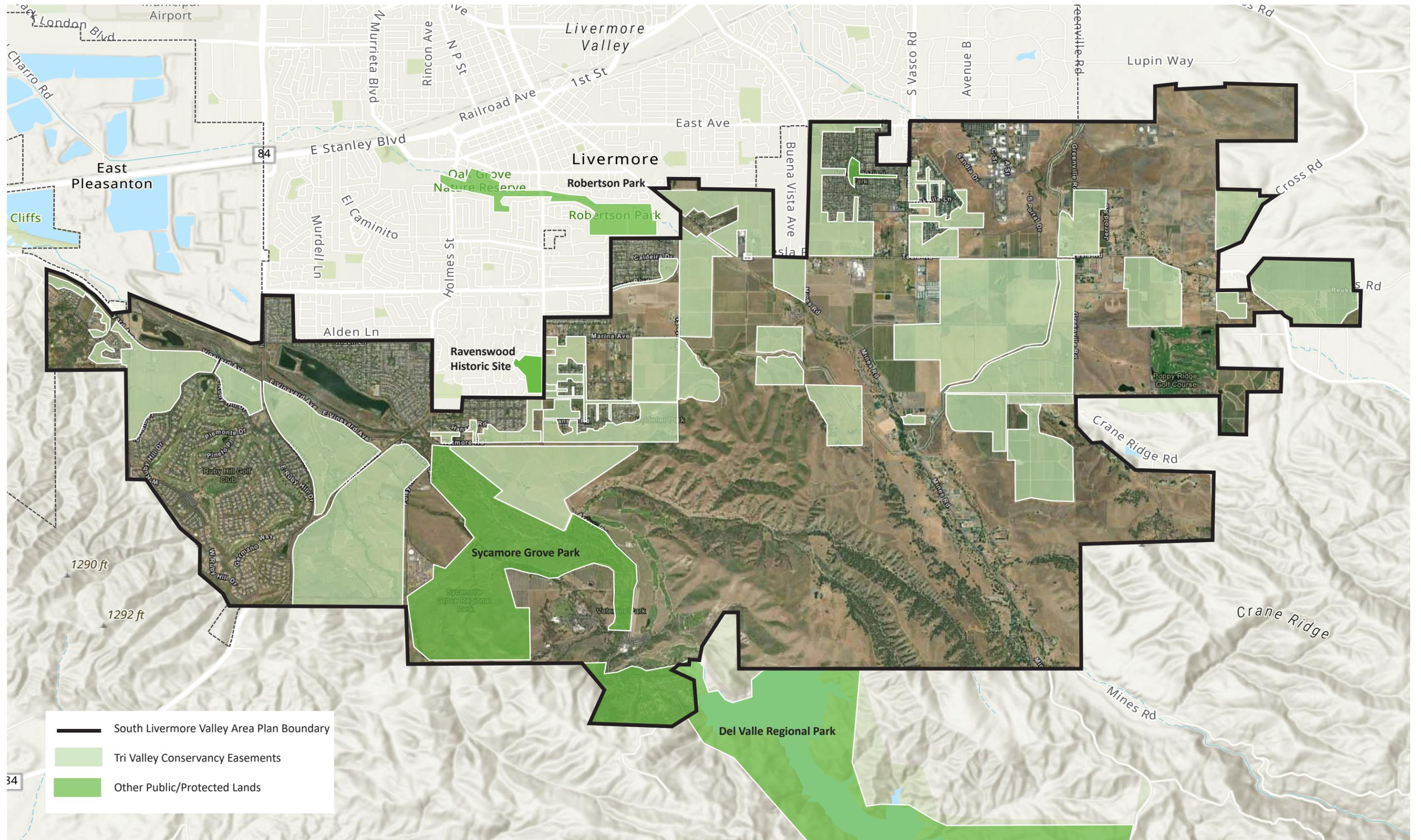


Figure 5
Conservation Easements and Public Lands

Source: Tri Valley Conservancy, 2019, accessed at: <https://trivalleyconservancy.org/preserving-agriculture/>

3.8 - Commercial Uses

Wineries

The 2022 *Realizing the Heritage* report provides a very comprehensive list of Livermore Valley wineries. The original source of the winery data was from a firm that studies the U.S. wine industry and tracks California wineries. According to data presented in *Realizing the Heritage*, there were 48 wineries in Livermore Valley in 2019.³⁶ The majority of those wineries were located generally along Tesla Road between the intersections with South Livermore Avenue and Greenville Road, and includes the Wente winery, which has been there since 1884. Secondary concentrations of wineries were found on Greenville Road both north and south of Tesla Road, in industrial buildings within the city of Livermore along South Vasco Road, and along small roads that branch off of Tesla Road. The Arroyo Valle, which was home to most of Livermore's early wineries in the 1880s, had only a few remaining wineries.

Realizing the Heritage reported that the Livermore Valley Winery Association's website listed only 30 wineries that were members of the Association at that time. A more recent (April 2023) update of the Livermore Valley Winery Association's website now shows 41 wineries as members of its Association.³⁷ As many as 11 of the wineries present in 2019 as identified in *Realizing the Heritage* could not be found as currently in operation, whereas 8 new wineries are now members of the Association. The number of current wineries in the Livermore Valley is now estimated at 45 wineries, as shown on **Figure 6**.

Many wineries in the Livermore Valley produce wine from grapes that are grown outside the Livermore Valley, as well as grapes grown within the Livermore Valley. Conversely, not all of the grapes grown on Livermore vineyards are used by Livermore wineries:

- Wente Vineyards and Concannon wineries are largely self-sufficient in grapes, growing their own grapes in their own (or managed) vineyards
- The next 5 larger wineries relied on approximately 555 acres (about 19%) of Livermore Valley vineyards
- The remaining approximately 40 smaller Livermore wineries collectively required production from only about 330 acres (or 12%) of Livermore Valley vineyards

In total, grapes from about 1,900 acres of Livermore Valley vineyards (or approximately two-thirds of all vineyard lands within the Valley) were required by Livermore's current wineries. This leaves the production of grapes from about 900 acres, or almost one-third of Livermore's total vineyard acreage (and approximately half of the independent vineyard acreage) being exported out of the Livermore Valley at prevailing spot-market prices for coastal grapes.³⁸

³⁶ Lapsley and Sumner, "Realizing the Heritage", Table 12. *Realizing the Heritage* presented data for 48 wineries, but acknowledged that 2 of these wineries could not be found as currently in operation within the Valley.

³⁷ Livermore Valley Winegrowers Association, accessed at: <https://www.lvwine.org/wineries.php>

³⁸ Lapsley and Sumner, *Realizing the Heritage*, page 15

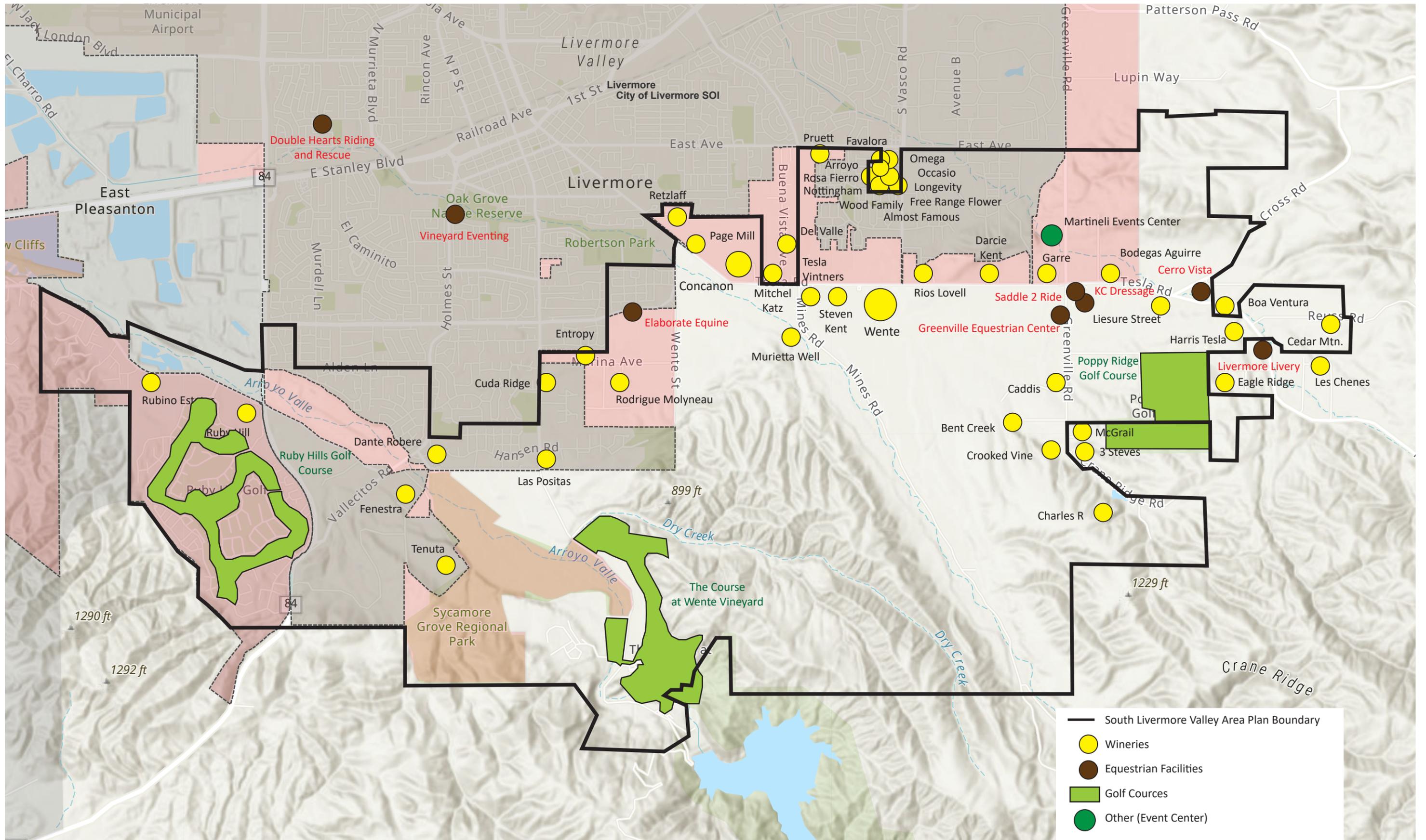


Figure 6
South Livermore Valley Wineries, Equestrian Facilities and Golf Courses

Source: Alameda LAFCO Base Map; UC Davis, *Realizing the Heritage*, 2022 (winery list) as updated per 2023 internet search; 2023 internet search (equestrian centers/horse boarding facilities)

Equestrian Facilities

In a separate Alameda LAFCO Special Study prepared in 2022, that Study referenced an “Equine CUP Streamlining Project Report” of October 2003, which stated that *“the equine industry [in Alameda County] has been increasingly challenged over the years to accommodate business and regulatory changes. Although there is no definitive horse or facility census for a trend analysis, it is apparent that many facilities have closed. Facilities close for many reasons, including retirement, lack of profitability, displacement by development, competition with other outdoor activities, and the costs of meeting new regulatory demands”*.³⁹

That same 2022 LAFCO Special Study also found that, although the number of horse-related facilities appear to have decreased, the demand for equine-industry products and services continues to grow, evidenced by the growing miles of equine and multi-use trails and trail plans in the Bay Area, and horse owners relate the need to travel outside the County to find boarding vacancies. Ensuring that stables remain economically viable reduces pressure for more intense development.

Whereas countywide equestrian facilities may have been/are in decline, the Livermore Valley appears to have a robust equestrian presence. Based on a current internet search, there are eight separate equestrian-based operations within the Livermore Valley providing horse boarding/stables, riding lesson and advanced equestrian training, and horse rescue operations. These existing equestrian facilities are also shown on **Figure 6**.

Golf Courses

The Livermore Valley is home to three prestigious golf courses (see also **Figure 6**).

- The Ruby Hill development (see description above) includes a 225-acre Ruby Hills Country Club and golf course.
- Poppy Ridge Golf Course is an 18-hole, Northern California Golf Association (NCGA) approved golf course located on 280 acres east of Greenville Road, opposite the Crane Ridge Vineyards. The golf course was approved as a stand-alone facility that does not have any residential development proposed adjacent to it. Construction of the Poppy Ridge Golf Course was completed in 1997.
- The Course at Wente Vineyards is located at the south end of Arroyo Road, east of Sycamore Grove Park and the VA Hospital. The course was designed to follow the eastern edge of the valley, with vineyards located between the course and Arroyo Road. The golf course occupies 120 acres. As with the Poppy Ridge Golf Course, no residential development is associated with the Course at Wente Vineyards. The course is associated with the Wente Brothers Sparkling Wine Cellars, restaurant and concert site.

Taken together, these three golf courses occupy approximately 625 acres of land.

Cannabis

The only fully permitted and operating cannabis facility within the SLVAP is a retail operation, Garden of Eden at Highlands, at 7000 Tesla Road (at the Darcy Kent Winery), the first cannabis business to open in the unincorporated East County area near Livermore. The facility was approved by Alameda County in May of 2022. Cannabis is not, and may not be grown at this property. Two sites have pending cannabis cultivation applications (as Conditional Use Permits) pending, one at 9249 Tesla Road and one at 8588 Tesla Road.⁴⁰

³⁹ Alameda County, Equine CUP Streamlining Project Report, October 2003

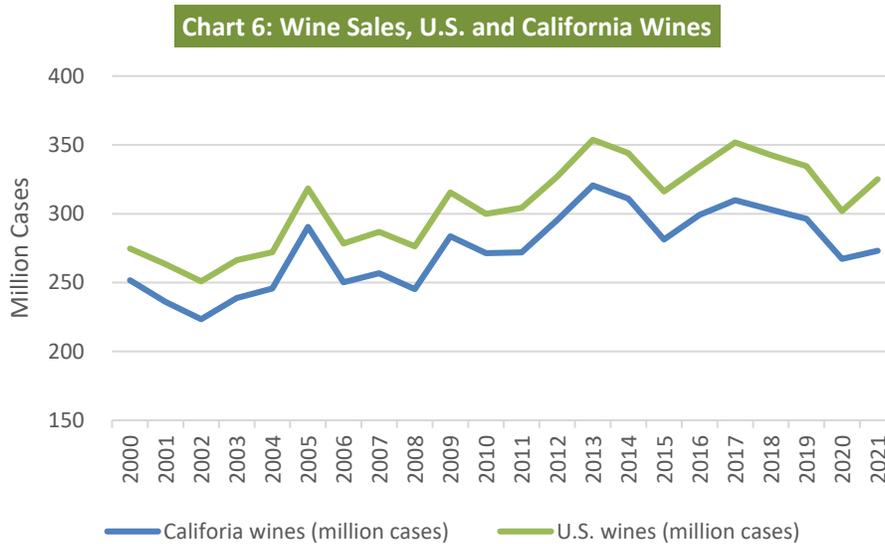
⁴⁰ Personal communication, Alameda County Planning Department, 2023

3.9 - Economic Outlook for Livermore Valley Wineries

Macro-Economics of California Wine Industry

Economic Trends of Wine Industry in California

The United States produces approximately 12 percent of the world’s wine. California produces between 80 and 85 percent of all wine made in the United States (see **Chart 6**), and is the world’s fourth largest producer of wine behind only Italy, Spain and France. California also has the largest number of wineries in the country, with about 4,800 bonded wineries, comprising nearly half of the approximately 10,043 wineries in the country.⁴¹ According to the Wine Institute, California’s wineries shipped over 273 million cases of wine to all markets in the U.S. and abroad in 2021, including more than 238 million cases of wine to U.S. markets. However, as shown in Chart 3, the volume of California wines sold (in cases) peaked around the years 2013 to 2016, and sales volume has been in general decline since then (but with a sharp improvement after a significant drop during the 2020 pandemic year).⁴²



Source: Wine Institute, accessed at <https://wineinstitute.org/our-industry/statistics/california-us-wine-production/>

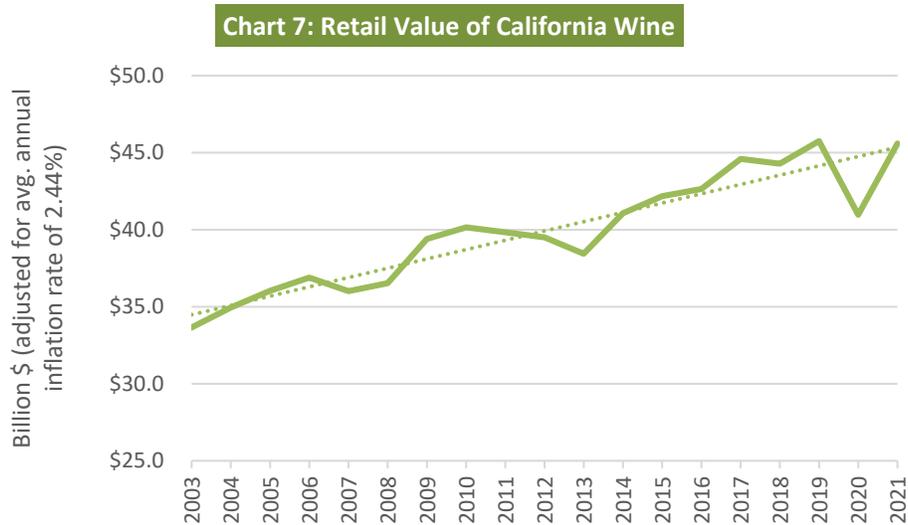
The Wine Institute portrays a different trend in the retail value of California wine sales. Wines shipped to the U.S. markets was estimated at a retail value of \$45.6 billion (estimated retail value includes markups by wholesalers, retailers and restaurateurs). Since 2003, the retail value of California wines has increased by about 35 percent, representing a relatively consistent average annual increase of about 2 percent, year on year (see **Chart 7**), although also suffering from a significant drop during the 2020 pandemic year.⁴³ Many

⁴¹ National Association of American Wineries, accessed at <https://wineamerica.org/policy/by-the-numbers> and <https://www.winecountry.com/blog/california-wine-facts/#:~:text=The%20majority%20were%20red%20grapes,wineries%20in%20the%20entire%20country.>

⁴² Wine Institute and the California Association of Winegrape Growers, *The Economic Impact of California Wine and Grapes*, 2022, accessed at: <https://wineinstitute.org/our-industry/statistics/california-us-wine-production/>

⁴³ <https://wineinstitute.org/our-industry/statistics/california-us-wine-sales/>

wine experts attribute the difference between wine volume sales and wine retail value to a general shift in consumer preferences for higher quality and more expensive wines.



Source: Wine Institute, accessed at <https://wineinstitute.org/our-industry/statistics/california-us-wine-sales/>

According to a *State of the Wine Industry Report*, much of the economic trends in wine sales (volume versus value) are highly driven by demographics. This report indicates that, “consumers older than 60 are the only growth segments, and consumers younger than 60 have a lower share of wine consumption compared to what they did in 2007. While older consumers are paying more for premium wine, younger buyers are increasingly less engaged with the wine category.”⁴⁴

Projections about the future of the wine business range from pessimistic, to cautious, to optimistic:

- “the wine category will continue to fight off ongoing challenges in 2023, according to IWSR, with the long-term trend of slowly-declining volumes in many markets expected to continue”⁴⁵
- “analysts expect demand for wine to remain healthy, driven by a limited reopening of tourism, restaurant and event traffic. . . and many expect to see modest improvements in wine sales and grape values”⁴⁶
- “The California wine industry cannot be complacent. It faces challenges that include more competition from other imports and other American wine producers, but the growing reputation for quality, the increasing willingness of consumers to pay for higher quality, and the wine industry’s ability to innovate bode well for its success.”⁴⁷

⁴⁴ Silicon Valley Bank (now a division of First Citizens Bank), “*State of the Wine Industry Report, 2023*”, accessed at: <https://www.svb.com/trends-insights/reports/wine-report>

⁴⁵ The Drinks Business, <https://www.thedrinksbusiness.com/2023/03/slow-decline-of-global-wine-volumes-set-to-continue-iwsr-says/#:~:text=Wine%20volumes%20for%20H1%202021,fall%20in%20many%20core%20markets>

⁴⁶ <https://www.agloan.com/2022-q1-wine-industry-trends-and-forecast>

⁴⁷ Rachael E. Goodhue, Richard D. Green, Dale M. Heien, and Philip L. Martin, “*Current Economic Trends in the California Wine Industry*”, Giannini Foundation of Agricultural Economics, University of California Davis, 2007

Business Trends in the California Wine Industry

An older (2007) UC Davis report, *Current Economic Trends in the California Wine Industry*, provided insights about California’s wine industry that are still relevant, and perhaps more so, today. As indicated in that 2007 report, while “the number of wine grape growers had increased slightly in the past decade, the number of wineries doubled to 2,900, [which has now substantially increased to as many as 4,800 bonded wineries in California, the opposite of a general consolidation trend in food processing. Within the winery sector, there is significant consolidation. Like other food-sector firms, a combination of economic and marketing forces are encouraging wineries to be either small enough to sell most of their wine directly to consumers, or large enough to have clout with distributors and retailers. The top three California wineries accounted for nearly 60 percent of total wine shipments, and the top ten California wineries accounted for 85 percent of total shipments. An important part of the large firms’ recipe for success is their ability to offer distributors and large retailers a range of labels at different price points. Smaller California wineries often aim to sell three-quarters or more of their wine directly to consumers, many of whom visit the winery to taste the wine. Direct sales eliminate distributor and retailer mark-ups as well as winery-incurred shipping costs. Mid-size wineries [defined as more than 10,000 cases per year] face challenges, as they are too large to depend on direct-to-consumer sales, but too small to attract the attention of major distributors or retailers. Wineries in the middle between direct sales and multiple labels and marketing clout may have to seek a new business model. Mid-size wineries could shrink and follow the small-producer strategy, grow and follow a large-producer strategy, or become part of a large producer’s brand portfolio via mergers and acquisitions.”⁴⁸

Micro-Economics of Livermore Valley Wineries

The Livermore Valley’s winery industry is vitally important to the local economy, but represents a very small share of the overall California wine industry’s economic activity. The following relative comparisons put the scale of Livermore Valley wineries (which are assumed to represent virtually all of Alameda County’s winery industry) in perspective of the overall California wine economy:

- Livermore Valley’s 45 wineries represent about 1% of California’s 4,800 bonded wineries⁴⁹
- Livermore Valley wineries were estimated to produce about 977,050 cases of wine in 2019,⁵⁰ representing less than 1% of the 238 million cases of California-wide wine production ⁵¹
- Approximately 415,800 tourists visited Alameda County wineries in 2022, spending approximately \$276 million dollars. This representing about 2% of the 23.6 million winery tourist statewide, and nearly 4% of the \$7.2 billion in statewide winery tourism spending (including retail wine, hotels, restaurants and other venues)
- The wine industry in Alameda County generated an estimated \$2.4 billion in annual economic activity, representing just over 3% of California’s \$73 billion in total annual wine industry economic activity (which is inclusive of employment, wages, taxes, tourism spending, visits, and charitable giving) ⁵²

Although Livermore Valley represents a small share of California’s vast winery industry, the business trends in Livermore Valley do reflect the statewide trend is business consolidation. Data that is presented in *Realizing*

⁴⁸ Ibid

⁴⁹ Discover California Wines, “California Wines Profile” accessed at: https://discovercaliforniawines.com/wp-content/uploads/2022/08/CAWines-Profile-Aug_2022.pdf,

⁵⁰ Lapsley and Sumner, *Realizing the Heritage 2022*, page 29 - Table 1.2: Livermore Wineries by Case Production

⁵¹ Discover California Wines, “California Wines Profile”

⁵² John Dunham & Associates, “*Economic Impact of California Wine and Grapes 2022*”, commissioned by the Wine Institute and the California Association of Winegrape Growers, 2023

the Heritage is now a few years removed, but is still the best source of local information and provides a number of important characteristics about Livermore Valley wineries that likely remain accurate: ⁵³

- Of the 48 Livermore Valley wineries existing in 2019, two wineries (Wente and Concannon) produced about 82% of all wines sold
- These two large wineries, plus 5 more mid-sized wineries (those producing more than 10,000 cases of wine per year), or 15% of all Livermore Valley wineries, produced about 90% of all wines sold from the Valley

These larger and mid-sized wineries generally have a diverse sales base that includes distribution chains to national markets including grocery stores and liquor stores, with only about 20% of their wines sold directly to consumers.

- The remaining 41 smaller wineries in Livermore Valley, representing 85% of all Livermore Valley wineries, sold only about 10% of all wines sold from the Valley

Sales from these smaller Livermore wineries were much more dependent on direct sales to customers (e.g., online sales or direct sales at the winery and tasting rooms), with direct to consumer sales representing approximately 75% of all sales for all of these other wineries. Most of the smallest wineries rely almost entirely on direct to consumer sales. As indicated in *Realizing the Heritage*, “the focus on cellar-door sales makes sense for the smaller individual wineries, as most do not seem to have the resources or desire to compete with other wineries for sales to retailers or wholesalers”. ⁵⁴

Most of Livermore’s smaller wineries that rely almost entirely on the direct to consumer sales approach are operating on the edge of profitability. As one winery owner put it, “*We have generally just broken even. We have professional jobs outside the winery and don’t need to turn this into a profitable business. We get to experiment with different varieties, and interact with interested consumers. We do it for the fun, not the money.*”⁵⁵ These smaller wineries’ direct-to-consumer sales approach provides their consumers with a personal engagement with the winery and its operators, may provide an enjoyable and informative experience. These small wineries also fulfill an important niche by creating a draw of visitors that take advantage of the Valley’s other winery tourism industries.

The lack of profit margins for these small wineries does not mean their business models aren’t viable, only that these businesses do depend on outside financing and the continued enjoyment of operating these businesses by the owners. These businesses are also at risk if the tourism/visitor sales cycle is disrupted (as evidenced by the large number of Livermore wineries that closed due to the pandemic), and are at risk from unexpected business operation expenses or demands (i.e., new regulations regarding winery process water disposal).

On a broader land use planning perspective, the annual grape crush represented by these numerous small wineries does not generate a substantial demand for Livermore Valley grapes (the smallest 40 wineries collectively require the output of only about 250 acres of Livermore’s vineyards), and even a substantial increase in the number of these smaller wineries could not justify increasing the size of the Valley’s existing vineyard acreage.

⁵³ Lapsley and Sumner, *Realizing the Heritage 2022*, page 29 - Table 1.2: Livermore Wineries by Case Production

⁵⁴ Lapsley and Sumner, *Realizing the Heritage 2022*, page 99

⁵⁵ Ibid

Chapter 4: State Water Board Waste Discharge Requirements for Wineries

Winemaking is an important industry that has generated as much as \$71 billion for the California economy. Winemaking also generates process water that has the potential to degrade groundwater quality depending on winery-specific activities, size and treatment processes. The primary concerns for winery process water that effects groundwater quality are nitrogen, salinity and biochemical oxygen demand. In 2001, the State Water Board adopted a General Waste Discharge Requirements for Winery Process Water (General Order) that applies to wineries statewide, which includes requirements to ensure winery operations effectively mitigate adverse impacts to water quality. These General Order requirements have potentially significant implications on those Livermore Valley wineries that are not served by a municipal sewer system, as further summarized in the following chapter of this Special Study.⁵⁶

4.1 - Winery Process Water

The late fall of each year (September through November) is when wineries typically harvest grapes to make wine. This period is known as the crush. Typical wine production during the crush involves harvesting and crushing grapes, fermentation, clarification, aging and storing, blending, and bottling. Other operations include facility cleaning, which involves washing processing equipment, floors, tanks, barrels and bottles. Other sources of water use include cleaning chemicals, spilled wine or juice, water softener regeneration brine, and boiler or cooling tower blowdown. During these wine production and cleaning processes, much of this water does not become wine, but becomes what is known as “winery process water”, or excess water used in the wine making process. Some wineries operate year-round, generating process water during the off-season from blending, bottling, and cleaning. The amount of process water used during these operations varies based on the specific operations of each winery, but wineries can use as much as 6 to 16 liters of water per liter of wine produced.⁵⁷

Process water is typically collected at the winery using floor drains and trenches, piping, pumps, tanks and other ancillary equipment. Those wineries not connected to a municipal sewer system typically rely on ponds, land application and/or subsurface disposal systems to treat, reuse and/or dispose of their process water.

- Process water ponds provide process water storage, mixing, equalization, treatment, disposal and operational flexibility for wineries. Most ponds settle suspended solids, ponds with aeration reduce biochemical oxygen demand (BOD), and ponds with alternating aerobic and anoxic zones remove nitrogen. Constructed wetlands associated with a pond can further reduce BOD and nitrates, and are effective as a “polishing step” prior to land application. Pond size and land disposal acreage are interrelated, as more available pond storage means less area is needed for land application or subsurface disposal, and vice versa. This balance is determined by site conditions and constraints, process water volume and quality, treatment objectives, costs and operational resources.
- Land application is a strategy to beneficially reuse process water to grow crops. Because winery process water contains organic matter and nitrogen, land application generally improves soil productivity and provides supplemental plant nutrients, while simultaneously treating and disposing of the process water. Dissolved solids in process water include plant macronutrients (e.g., ammonium, nitrate, phosphorous

⁵⁶ California State Water Resources Control Board (Water Board), Order WQ 2021-0002-DWQ General Waste Discharge Requirements for Winery Process Water, January 20, 2021

⁵⁷ Journal of Water Science & Technology, accessed at:
<https://iwaponline.com/wst/article/80/10/1823/71671/The-impact-of-the-winery-s-wastewater-treatment>

and potassium) that are removed by those land application systems that incorporate growing and removing crops.

- Subsurface disposal systems generally consist of a treatment unit and a subsurface disposal area (e.g., a drain field, infiltration gallery or dispersal area). Treated process water is discharged via gravity flow or a low-pressure distribution system to a subsurface disposal area. Plants grown at the subsurface disposal area can provide some additional treatment. Although more commonly used by smaller wineries, larger wineries with limited land application area or pond capacity also use subsurface disposal systems, or a subsurface disposal system in conjunction with land application. Siting, design and operation of a subsurface disposal system depends on site conditions, groundwater elevation, process water volume and characteristics, and soil properties.

Each of these methods for treating, reusing and/or disposal of winery process water have the potential to introduce constituents that may degrade groundwater quality. The primary constituents of concern in process water are nitrogen, biochemical oxygen demand (BOD), and salinity. Grape juice, wine, pomace and cleaning chemicals can also contribute nitrogen, BOD, and salinity.

4.2 – State Water Board’s Purpose in Establishing the General Order

The California Water Code defines winery process water as ‘waste’, and since the discharge of winery waste can affect the quality of waters of the state, such discharges are subject to regulation pursuant to the California Water Code. Any person discharging winery process water or proposing to discharge winery process water in any manner other than to a community sewer system must file a report of waste discharge (ROWD) and obtain coverage under a Waste Discharge Requirement (WDR) or a waiver of WDR.

The State Water Board estimates that there are approximately 4,580 wineries in California, and approximately 3,612 of these wineries are bonded (i.e., licensed to manufacture, sell, purchase, possess and transport alcoholic beverages within the state). Of these bonded wineries, approximately 2,070 wineries (57%) dispose of their process water waste to land, and the remaining 43% of the state’s bonded wineries discharge to a community sewer system or other method. The Water Board also estimates that only about 16 percent of the bonded wineries that discharge to land have existing individual WDR permits or conditional waivers to dispose of their winery waste. There is a substantial backlog of individual winery permitting throughout the state.

Pursuant to the Water Code, the State Water Board may prescribe General WDRs for a category of discharges if the discharges are produced by the same or similar operations, involve the same or similar types of waste, require the same or similar treatment standards, and are more appropriately regulated under general WDRs than individual WDRs. Discharges to land from winery process water and waste treatment and disposal systems have certain common characteristics such as similar constituents, concentrations of constituents, and disposal techniques, and they require the same or similar treatment standards. Therefore, the Water Board has found that winery process water discharges are more appropriately regulated under a General WDR. A General WDR provides a set of consistent standards and regulations that apply statewide, and the permit streamlining process pursuant to a General WDR allows the Regional Water Boards to focus on issues related to compliance, rather than issuing thousands of site-specific permits. According to the Water Board, the General Order was requested by winemakers to address inconsistencies in permitting statewide for winery process water, and the State Water Board collaborated with the wine industry and other stakeholders by soliciting and incorporating feedback throughout development of the General Order.

4.3 - Components of the General Order ⁵⁸

Tiered Enrollment Schedule

Wineries that direct all process water to a community sewer system are not required to apply for General Order coverage.

- It is estimated that 10 of Livermore Valley’s approximately 50 wineries are located within a thriving winery district at the southeast corner of South Vasco Road and East Street in the City of Livermore. This district is served by the City of Livermore’s municipal sewer system, and these wineries will not require coverage under the General Order.

Those existing wineries that are already covered under an individual WDR, general WDR, or conditional waiver to WDR may continue discharging under those permits until they expire or come up for renewal. At that time (or earlier at the discretion of the Regional Water Board), it is intended that those wineries will re-enroll under the General Order.

- Within the Livermore Valley there are many wineries, including Concannon and Wente, plus the wineries located within Crane Ridge and the Beyer Ranch areas, that currently discharge winery process water under existing WDRs. When these individual or group WDRs expire, these wineries will be required to enroll under the General Order.

All other wineries that are not served by a municipal sewer system or already covered under a separate WDR will be required to submit a Notice of Intent (NOI) and an associated Technical Report to enroll in the General Order by January 20, 2024. Full compliance with the General Order must occur within 5 years of the date of the NOI.

Tier-Based Limits and Reporting

Wineries that are authorized under the General Order are classified into regulatory tiers based on the annual process water flow from the facility. The application requirements, fees, and monitoring and reporting requirements are connected to and commensurate with the complexity of the discharge regulated under each tier. The General Order’s tiers include:

- Exempt (less than 10,000 gallons per year)
- Tier 1 (10,000 to 30,000 gallons per year)
- Tier 2 (30,001 to 300,000 gallons per year)
- Tier 3 (300,001 to 1,000,000 gallons per year), and
- Tier 4 (greater than 1,000,000 gallons per year)

Exempt wineries are not required to enroll under the General Order. However, exempt wineries that violate General Order prohibitions or exempt status conditions, or are otherwise determined to pose a threat to water quality (which can include a large concentration of wineries in a specific area), may no longer qualify for exempt status and may be required to submit an application for General Order coverage as a Tier 1 facility.

⁵⁸ State Water Board, General Waste Discharge Requirements For Winery Process Water (Order WQ 2021-0002-DWQ), January 20, 2021, accessed at: https://www.waterboards.ca.gov/water_issues/programs/waste_discharge_requirements/winery_order.html

Tier 1 wineries are considered to have a low potential for degrading water quality provided they comply with General Order requirements. These smaller wineries are required to apply for General Order coverage as a Tier 1 facility. A large concentration of Tier 1 wineries in an area may pose a higher threat to water quality and result in groundwater degradation, and may be required to apply for General Order coverage as a Tier 2 facility.

The annual process water flows from each winery in the Livermore Valley is dependent on a number of factors that may vary from winery to winery based on each wineries' water use. Assuming that all Livermore Valley wineries practice significant water conservation strategies and can achieve ratios of about 6 liters of water per liter of wine produced, the approximately 40 Livermore Valley wineries subject to the General Order (those not served by municipal sewer) may generally fall under the following categories:

- Perhaps 4 or 5 of Livermore Valley's smallest wineries may fall under the "Exempt" category
- Perhaps 10 to 12 of Livermore Valley's smaller wineries may fall under the "Tier 1" category
- Perhaps 17 to 18 of Livermore Valley's mid-sized wineries may fall under the "Tier 2" category
- Perhaps 3 of Livermore Valley's larger wineries may fall under the "Tier 3" category, and
- It is likely that both Concannon and Wentle wineries will fall under the "Tier 4" category

General Specifications for Ponds, Land Application and Subsurface Disposal Areas

Ponds

Undersized ponds can lead to process water spills, insufficient treatment, anaerobic conditions and nuisance odors. To minimize these problems, the General Order requires ponds be sized to meet a 100-year, 24-hour peak storm design standard. Small ponds are required to meet a 25-year, 24-hour peak storm design standard at a minimum. The Discharger is also required to submit a technical report describing how a smaller pond will be operated without overtopping under 100-year, 24-hour peak storm conditions.

- Tier 1 and Tier 2 facility ponds generally contain smaller amounts of process water for a shorter period of the year, and pose a smaller threat to water quality if the ponds are properly maintained and in good working condition. Therefore, Tier 1 and Tier 2 wineries with existing ponds may continue operating the ponds at their current sizes, provided they comply with all other General Order requirements. Tier 1 wineries may also construct ponds that are smaller than the peak storm design standards, provided they meet all other General Order requirements, including applicable pond specifications.

Ponds that percolate process water have the potential for degrading underlying groundwater. Ponds lined with a relatively impermeable layer (e.g., clay, concrete or geo-membrane liner) minimize percolation.

- Tier 1 and Tier 2 wineries may continue operating existing ponds at their current lined or unlined status, provided they comply with all other General Order requirements. The Regional Water Board may require ponds that are determined to have had, or have the potential for frequent or significant spills, or have the potential to cause groundwater pollution, to comply with the General Order pond capacity and/or liner requirements.
- New or expanding ponds at Tiers 2, 3, and 4 wineries must be lined to meet a hydraulic conductivity standard to prevent percolation-related degradation.
- Tier 4 wineries are required to conduct groundwater monitoring at their process water ponds unless the winery demonstrates a reduced potential for groundwater degradation and qualifies for an exemption.

Land Application

Winery process water is often used to supplement rainfall and fresh water sources for vineyard or other crop irrigation. The General Order requires a discharger of process water used in irrigation to monitor the source

water, process water and supplemental water quality to determine compliance with applicable nitrogen and biodegradable organics (measured as BOD) loading limits.

- To manage BOD loading, the General Order requires that land application of winery process water occur within an irrigation cycle average meeting BOD loading limits.⁵⁹ Field rotation, alternating wet and dry times, infiltrating water within 48 hours, and managing the hydraulic loading are all necessary to allow the soil to return to aerobic conditions. Good land application, farming practices and site controls are also required to prevent excessive hydraulic loading, nuisance conditions and off-site discharges. Land application area must be properly managed to prevent over-irrigation, which can result in runoff or ponding.
- Wineries that generate and apply larger volumes of process water inherently have a higher potential for percolation to groundwater and groundwater degradation. Therefore, Tier 4 wineries are generally required to conduct groundwater monitoring at the land application area.
- Wineries with groundwater monitoring data that demonstrate impacts to water quality may be required to evaluate the winery, treatment and disposal operations, and address and mitigate groundwater quality impacts through development and implementation of a site-specific Nitrogen Control Plan.

Subsurface Disposal Systems

Simple subsurface disposal systems that only provide for settling of solids provide minimal treatment. In the settling tank, solids in the process water settle out and the anaerobic conditions provide some BOD reduction, but nitrogen removal varies depending on the system design and operation. Once discharged, the effluent BOD can further biodegrade in the aerobic conditions of the subsurface disposal area and the nitrogen can be converted to nitrate. More advanced subsurface disposal systems can be designed for nitrogen and/or BOD removal. Treatment alternatives include biological filters, pretreatment in process water ponds designed for nitrification and denitrification upstream of the subsurface disposal systems, and other engineered alternatives. The General Order includes effluent limits for total nitrogen, BOD, and total suspended solids (TSS) to assess subsurface disposal systems treatment effectiveness and minimize the potential for degrading groundwater.

- Tiers 2, 3, and 4 wineries using subsurface disposal systems that exceed the total nitrogen effluent limit may be required to evaluate the winery, treatment and disposal operations, and prepare a Nitrogen Control Plan with improvements needed to comply with the limit.
- The General Order requires the discharger to implement subsurface disposal system operational controls and provide sufficient disposal area necessary to prevent excessive loading, inadequate treatment and nuisance conditions. It also requires that the subsurface disposal systems meet a maximum hydraulic loading limit to prevent excessive loading to the subsurface disposal area.
- Wineries that discharge large volumes of process water to a subsurface disposal area have a higher potential for percolation to groundwater and groundwater degradation. Therefore, Tier 4 facilities are required to conduct groundwater monitoring for subsurface disposal systems.

Solids Management

Coarse and suspended process solids are screened, filtered, precipitated and settled from grape juice, wine and process water. Removing solids prior to directing process water to flowmeters, storage tanks, and treatment systems minimizes system clogging, extends the life of equipment, improves treatment efficiency,

⁵⁹ An irrigation cycle is made up of irrigation days and the subsequent dry days. For example, a land application area (LAA) divided into seven sections would have a 7-day irrigation cycle for each section if each received one day of application followed by six days of drying.

and restores system capacity. Process solids are also generated from process water treatment systems. Ponds are periodically dredged to restore capacity. Sludge and scum from settling tanks are also removed as part of regular maintenance. Process solids are typically containerized or stockpiled and dried before they are applied to land as a soil amendment or disposed of off-site. Onsite composting and reuse of process solids are encouraged.

Salt Control

Effective strategies to minimize salt concentration (measured in fixed dissolved solids - or FDS) in process water include facility source control, chemical substitution and recycling, good housekeeping, solids removal, and other best practice measures. Most of these measures aim to keep salts out of process water. Salt reduction technologies (e.g., reverse osmosis) are available but can be expensive, so are not as widely used. Minimum Best Practicable Treatment or Control measures for salt control generally consisting of good housekeeping, source control and reduced salt usage, and solids screening and management, and are required compliance measures of the General Order.

- This General Order requires Tiers 2, 3, and 4 facilities to compare winery effluent FDS concentrations to an FDS threshold to determine if additional measures are needed at the facility to control salt and minimize the potential for groundwater degradation. The FDS threshold is based on reasonable Best Practicable Treatment or Control measures that can be implemented at wineries to minimize salinity impacts to groundwater.
- Facilities that exceed the FDS threshold may be required to evaluate the winery, treatment and disposal operations, discuss findings, and propose improvements to reduce effluent FDS in a Salt Control Plan. An exceedance of the FDS threshold is not a violation of the General Order, but the General Order does require the discharger to implement salt control Best Practicable Treatment or Control and to potentially submit a Salt Control Plan if the FDS threshold is exceeded.

Annual Reporting Requirements and Fees

Although the State Water Board intended to streamline and improve the WDR permitting process for wineries, stakeholders across the winemaking industry have expressed concern about the cost and complexity of complying with the new General Order.

The General Order provides a model Monitoring and Reporting Program that provides dischargers with alternatives to address site-specific conditions to achieve General Order compliance.⁶⁰ The Monitoring and Reporting Program includes cost estimates for compliance that provide a general range of costs, whereas actual costs will depend on many factors. According to the Water Board's estimate, the one-time monitoring costs will be approximately:

- for Tier 1 winery - \$500 to purchase a flow meter, with no on-going monitoring costs
- for Tiers 2 to 4 - \$500 to \$750 to purchasing a pH and electrical conductivity meter

The Water Board's estimate of the effort to develop required technical reports is estimated to range from 40 hours of in-house staff time to 100 hours of in-house and/or consultant time, depending on the winery size and complexity and the needs of the specific technical report.

The Water Board's estimate for annual ongoing monitoring costs by Tier are:

- Tier 1: no on-going monitoring

⁶⁰ State Water Board, General Waste Discharge Requirements For Winery Process Water (Order WQ 2021-0002-DWQ), January 20, 2021, Attachment G: Monitoring and Reporting Program

- Tier 2 (assuming 61 days of discharge) - \$1,500 to \$5,000
- Tier 3 (assuming 75 days of discharge) - \$3,000 to \$10,000
- Tier 4 (assuming 100 days of discharge) - \$25,000 to \$45,000

These estimated ongoing annual monitoring costs do not include labor costs for in-house staff or consultants. They also do not include costs to a winery for possible engineering, design, permitting or construction work that may be necessary for General Order compliance, or the technical reports potentially required if certain General Order activities or requirements are triggered because the specific work necessary at individual wineries. These costs will vary significantly, and the Water Board found it is not feasible to summarize such costs and factors of the General Order. The General Order does address facility-specific compliance costs by providing dischargers with alternatives to demonstrate compliance by meeting specific design or performance standards, a compliance schedule to complete necessary upgrades at existing wineries, and compliance options for addressing specific General Order exceedances.⁶¹

Wine Institute Estimates of Costs

The Wine Institute (an advocacy group for the California wine industry) commissioned a study to calculate the ongoing monitoring cost of compliance with the General Order, beyond the startup cost and capital expenses estimated by the Water Board. They found the annual monitoring costs for a typical Tier 2 winery (with 6-7 winery employees dedicated to the production of wine), could cost between \$21,000 and \$35,000 in additional annual wages. They also suggest that there are additional unknown costs necessary to upgrade systems to meet other standards proposed in the Winery Order, and they anticipate that many wineries will need to engage an expert consultant to assist with compliance. The estimated costs of these consulting services range from \$20,000 to \$40,000 per year. They estimate the annual costs of testing and monitoring a Tier 2 winery could be as much as \$52,000 to \$91,000, and that these costs would be even greater for Tier 3 and 4 wineries.⁶²

⁶¹ State Water Board, General Waste Discharge Requirements For Winery Process Water, Attachment G: Monitoring and Reporting Program, Estimated Monitoring and Reporting Program Cost Ranges, page G-30

⁶² Wine Institute, et.al., *Letter to California State Water Resources Control Board, RE: General Waste Discharge Requirements for Winery Process Water*, August 5, 2020

Chapter 5 - South Livermore Sewer Expansion Project

5.1 - Livermore Valley Groundwater Quality Issues

The Livermore Valley Groundwater Basin is an inland alluvial groundwater basin underlying the east-west trending Livermore-Amador Valley and Livermore Uplands in eastern Alameda County. The groundwater basin is divided into four basin areas: the Main Basin; Fringe Basin North; Fringe Basin Northeast and Fringe Basin East. The Main Basin is further divided into an upper and lower aquifer. The Main Basin is a portion of the regional groundwater basin that contains the highest yielding aquifers and generally the best quality groundwater, and is an important source of drinking water for the communities that overly it. The Fringe Basins contain water with slightly higher salinity, and generally yield low quantities of water to wells. The Upland Aquifer is of lower productivity and quality than the aquifers of the Main Basin, and groundwater production is limited to domestic and agricultural uses in these areas.

2015 Nutrient Management Plan (NMP)

The Zone 7 Water Agency monitors groundwater quality throughout the Basin. In 2015, Zone 7 published a Nutrient Management Plan (NMP) to assess existing and future groundwater nutrient concentrations relative to planned expansion of recycled water projects and future development in the Livermore Valley.⁶³ The 2015 NMP concluded that in general, groundwater quality throughout most of the Main Basin is suitable for most types of urban and agriculture uses, with some minor localized water quality degradation. The nutrient constituent of concern identified in the NMP is nitrate, which is the only nutrient to have had a significant impact on groundwater quality. The Basin objective for nitrate was 45 mg/L (measured as NO₃) for both the Main and Fringe Basins. As reported in the 2015 NMP, the Main Basin and each of the Fringe Basins all had average basin concentrations of NO₃ that were well below the 45 mg/L Basin objective. However, there were ten identified Areas of Concern (or ‘hot spots’) where local nitrate concentrations exceeded the Basin objective.⁶⁴ Nitrate contamination in groundwater supplies is typically the result of nitrogen-containing compounds being leached from the surface and mixing with ambient groundwater. Sources of nitrogen loading include fertilizers, decaying vegetation and other organic materials, animal manure waste, nitrogen-fixing crops, and sewage and other wastewaters disposed of on-site (including winery process water).

The ten ‘hot spots’ identified in the 2015 NMP are believed to primarily be vestiges of past agricultural land uses and processes, and former municipal wastewater and sludge disposal practices. However, five of the ‘hot spot’ areas are outside of the Urban Growth Boundary, where on-site wastewater treatment systems are the predominant method for sewage disposal. These ‘hot spot’ area included Buena Vista, Greenville and Mines Road in the Livermore Valley – areas with substantial concentrations of Livermore Valley’s wineries.

- The nitrate plume at Buena Vista is in an area that is primarily not served by municipal sewer, with low-to medium-density residential, vineyard and winery land uses. The potential sources of the nitrate are existing on-site wastewater treatment systems and historical agricultural practices, livestock manure and

⁶³ Zone 7 Water Agency, *Nutrient Management Plan (NMP) for the Livermore Valley Groundwater Basin* (California Department of Water Resources [DWR] Basin No. 2-10), July 2015

⁶⁴ A separate Salt Management Plan (SMP) for the Livermore Valley Groundwater Basin was developed and issued by Zone 7 Water Agency in 2004, and incorporated into Zone 7’s Groundwater Management Plan (GWMP) for the Basin in 2005. Percolating water from on-site wastewater treatment system (OWTS) was found to contribute a small amount to the overall salt additions to the groundwater basin, but it was not identified as a significant source. Therefore, no specific limitations or control measures were recommended for management of salt additions from on-site wastewater treatment system.

composting vegetation. There were over 100 on-site wastewater treatment systems in use near the plume, as well as numerous wineries in the area.

- The nitrate plume at Greenville is also in an area not served by municipal sewer, and developed as low-density residential, vineyard and wineries. The source of nitrate is unconfirmed, but may be from historical chicken farming and other agricultural land uses located up gradient of the monitoring well. There is concern for the potential increase in on-site wastewater treatment system disposal from future commercial development planned for this area.
- The nitrate plume indicted at Mines Road was represented by monitoring of a single well. Nitrate concentrations in this well have historically fluctuated widely, ranging from non-detect to a maximum of nearly 95 mg/L (measured as NO₃) in October 2011. The reason for the fluctuations are unknown, but may be related to agriculture and changes in precipitation. This area is not served by a municipal sewer. It is primarily an agricultural, open space and low-density residential area.

Although the 2015 Nutrient Management Plan did not predict overall Basin groundwater quality to degrade significantly due to ongoing and anticipated future nutrient loading, the NMP does identify the need to further assess, reduce or manage, and monitor nutrient loading to make sure that no new high nitrate “hot spot” areas are created. Zone 7’s short-term goals expressed in the 2015 NMP were to improve their understanding of current and historical nutrient impacts to the groundwater basin, and to minimize current and future nutrient loading while allowing for a reasonable amount of new loading from rural development and increased recycled water use. The long-term goal was to meet Basin objectives in all parts of the groundwater basin. The strategies for achieving these goals included:

- promoting the continued use of best management practice (BMP) requirements aimed at minimizing nutrient loading from certain land uses (i.e., irrigated and fertilized turf and landscapes, confined livestock operations, vineyards and wineries)
- implementing loading limits for on-site wastewater treatment systems located within the identified “hot spot” Areas of Concern
- implementing a “OWTS Special Permit Area” designation where advanced on-site wastewater treatment systems (OWTSs) with nitrogen reduction treatment methods are required, and
- because wastewater generated by commercial operations can result in higher loading rates than residential flows, the permitting of on-site wastewater treatment systems for new commercial projects within the special permit requirement areas require a higher level of scrutiny, and commercial projects (i.e., wineries) must include a nitrogen-removing system, and also must demonstrate by analysis that the project will result in an improved nitrate condition beneath the site and not cause the offsite condition to worsen.
- Many of the commercial user’s on-site wastewater treatment systems will fall under the Water Board’s jurisdiction, and thus be subject to their Report of Waste Discharge (ROWD) requirements.

2021 Alternative Groundwater Sustainability Plan Update

In 2021, Zone 7 prepared an Alternative Groundwater Sustainability Plan Update for the Livermore Valley Groundwater Basin.⁶⁵ This 2021 Sustainability Plan Update included new data about on-site wastewater treatment systems obtained from the Alameda County Department of Environmental Health, and used a different threshold defined as a Maximum Contaminant Level of 10 mg/l (measures as nitrate, or N), based on the federal and State Primary Maximum Contaminant Level for drinking water. Based on year 2020 data,

⁶⁵ Zone 7 Water Agency, *Alternative Groundwater Sustainability Plan 2021 Update for the Livermore Valley Groundwater Basin*, December 2021

the total average nitrate (as N) concentration in both the Upper and Lower Aquifers of the Main Basin is 3.2 mg/L. In each of the Fringe Sub-Basins, average concentrations range from 2.9 to 8.3 mg/L. All average concentrations are below the Maximum Contaminant Level; however, certain localized areas remain as “Nitrate Areas of Concern”, where nitrate concentrations still exceed the MCL (see **Figure 7**).

To minimize nitrate loading to the Basin, the 2015 NMP recommended implementing on-site wastewater treatment system loading limits in areas of concern, as well as an OWTS Special Permit Area where advanced treatment and additional monitoring was required. Based on these 2015 NMP measures, the size of most areas of concern have decreased in extent, indicating an improved condition. Prior to implementing the 2015 NMP measures, the Buena Vista area of concern appeared to have been increasing slightly and migrating downgradient towards the Cal Water municipal wells, and nitrate concentrations in the Greenville area of concern were increasing over time, suggesting that the plume was either increasing or migrating downgradient. Since 2015 and the establishment of nitrate loading limits and establishment of the OWTS Special Permit Area, 2021 data shows that these recommendations have reduced nitrogen loading by about 70 pounds of nitrogen per year, primarily in the Buena Vista and Greenville Special Permit Areas.

The 2021 Sustainability Plan Update also included an estimate of future annual nitrogen loading. Annual nitrogen loading from each known source was estimated and summed to predict future nitrate trends. The model results predict that average nitrate concentrations will decrease over time in the Main Basin, but will increase in the Fringe and Upland Areas. The 2021 Sustainability Plan Update concluded that the on-site wastewater treatment system loading limits and the OWTS Special Permit Areas, together with coordination with Alameda County Environmental Health on its management program for on-site wastewater treatment systems, are addressing the nitrate loading concerns in the area, and support Zone 7’s continued sustainable management of the Basin’s groundwater quality on a regional basis, while protecting groundwater quality for beneficial uses.

The State Water Board’s General Order for statewide wineries provides that local agencies may apply to the State Water Board or Regional Water Board for oversight of wineries located within the local agency’s jurisdiction. Some Regional Water Boards work with County Environmental Health Programs and may authorize local agencies to oversee winery process water activities. The Alameda County Department of Environmental Health is already engaged in oversight of many of the regulatory and monitoring provisions of the General Order through its existing OWTS Special Permit Area process, which could potentially provide local agency oversight of the General Order.

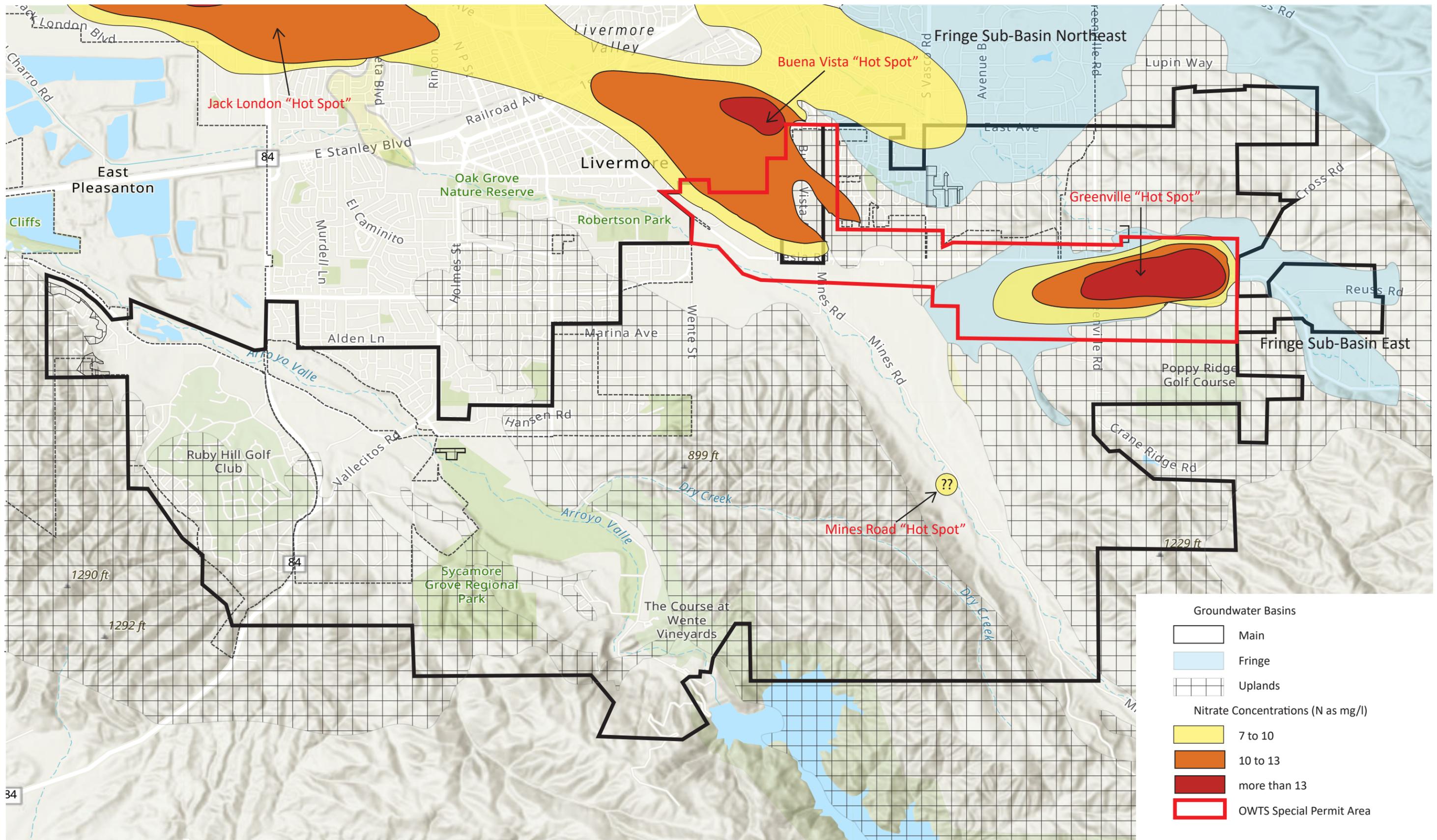


Figure 7
Nitrate Concentrations (mg/L) in the Upper Aquifer, 2020 Water Year

Source: Zone 7 Water Agency, *Alternative Groundwater Sustainability Plan for the Livermore Valley Groundwater Basin, 2020*, Figure 8-22

5.2 - South Livermore Sewer Expansion Project Objectives

In May of 2022, the City of Livermore issued a Draft Supplemental EIR for a proposed South Livermore Sewer Expansion Project.⁶⁶ As background to the Sewer Expansion Project, the City of Livermore indicated that,

“Because connection to urban services such as sanitary sewer is limited by the City’s Urban Growth Boundary, many residential and commercial uses in South Livermore Valley rely on on-site wastewater treatment systems. In South Livermore Valley, the Regional Water Quality Control Board, County Department of Environmental Health, and Zone 7 Water Agency have restricted issuing permits for new septic systems or replacing failing septic systems. These Agencies’ positions reflect their missions to protect the Tri-Valley’s groundwater basin. The Agencies have identified high nitrate concentrations in groundwater throughout the Tri-Valley resulting from past livestock operations and failing, undersized or inefficient septic systems. These issues have the potential to adversely affect water quality and public health, safety and quality of life. The inability to construct, expand or replace septic systems, or to connect to the sanitary sewer, is negatively affecting the South Livermore Valley wine industry and related uses, thus preventing the vision of the Livermore General Plan, SLVAP and SLVSP.”⁶⁷

To address these concerns, the City proposed implementation of a South Livermore Sewer Expansion Project that would amend the City’s voter-approved policies related to the South Livermore Urban Growth Boundary, to permit the extension of sanitary sewer lines into non-City served areas beyond the City limits. The City’s objectives for the proposed Sewer Expansion Project included the following:

- Improve groundwater quality in the South Livermore Valley area relative to nitrates, which is associated with residential septic systems and livestock keeping
- Facilitate the development potential of existing and new wineries, visitor serving commercial uses, and residences consistent with the City’s General Plan, SLVSP and South Livermore Valley Area Plan (SLVAP) subject to Alameda County Measure D, and
- Enhance the short- and long-term economic viability of agriculture and viticulture in the South Livermore Valley area, consistent with goals of the City’s General Plan⁶⁸

5.3 – Sewer Expansion Project Description

The South Livermore Sewer Expansion Project’s alignment is generally located southeast of the City of Livermore within unincorporated Alameda County, California (see **Figure 8**). A portion of the project alignment is located within the City of Livermore and another portion aligns with the City’s Sphere of Influence boundary.

- Phase 1 of the Sewer Expansion alignment would be located along Buena Vista Avenue, southward from the existing sewer line within the East Avenue right-of-way to Tesla Road. From there, it would extend eastward along Tesla Road from Buena Vista Avenue to Greenville Road, and then south down Greenville Road from Tesla Road to approximately 5,900 feet south of Tesla Road. The portion along Buena Vista Avenue is within the City’s Sphere of Influence, and adjacent to the City boundary and UGB at East Avenue. The alignment along Tesla Road is adjacent to the City’s Sphere of Influence. The alignment along Greenville Road is outside the City’s Sphere of Influence.

⁶⁶ Livermore, City of, *Draft Supplemental Environmental Impact Report for the South Livermore Sewer Expansion Project* (State Clearinghouse #2021120386), May 2022

⁶⁷ Livermore, City of Draft SEIR, May 2022, page 2-7

⁶⁸ Ibid, page 2-7

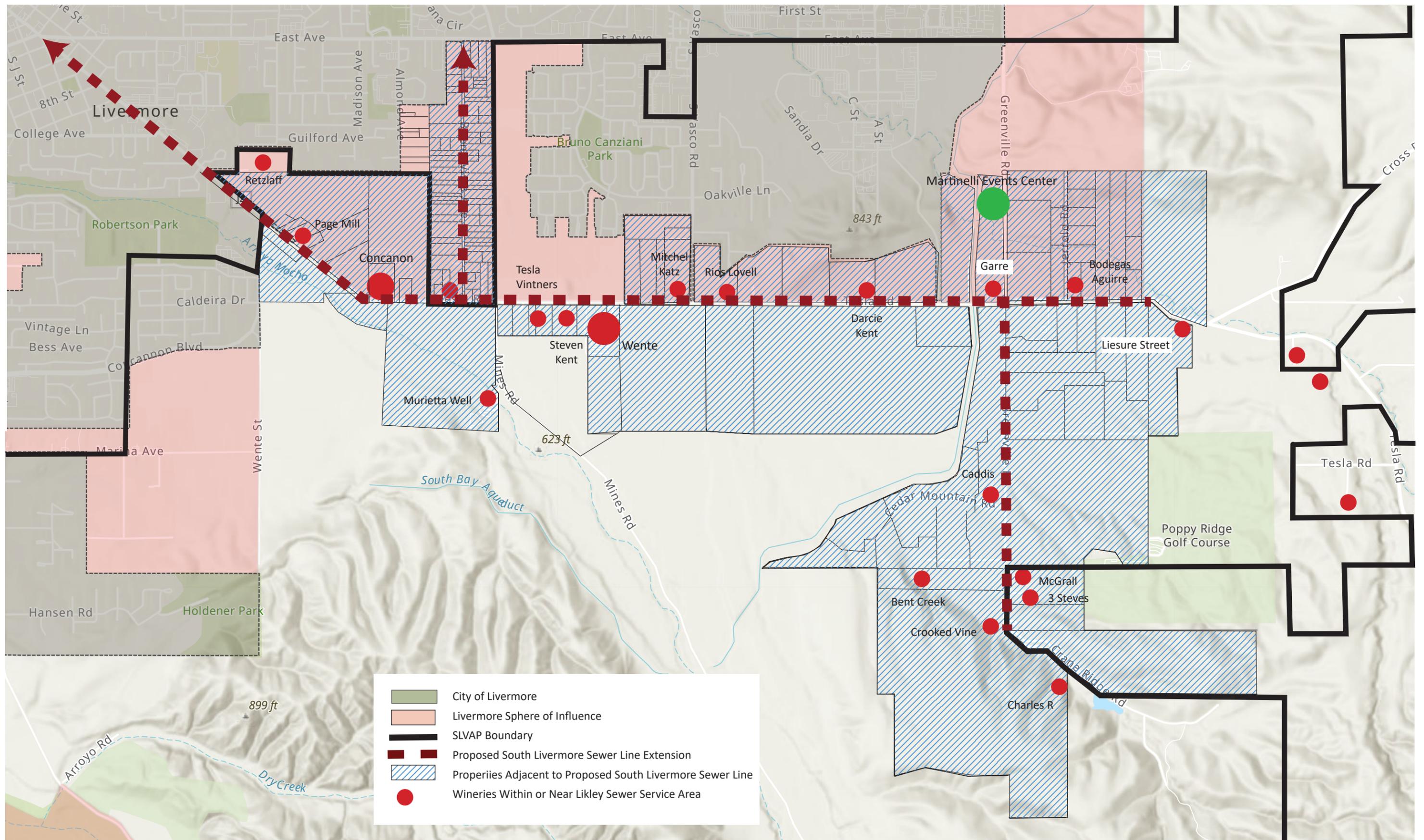


Figure 8
South Livermore Sewer Line Expansion Project Alignment
and Adjacent Properties

Source: City of Livermore, South Livermore Sewer Expansion Project Final Supplemental Environmental Impact Report, June 2022

The project also includes two potential future phases of the sewer alignment:

- The western future phase would be located on Tesla Road, extending westward from Buena Vista Avenue to South Livermore Avenue, then up South Livermore Avenue to an existing sewer main northwest of Concannon Boulevard. The western portion of this alignment along South Livermore Avenue is within the City boundary and UGB.
- The eastern future phase would be an eastward extension located on Tesla Road, from Greenville Road to approximately 3,000 feet east of Greenville Road. This extension along Greenville Road is outside the City's Sphere of Influence.

An additional component of the Sewer Expansion Project involves improvements to the existing sewer line in the City limits to alleviate existing "bottlenecks" in the sewer line in segments along East Avenue. The Bottleneck Project would be completed as part of Phase 1. The Project alignment (all phases) is located within existing paved rights-of-way.

5.4 – City of Livermore's Actions on the Sewer Expansion Project

In June of 2022, the City of Livermore published a Final EIR for the South Livermore Sewer Expansion Project, and in July of 2022 the Livermore City Council voted unanimously to adopt a resolution certifying the EIR and to approve ballot initiative language to extend sanitary sewer service beyond the Urban Growth Boundary. The ballot measure was necessary because the City of Livermore voters approved the original South Livermore Urban Growth Boundary policies in 2000, and changes to those policies must be approved by the voters. The measure (Measure P) was placed on the November 2022 ballot by the Livermore City Council and at the request of Tri-Valley Conservancy.

Intended Users and Anticipated Benefits of the Sewer Expansion Project

The Livermore City Attorney prepared an impartial analysis of Measure P, which was included as part of the ballot measure information.

- The Livermore City Attorney found that Measure P allows the City to provide sewage treatment and disposal services for residences on property outside the South Livermore Urban Growth Boundary, subject to conditions that disallow further division of the property and disallow the provision of urban services to non-residential uses on the property. To receive sewer service, the measure requires the property to be designated for residential uses by the Livermore General Plan, Alameda County's SLVAP, or the City's SLVSP on the date the measure is passed. The uses must also conform to Alameda County Measure D.
- The Livermore City Attorney also found that Measure P allows the City to provide sewage treatment and disposal services for commercial uses on property outside the South Livermore Urban Growth Boundary that are designated for agricultural uses with associated allowable commercial uses, subject to conditions. For parcels that existed on October 27, 1997, the measure adds new conditions that define the conservation easement that must be recorded. For all other parcels designated for agricultural uses with associated allowable commercial uses, the measure imposes similar conditions, but does not require the parcels to be adjacent to the South Livermore Urban Growth Boundary. The measure provides that if Alameda County permits 180,000 square feet or more of commercial use, the City of

Livermore is no longer permitted to provide new sewage treatment and disposal service for commercial uses.⁶⁹

Measure P only allows sewer service to be extended for commercial and residential uses that are permitted by Alameda County's SLVAP and allowed by Alameda County's Measure D, as those County policies exist now, or as they may be amended in the future. Measure P will not change the location of the South Livermore Urban Growth Boundary, does not amend Alameda County's SLVAP, and does not amend Alameda County's Measure D.

Support for Measure P

In its Fact Sheet: *Relationship of Groundwater Management to Measure P*, Zone 7 indicated its interest in Measure P based on its role as the Groundwater Sustainability Agency responsible for ensuring the continued sustainable management of the underlying groundwater basin.⁷⁰ The Zone 7 Fact Sheet noted that, "historic agricultural practices in this portion of Alameda County has resulted in the use of on-site wastewater treatment systems as a means of disposing of wastewater, which has caused the accumulation of nitrates in groundwater. In some locations, nitrates have accumulated in groundwater to levels above what is considered safe for drinking water consumption. The South Livermore Sewer Extension project would serve several commercial parcels along Tesla Road and the Buena Vista residential neighborhood, and both of these areas have been identified as having nitrate contamination in groundwater (see prior **Figure 7**). The proposed sewer connections are intended to reduce nitrate discharge into the groundwater basin and prevent further degradation of groundwater quality. Based on Zone 7's analysis, approximately 160 adjacent or nearby parcels either use existing on-site wastewater treatment systems, or they are zoned such that any future use would need an on-site wastewater treatment system. Conversion to a municipal sewer system would remove the input of nitrogen and nitrate contamination contributed from OWTS systems in the area. With the removal of a constant source, nitrate will naturally break down in groundwater and water quality will improve over an extended time without further treatment."

In addition to Zone 7's technical support, Measure P was also supported by the Tri-Valley Conservancy, Friends of Livermore, Friends of Open Space and Vineyards, the Greenbelt Alliance, the Livermore Valley Chamber of Commerce, the Innovation Tri-Valley Leadership Group, the East Bay Times, and the Independent. In the November 2022 election, Measure P was passed by the voters of the City of Livermore, receiving more than 66% approval.

5.5 –Funding and LAFCO Changes of Organization

Costs and Potential Funding Sources

In 2021, the City of Livermore retained HydroScience Engineers, Inc. to conduct preliminary design engineering and analysis of an extension of the City sewer system. HydroScience also developed a planning-level cost estimate for the new infrastructure, and identified potential downstream capacity deficiencies related to the sewer line extension.⁷¹ According to the planning level cost estimates of the HydroScience report, the total infrastructure costs (including hard costs, engineering design and consulting services, permitting and right of way, construction management and inspection, and a 30% contingency) is estimated

⁶⁹ Livermore, City Attorney's Office, Impartial Analysis Measure to Amend the South Livermore Urban Growth Boundary, August 2022

⁷⁰ Zone 7 Water Agency, *Relationship of Groundwater Management to Measure P "Fact Sheet"*, October 2022

⁷¹ HydroScience Engineers, Inc., *Sewer System Extension Hydraulic Analysis*, January 31, 2022

at approximately \$12,120,000. These costs are divided across each of the Project’s phases, as indicated in **Table 8**.

Table 8: Planning-Level Cost Estimates for South Livermore Valley Sewer Extension	
<u>Construction Phase</u>	<u>Cost Estimate</u>
Phase I	
Buena Vista Avenue	\$2,070,000
Tesla Road, Buena Vista to Vasco	\$1,820,000
Tesla Road, Vasco to Greenville	\$2,630,000
Greenville, South of Tesla	<u>\$2,150,000</u>
Subtotal:	\$8,670,000
Phase II – South Livermore Avenue to south of Concannon	\$1,960,000
Phase III – Tesla Road, east of Greenville	\$1,460,000
“Bottleneck” Improvements at East Avenue	<u>\$30,000</u>
Total:	\$12,120,000

Source: HydroScience Engineers, Inc., January 31, 2022, Attachment D

These preliminary costs estimates were clearly identified as “planning level”, and final cost estimating based on more refined engineering design is in process, but not known as of the date of this Study. However, press reports suggest the actual costs of the sewer extension project may be much higher than the original \$11.5 million to \$12 million as originally estimated, perhaps as much as \$20 million dollars.⁷²

Funding sources needed to cover these costs have not been fully identified. It is expected that a large share of the costs (approximately \$6.5 million) will be funded via a grant from the Alameda County Board of Supervisors that has already earmarked for this project. Other funding sources will likely include some contribution from the City of Livermore. The rest is expected to come from federal and state infrastructure funds (e.g., Infrastructure for Rebuilding America grants), other federal appropriations, and groundwater management grants.

Properties that connect to the extended sewer line will be expected to pay City of Livermore sewer connection fees and on-going sewer service fees (like all Livermore residents and businesses) to address their portion of operations and maintenance costs of the sewer system.

An additional potential concern is the ability for the Livermore Wastewater Reclamation Plant (WRP) to accommodate the potential/expected increase in biochemical oxygen demand (BOD) loading. During non-crush season, the current BOD loading of winery wastewater is typically less than 500 mg/L, but during crush season this can spike to anywhere from 4,000 to 10,000 mg/L BOD for untreated winery process wastewater. The additional untreated winery process wastewater from contributors to the South Livermore Sewer line could substantially increase BOD loading at the WRT during crush season, with potential additional cost for the treatment processes either at individual wineries as pre-treatment, or at the WRP.⁷³

⁷²

⁷³ Livermore, South Livermore Sewer Expansion Project Final Supplemental Environmental Impact Report (State Clearinghouse Number 2021120386), June 2022

Chapter 6 – Alameda LAFCO Consideration Related to South Livermore Valley

As described in the prior chapter of this Study, Livermore voters approved Measure P in November of 2022, which included changes to City General Plan policy to enable the extension of sewer service beyond the City's Urban Growth Boundary into the unincorporated South Livermore Valley. However, Alameda LAFCO is charged with the responsibility of identifying the most logical service providers for municipal services (including but not limited to wastewater) throughout Alameda County. Implementation of the City of Livermore's plans for this sewer extension are subject to LAFCO's approval as a "change of organization", either via annexation and/or through an out-of-area service agreement (or contract).

- Under an annexation scenario, the City may request Alameda LAFCO's approval for annexation of the "affected territory". This would allow the City to complete its proposed project without building in two different jurisdictions. In this case the affected territory includes certain lands already within the City of Livermore, lands that are outside of the City limits and Urban Growth Boundary but within Livermore's Sphere of Influence, and lands that are non-contiguous to the City's boundaries or its Sphere.
- Alternatively, the City may request Alameda LAFCO's approval for an Out-of-Area Service Agreement that would allow the City to provide wastewater services to the affected territory without amending its City limits.

At the time of preparation of this Special Study, the City of Livermore has not yet initiated any requests for LAFCO consideration of either an annexation or out-of-area contract. However, in anticipation of Livermore's likely request, the following information is provided for the LAFCO Board's consideration relative to issues of LAFCO purview when considering annexations and/or out of area contracts and the extension of municipal services.

6.1 – Information Relevant to LAFCO Concerns

Environmental Concerns

The Zone 7 Water Agency's 2015 Nutrient Management Plan concluded groundwater quality throughout most of the Main Basin is suitable for most types of urban and agriculture uses, with some minor localized water quality degradation, but also found ten identified Areas of Concern (or "hot spots") where local nitrate concentrations exceeded the Basin Objective. Five of the "hot spot" areas are outside of the Urban Growth Boundary, where onsite wastewater treatment systems are the predominant method for sewage disposal. In its 2021 Alternative Groundwater Sustainability Plan Update, Zone 7 found that certain localized areas remain as "Nitrate Areas of Concern", where nitrate concentrations exceed the maximum contaminant levels. To minimize nitrate loading to the groundwater, Zone 7 and Alameda County Health Department have implemented a Special Permit Area, where advanced treatment and additional monitoring is required. This Special Permit Area generally corresponds to the area proposed to be served by the Livermore Sewer Extension Project.

Additionally, the State Water Board has determined that winemaking generates process water that has the potential to degrade groundwater quality depending on winery-specific activities, size and treatment processes. The primary concerns for winery process water that effects groundwater quality are nitrogen, salinity, and biochemical oxygen demand. The State Water Board's *General Order* found that statewide, the typical on-site methods for treating, reusing and/or disposal of winery process water statewide have the potential to introduce constituents that may degrade groundwater quality, and that advanced treatment with on-going monitoring of on-site wastewater systems at wineries is required.

Implementation of the City of Livermore's proposed sewer line extension would enable those residences and agricultural operations that are currently contributing to high nitrate concentrations in the groundwater via

their on-site wastewater treatment systems, particularly at the Buena Vista and Greenville area nitrate plumes, to instead dispose of their wastewater into the municipal wastewater system. This would remove a substantial number of existing on-site wastewater systems and considerably reduce future groundwater contamination in these “hot spot” areas. A separate Zone 7 analysis prepared in response to the City’s proposed sewer line extension found that approximately 160 adjacent or nearby parcels either use existing on-site wastewater treatment systems or they are zoned such that any future use would need such systems. Conversion to a municipal sewer system would remove the input of nitrogen and nitrate contamination contributed from on-site wastewater treatment systems in the area. With the removal of a constant source, nitrate will naturally break down in groundwater and water quality will improve over an extended time without further treatment.

Risk of Urbanization

The language of Measure P, which the Livermore voters approved in 2022 as part of the proposed sewer expansion, allows sewer services to be extended only for those commercial and residential uses permitted by Alameda County’s SLVAP and allowed by Alameda County Measure D, as those County policies exist now, or as they may be amended in the future. Measure P did not change the location of the South Livermore Urban Growth Boundary, did not amend Alameda County’s SLVAP, and did not amend Alameda County Measure D. Further, Measure P only allows the City to provide sewage treatment and disposal services for commercial uses on those properties located outside the Livermore Urban Growth Boundary that are designated for agricultural uses with associated allowable commercial uses. For parcels that existed on October 27, 1997, Measure P added new conditions that define conservation easements that must be recorded on those properties if they receive sewer service. For all other parcels designated for agricultural uses with associated allowable commercial uses, Measure P imposes similar conditions, but does not require the parcels to be adjacent to the Livermore Urban Growth Boundary. The measure also provides that if Alameda County permits 180,000 square feet or more of commercial use in the Livermore Valley, the City of Livermore is no longer permitted to provide new sewage treatment and disposal service for those additional commercial uses.

In addition to these policy and legal limits to future urbanization, there are practical on-the-ground limitations to incremental urbanization into the area south of the Measure D/Livermore Urban Growth Boundary. Livermore’s SLVSP Subareas are now substantially built-out (with the exceptions of a number of commercial sites where wineries and/or wine country visitor-serving uses are permitted), the annexations of lands on the north side of the UGB have already been achieved, and the Tri-Valley Conservancy holds conservation easements on the large majority of agricultural lands immediately south of the Urban Growth Boundary (see **Figure 9**). The extension of service into the unincorporated agricultural lands south of the UGB already include appropriate measures to ensure the preservation and conservation of open space and prime agricultural lands, even within those areas to be served by new sewer service.

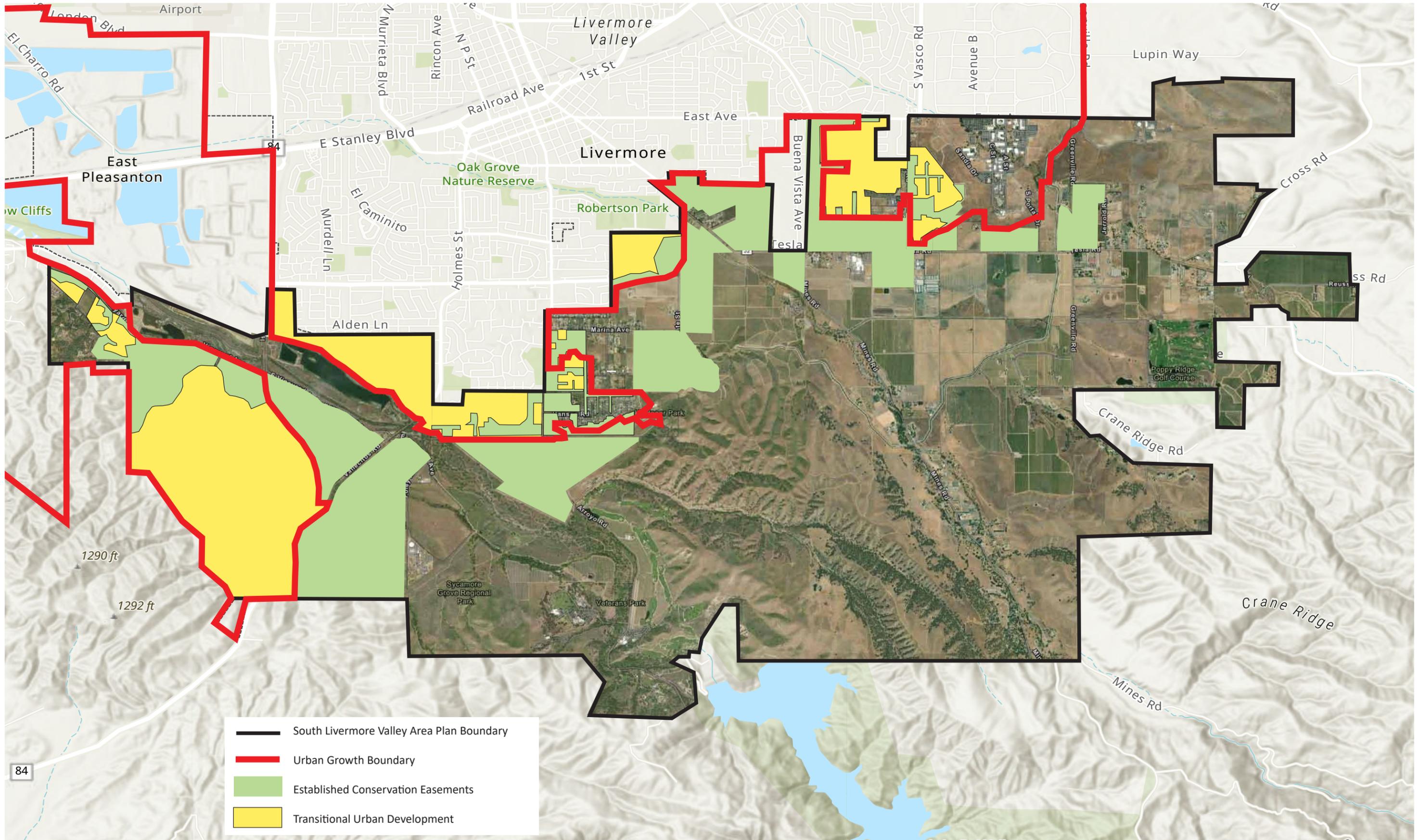


Figure 9
Transitional Urban / Agricultural Edge of South Livermore Valley

Cost-Efficient Delivery of Wastewater Services

Public Funding

As of this Special Study, a budget for Livermore’s sewer extension project has not been finalized. A preliminary estimate prepared at the time Measure P was placed on the ballot indicated an estimated cost of \$11.5 to just over \$12 million dollars. More current, but still preliminary estimates indicate that actual costs may be closer to a total of between \$18 and \$20 million dollars. It is anticipated that these costs will be borne by a variety of public funding sources. Alameda County has conditionally committed up to \$6.5 million toward this project, Congressman Swalwell has introduced a funding request to the US Appropriations Committee for \$3 million,⁷⁴ and other funding sources will likely include additional contribution from the City of Livermore, State funds and other federal monies (e.g., Infrastructure for Rebuilding America Grants). Funding for the sewer line extension into the South Livermore Valley is not expected to rely on private funds from those who receive new sewer service.

Alameda County does not provide sewer services, and the provisions of Measure D prohibit the County from providing sewer services to those properties outside the UGB. No other sewer service provider is available or capable of providing these services. Other than advanced on-site wastewater treatment systems with on-going monitoring, there are no other providers of wastewater disposal services.

Private Costs

For those residential property owners who choose to obtain new City of Livermore sewer services, they will need to pay a one-time connection charge to the sewer system, and will then pay applicable fixed monthly sewer service charges that apply to all Livermore residential properties. These charges fund the cost of operating, maintaining and improving the system.

All non-residential properties (including wineries) will pay the same monthly fixed charge, plus an additional variable rate based on the property type and the amount of wastewater the property generates during the billing cycle. The strength of wastewater, as measured by the amount of organic material and solids that are contributed by non-residential users also directly impacts the cost of their treatment. Customer types that discharge higher-strength wastewater have higher rates, because their wastewater is more expensive to treat.⁷⁵

Economic Incentive for Winery Retention, Winery Expansion and New Wineries

Livermore wineries are the primary market for Livermore Valley grapes, and the economic success of Livermore’s wineries has a direct correlation on the success of the agriculture/viticulture industry in South Livermore.

As noted in *Realizing the Heritage*, “Wineries are capital intensive businesses. They must provide for an adequate physical plant, fermentation tanks and equipment . . . , a temperature-controlled environment for bulk and bottled wines, and tanks and barrels for wine storage and aging. Inventories are often carried for several years prior to sale, which adds further costs and reduces cash flow.” *Realizing the Heritage* also finds that, “most of Livermore’s wineries are quite small businesses operating on the edge of profitability”, quoting one winery owner (who may be representative of many of the small Livermore Valley wineries) as saying, “We have generally just broken even. We have professional jobs outside the winery and don’t need to turn this into a profitable business. The winery allows us to make more wine each year than we did as home

⁷⁴ Congressman Eric Swalwell, at: <https://swalwell.house.gov/cpf>

⁷⁵ City of Livermore, Sewer Service Rates, accessed at: <https://www.livermoreca.gov/departments/administrative-services/finance/utility-billing/wastewater-service-rates>

winemakers. We get to experiment with different varieties, and interact with interested consumers. We do it for the fun, not the money.”

This anecdotal evidence matches well with the reported sales volume of Livermore Valley wine. Although the number of current wineries in the Livermore Valley is now estimated at about 45 wineries, wine production by volume is highly consolidated. Two wineries (Wente and Concannon) have historically produced the large majority of wine sold from the Livermore Valley, representing more than 80% of all wine sold in 2019. The 10 largest wineries in the Valley produced nearly all of the wine sold from the Valley, and the remaining approximately 35 or so small wineries produced less than 10 percent of Livermore Valley wines.

For many of those smaller Livermore wineries that may not be exempt from the County Health Department and new State requirements for advanced treatment and on-going monitoring of on-site wastewater systems, these requirements represent additional costs and management obligations that may be too much for these smaller wineries to absorb. With a fluctuating overall wine sales economy, the lingering effects of the pandemic and the extra burden of actively managing their wineries’ disposal of process water, these new requirements could be a tipping point that discourages many of Livermore’s smaller - “we do it for the fun”- wineries to remain in business. Alternatively, the ability to connect to a municipal sewer system for disposal of their process water may provide enough economic and ease-of-management incentive for these small winery owners to remain in business and continue to contribute to the overall Livermore wine county economy and culture.

The economic and ease-of-management incentive of an available municipal sewer, combined with the new 2022 Measure D regulations that provide for an increase in floor area for agricultural businesses, may also provide enough incentive for those several mid-sized and large wineries in Livermore Valley (i.e., those producing more than several thousand cases of wine per year) to expand their operations. Expansion of existing wineries could increase demand for more Livermore grapes, provide additional visitor-serving amenities and activities, and help increase the volume of direct to consumer sales of Livermore Valley wine. These factors may also benefit Livermore’s two largest wineries (Concannon and Wente) by providing an additional option for disposal of their process water, easing certain regulatory obligations, and enabling them to maintain their focus on superior wine-making rather than waste disposal.

An additional economic benefit that an available municipal sewer line may provide is the economic incentive needed to attract new wineries, especially new mid- to larger-sized wineries. As noted above, wineries are capital-intensive businesses and the new State Winery Discharge Order will result in additional capital costs and management costs for winery operations statewide. Those locations where a municipal sewer line is an available option for the disposal of winery process water will become increasingly in demand for those winery businesses seeking to establish new operations. The Livermore sewer line extension may become an economic development opportunity to realize an entirely new market for Livermore grapes, as well as new business operations that are large enough to support national distribution and marketing of Livermore wines to a much broader consumer audience.

Achieving the “Critical Mass” of Cultivated Agriculture

The SLVAP establishes a goal for a “critical mass” of cultivated agriculture, particularly viticulture, of 5,000 acres. Among the goals identified when establishing the Tri-Valley Conservancy were safeguarding the Tri-Valley’s urban growth boundaries, and achieving this “critical mass” of cultivated land in the South Livermore Valley. Current estimates show a total of approximately 3,350 acres of cultivated agriculture, primarily as vineyards. At this time, the Livermore Valley is about 1,700 acres short of achieving this “critical mass” goal. To achieve the SLVAP goal, the currently planted acreage needs to be protected, many existing vineyards will need to be replaced/re-planted, and further planting encouraged and supported to ensure the economic viability of the Livermore wine region.

Land Supply

The South Livermore Valley Area Plan contains a land area of approximately 14,000 acres. According to *Realizing the Heritage*, as much as 5,000 acres are too steep or lack sufficient water for irrigated crop product, and more than 2,200 acres are already established with non-agricultural uses including golf courses, parks, agricultural-based residences and urban uses within the SLVSP Sub-Areas. This leaves a remainder of nearly 7,000 acres within the SLVAP that could potentially be used for cultivated agriculture/vineyards, only about half of which is currently planted. There is adequate land resources within the SLVAP to accommodate the 5,000-acre critical mass of cultivated agriculture established as the goal of the SLVAP.⁷⁶

Most of this potential vineyard area is within the Valley's alluvial plains, although some existing and more potential vineyard lands are found in the Livermore Uplands. Generally, the soils in all of these areas are suitable for vineyards. Differences in slope, depth of soil and the water holding capacity of the soils may cause differences in vineyard management.

Water Supply

Zone 7 of the Alameda County Flood Control and Water Conservation District is the primary water wholesaler for the Livermore Valley. Zone 7's primary water source is imported water from the State Water Project, which makes up approximately 80 percent of Zone 7's water supply. The remainder comes from "banked" groundwater that originated as imported water, and local surface water. In its 2020 Urban Water Management Plan (UWMP), Zone 7 reported that the demand for untreated agricultural water within the District is estimated at approximately 5,800 acre-feet of water, representing approximately 13 percent of the District's total water demand of 44,740 AFY.⁷⁷ Nearly all of this water comes from the State Water Project. Zone 7 provides imported surface water directly to 82 untreated water customers, largely supplying local agricultural uses. Only an estimated 100 acre-feet of unmetered groundwater pumping is estimated from agricultural wells. As noted in *Realizing the Heritage*, "although landowners can apply for a permit to drill an agricultural well, few have done so because of the potential for boron, extremely low yields from the wells installed in the Livermore formation, and the general availability of surface water."⁷⁸

The UWMP also includes a projection of potable and raw water demands through the year 2045. The projected demand for untreated agricultural water within the District is estimated to increase to approximately 8,300 acre-feet of water by year 2040, representing approximately 15 percent of the District's total estimated 2040 water demand of 55,300 AFY.⁷⁹

However, Zone 7 identifies the future reliability of imported State Water project water as a concern. Drought, sea level rise and natural disasters threaten the Sacramento-San Joaquin Delta, a critical component of the delivery system bringing water to Zone 7. Therefore, Zone 7 is participating in and evaluating various projects that would provide alternate water supplies and/or storage, or protect the existing delivery system against threats. Zone 7's future water supplies are expected to keep pace with water demands through temporary water transfers and long-term projects. In 2045, water supplies are expected to be approximately 49 percent higher than in 2020. With continued strategic planning and implementation of key projects, Zone 7 believes it is well positioned to withstand the effects of a single dry year and a five-year drought. Current water supplies exceed water demands during dry conditions, and this remains true for five-year droughts beginning in 2025, 2030, 2035, 2040, and 2045. Zone 7 expects to be able to meet demands under dry year conditions, with any extra supplies largely going into groundwater storage (or banking) for use during the following years. Still, there is a potential that operational constraints could result in shortages, particularly in the near-term before major water supply projects are implemented. Untreated water customers (i.e., vineyards) would be most

⁷⁶ Lapsley and Sumner, *Realizing the Heritage* 2022, page 21

⁷⁷ Zone 7, 2020 Urban Water Management Plan, June 2021, page 4-2, Table 4-2

⁷⁸ Lapsley and Sumner, *Realizing the Heritage* 2022, page 43

⁷⁹ Zone 7, 2020 Urban Water Management Plan, June 2021, page 4-5, Table 4-4

vulnerable because of their reliance on Delta water. Under these conditions, Zone 7 would call for voluntary or mandatory conservation, and make operational adjustments to minimize shortages.

Agricultural Water Allocations

Zone 7 acquired water allocations for domestic and agricultural use from the State Water Project beginning in the early 1960s. By 1997, 6,600 acre-feet of Zone 7's SWP water was allocated to non-potable use, including irrigation. After 1997, the process to acquire SWP allocations changed as Zone 7 sought to increase its water supplies from the SWP by purchasing permanent allocations from other water districts that were not using their full allocations, and Zone 7 allowed agricultural interests to purchase a portion of this increased allocation. By year 2000, an additional 1,500 acre-feet of SWP allocation was purchased by Zone 7, specifically for Livermore agricultural users, bringing the total untreated agricultural water allocation to 8,100 acre-feet. Based on current agricultural water demands of 5,800 acre-feet and the full SWP allocation of 8,100 acre-feet, there is 2,300 acre-feet of irrigation water from the SWP's full agricultural allocation that is currently "unused", and that could be used to irrigate new vineyards within the Valley. However, use of this "excess" water allocation (all of which has been purchased by individual holders of these allocations) would require the holder of the allocations to sell or transfer a portion of their allocation. It also does not account for dry years, when full allocations are not necessarily available.

As indicated in *Realizing the Heritage*, "a vineyard is a 30-year investment, and relies on water every year. Few landowners will make major investments in establishing a vineyard or an orchard unless they are confident that the investment will be profitable and that the necessary inputs, especially water, will be available for the life of the vineyard or orchard."⁸⁰

Winegrape Business Outlook

Realizing the Heritage includes a detailed analysis of Livermore Valley's wine grape business, and concludes that, "Livermore's vineyard acreage will expand if vineyards are the most profitable use of agricultural land and other scarce resources, including the investment capital of those who wish to be in the winegrape business." Their report also cites other winegrape cost studies that show that "new Livermore Valley vineyards can be profitable and competitive with other coastal California regions, with an increase in demand for Livermore Valley grapes".⁸¹

If an increase in demand for Livermore grapes is necessary for the profitable expansion of Livermore Valley vineyards, then *Realizing the Heritage* presents three primary strategies for increasing demand, including 1) incremental expansion of local winery demand, 2) expanded efforts to market Livermore grapes to a much broader consumer audience, and 3) perhaps a more quickly-realized option of additional grape demand from new mid- to large scale wineries. These strategies are independent and can be pursued in tandem.

- *Incremental Expansion of Local Winery Demand*: Increasing the number of small local wineries in the Livermore Valley can only marginally increase the local demand for Livermore grapes. As reported in *Realizing the Heritage*, the smaller Livermore wineries reportedly purchased 1,729 tons of grapes grown in the Livermore Valley, representing the product of perhaps 346 acres of vineyards, or about 12 percent of Livermore's vineyard acreage. It would require a doubling or more of these small wineries, which are dependent on wine tourism and the direct to consumer purchase of wine, to have a major impact on the demand for Livermore grapes. The two largest wineries, Wente Vineyards and Concannon, are largely self-sufficient in grape production. Each of these wineries own and operate their own vineyards, which provide enough grapes to generally satisfy their own demand. As is, these wineries are unlikely to support a substantial increase in demand for more grapes. However, with the recent changes to Measure

⁸⁰ Lapsley and Sumner, *Realizing the Heritage* 2022, page 45-46

⁸¹ Lapsley and Sumner, *Realizing the Heritage* 2022, page 9

D that allow for an increased FAR for agricultural buildings, combined with the availability of a municipal sewer system to help overcome new regulatory obligations, these new conditions may provide enough of an incentive for these wineries to expand their operations, and therefore require additional grapes.

- *Expanded Marketing Efforts:* Currently, grapes from approximately 900 acres of vineyards (representing approximately one-third of Livermore Valley’s total grape production) is exported out of the Livermore Valley at prevailing spot-market prices for coastal grapes. Another way to increase demand for Livermore grapes would be to increase the marketing of Livermore grapes to a broader audience of wineries. With a greater regional or national demand for Livermore grapes, grape prices might become high enough to allow more Livermore vineyards to expect profitability, and therefore invest in expanded acreage. The Livermore Valley is an American Viticulture Area (or AVA), differentiating it as a specific type of appellation of origin used on wine labels. An AVA is a delimited grape-growing region with specific geographic or climatic features that distinguish it from the surrounding regions and affect how grapes are grown. Increased marketing of the Livermore Valley AVA designation as higher quality of grapes may differentiate Livermore grapes and further incentivize wineries from a broader region to pay more for Livermore grapes for their winemaking. This strategy relies on a large regional or national distribution and marketing channel, which is more likely to be accomplished by larger or mid-sized wineries, or with substantial additional assistance of economic development agencies.
- *New Mid- to Large Scale Wineries:* As has been presented in this Study, Wente and Concannon wineries are the dominant and centralized wineries of the Livermore Valley, producing 700,000 and 100,000 cases of wine per year, respectively. The next tier of winery production size in the Livermore Valley drops quickly down to the scale of 10,000 to 25,000 cases per year (e.g., at Ruby Hill, Steven Kent, Darcie Kent, Tenuta Vineyards and Murietta’s Well). Establishment of one or more moderate to large-sized new wineries within the Livermore Valley with production capabilities totaling as much as 100,000 cases of wine (i.e. a new Concannon-sized winery, or four new Steven Kent-sized wineries), could potentially generate a demand for perhaps as much as 500 new acres of vineyards.

As stated in *Realizing the Heritage*, because of Livermore’s small share of California coastal winegrape and wine production, “even a small increase in demand for Livermore grapes is likely to raise Livermore grape prices and vineyard profitability, allowing the Livermore Valley to ‘realize its heritage’ of the 1880s” and achieve the ‘critical mass’ of up to 5,000 acres of planted vineyards and orchards.⁸²

6.2 - LAFCO Policies Relative to Changes in Organization, Annexations and Out-of-Area Contracts

California law requires Local Agency Formation Commission (LAFCO) approval prior to any city annexing land or entering into an out of area service agreement with property owners to provide sewer services outside of the City’s boundaries. Alameda LAFCO’s determinations regarding the provision of municipal services can be accomplished through various changes of organization such as annexations, consolidations and approvals of out-of-area service agreements. These governance options allow cities, special districts and the County governments to provide municipal services to landowners throughout the county. Alameda LAFCO is authorized to approve, with or without amendments, out of area service agreements.

A portion of the South Livermore Sewer Extension project and certain lands to be served by this sewer extension are located within the City of Livermore’s adopted Sphere of Influence, but outside of the City’s established jurisdictional boundary and outside of the City’s/Measure D Urban Growth Boundary. Other portions of the Sewer Extension project and lands likely to be served by this sewer extension are located outside of but adjacent to the City of Livermore’s Sphere of Influence, and other portions of the Sewer

⁸² Lapsley and Sumner, *Realizing the Heritage* 2022, page 9

Extension project and lands likely to be served are not adjacent to Livermore's Sphere. The likely service area for the South Livermore Sewer Expansion Project (i.e., properties that are adjacent to or in immediate proximity to the proposed sewer line alignment) includes approximately 200 separate properties, and comprises about 2,710 acres of land (see **Figure 10**).

The extension of a City of Livermore sewer line to currently unincorporated territory is subject to LAFCO's approval, via an out-of-service-area agreement and/or annexation.

- Under an annexation scenario, the City may request annexation of the affected territory. This would allow the City to complete its proposed project without building in two different jurisdictions.
- Alternatively, the City may request an out-of-area service agreement from LAFCO, if it meets the statutory criteria outlined in Government Code Section 56133, and the Commission's adopted policies. If so, this would allow the City to provide wastewater services to the affected territory without amending its City limits.

Specific consideration of changes in organization, annexation and/or out-of-area service agreement(s) as directly related to the statutory criteria of Government Code Section 56133 and the Commission's adopted policies, is addressed below.

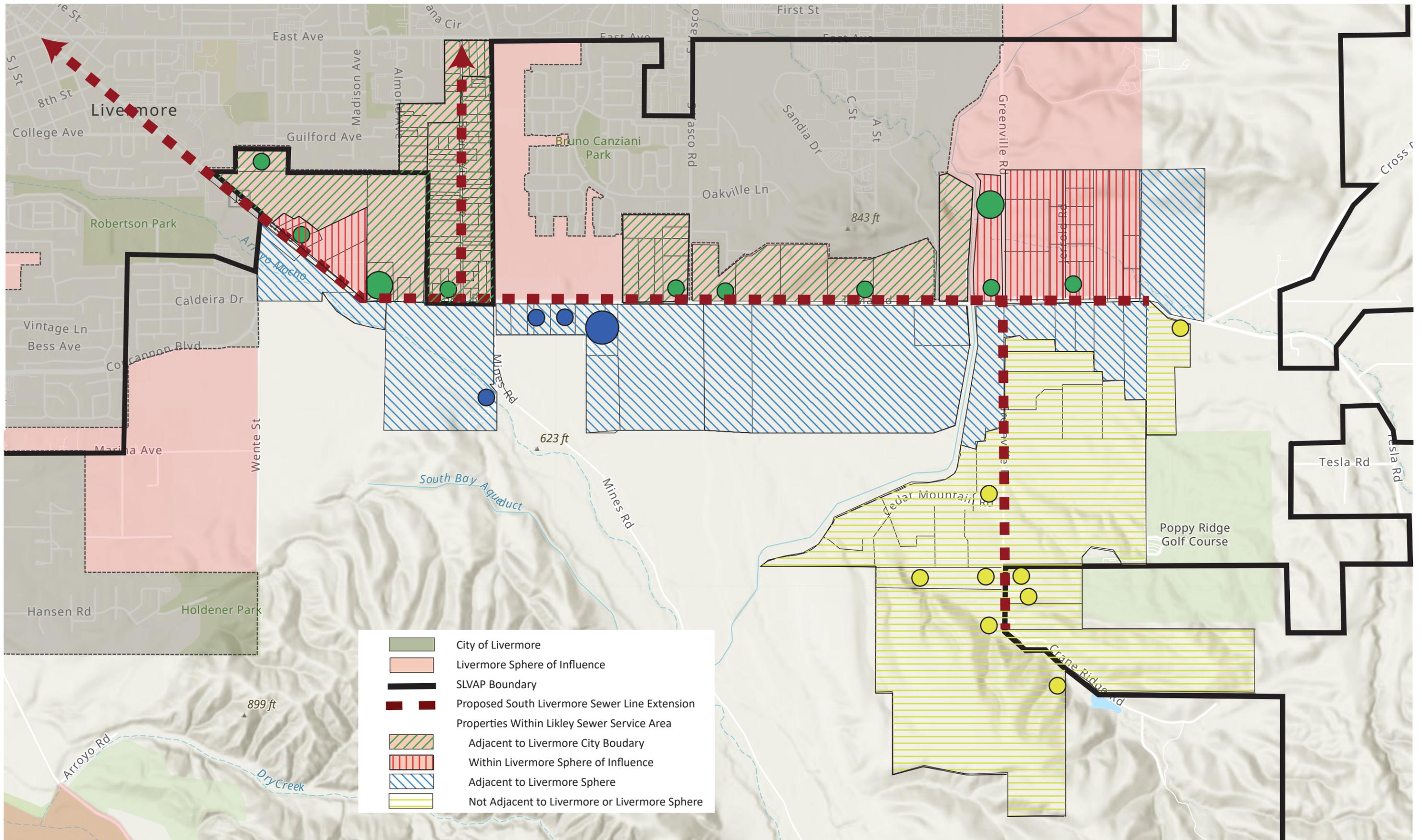


Figure 10
Likely Service Area for Livermore Sewer Line Expansion Project

Changes in Organization

Pursuant to the Cortese-Knox- Hertzberg Act (per Government Code Section 56010 through 56081) a change of organization is defined as an alteration of government structure, including city incorporation; district formation; annexation to or detachment from a city or district; city disincorporation or district dissolution; city or district consolidation; or merger or establishment of a subsidiary district. Alameda LAFCO policies relevant to changes in organization include the following.⁸³

General Policy 1.4: *The Commission shall seek to approve changes of organization that encourage and provide planned, well ordered, efficient development patterns that include the appropriate preservation and conservation of open space and prime agricultural lands within and around developed areas, and contribute to the orderly formation and development of local agencies based upon local circumstances and conditions.*

Consistency Considerations: Measure P, which the Livermore voters approved in 2022, amended City General Plan policies relative to the Urban Growth Boundary, but did not change the location of the Urban Growth Boundary, and did not amend the land use policies of Alameda County's SLVAP or Alameda County Measure D. Measure P only allows the City to pursue the provision of sewage treatment and disposal services to properties located outside the Livermore Urban Growth Boundary that are designated for agricultural uses, potentially with associated allowable commercial uses. Measure P includes conditions that define conservation easements that must be recorded on those properties if they receive sewer service, as well as limits on the maximum permitted amount of commercial use in the Livermore Valley. These provisions of Measure P retain current plans and policies related to well ordered, efficient development patterns, appropriate preservation and conservation of open space and prime agricultural lands, and the orderly formation and development of local agencies based upon local circumstances and conditions.

General Policy 1.7: *No application for a change of organization will be deemed filed until a Plan for Providing Municipal Services is received and accepted as complete by the Executive Officer. All service providers must document their ability to provide service to proposed service areas. An evaluation of a local agency's plan of service is necessary for proper consideration of any change of organization or reorganization (\$56375) that expands or diminishes a service provider's responsibilities. The intent of plans of service evaluations is to ensure that the capacity, cost and adequacy of services within the district or city are not adversely impacted by the proposed LAFCO action.*

Consistency Considerations: The City of Livermore has not yet applied to Alameda LAFCO for any type of change in organization. When such application is filed, it will need to include a Plan for Providing Municipal Services, documenting the City's ability to provide extended sewer service without diminishing the City's responsibilities related to capacity, cost and adequacy of sewer collection, treatment and disposal. These issues were addressed in the City of Livermore's certified South Livermore Sewer Expansion Project EIR, concluding the following:

- The total peak sewer flow from all existing uses that could potentially discharge to the Livermore Water Reclamation Plan (LWRP) with implementation of the Sewer Extension project is estimated at 106,464 gallons per day, with peak sewer flows under a buildout scenario along the sewer alignment estimated at 141,335 gallons per day. Peak wet weather sewer flows are estimated at 308,800 gallons per day, and ultimate peak wet weather flows are estimated at 396,000 gallons per day. A preliminary analysis indicates that, with implementation of the Bottleneck Project along East Street,

⁸³ Alameda Local Agency Formation Commission (Alameda LAFCO), *Guidelines, Policies and Procedures* , General Proposal Policies and Specific Proposal Policies

the existing sewer conveyance system could handle the estimated peak wet weather instantaneous flow (HydroScience 2022).⁸⁴

- Untreated organic flows from wineries could overload the treatment processes at the LWRP. The Livermore Municipal Code prohibits discharge into the City's system that would interfere with the performance or operation of the LWRP. Therefore, pre-treatment of the organic flows from wineries that apply for a sewer connection to the proposed system may be required upon City approval of future connections to reduce the potential for the increased sewer flows to overload the treatment processes at the LWRP. The impacts of organics in sewage from wine production on the treatment processes at the LWRP would need to be studied further to determine whether and what level of pre-treatment by individual users would be required.⁸⁵
- The Sewer Extension project would not induce unanticipated growth in the City or surrounding area because it would serve existing development potential consistent with the City's General Plan, SLVSP and SLVAP, in conformance with Alameda County Measure D. Future projects would be required to obtain commitments from the City of Livermore to provide wastewater treatment services prior to construction, which would be dependent on remaining treatment capacity at the LWRP.⁸⁶
- As of the date of this Special Study, a budget for Livermore's sewer extension project has not been finalized. Preliminary construction estimates indicated a total cost of \$11.5 to just over \$12 million dollars for the full Project (phases I, II and III), whereas more current estimates indicate that actual costs may be closer to a total of between \$18 and \$20 million dollars. It is anticipated that the costs for construction will be borne by a variety of public funding sources, and not expected to rely on private funds from those who receive new sewer service.
- For those residential property owners who choose to obtain new City of Livermore sewer services, they will need to pay a one-time connection charge to the sewer system, and will then pay applicable fixed monthly sewer service charges that apply to all Livermore residential properties. All non-residential properties (including wineries) will pay a monthly fixed charge, plus an additional variable rate based on the property type and the amount of wastewater the property generates during the billing cycle. Customer types that discharge higher-strength wastewater will have higher rates, because their wastewater is more expensive to treat.

Per the City of Livermore's Sewer Extension Project EIR, the City does have the capacity to provide sewer services to certain rural and agricultural land uses outside of its current service district, where no other alternative special district can provide such services.

General Policy 2.6: *LAFCO shall not act upon any change of organization or reorganization until environmental documentation has been approved that adequately addresses all potential areas of environmental concern.*

Consistency Considerations: In July of 2022, the City of Livermore certified the South Livermore Sewer Expansion Project EIR and approved ballot initiative language to extend sanitary sewer service beyond the Urban Growth Boundary. The certified EIR recognizes that LAFCO has discretionary approval authority as a Responsible Agency over subsequent actions, including out of area service agreements or annexation required to receive sewer service. Alameda LAFCO will need to consider whether the City's EIR has adequately addressed environmental concerns regarding those direct or indirect effects of the

⁸⁴ City of Livermore, South Livermore Sewer Expansion Project Final EIR, June 2022, page 4.2-16

⁸⁵ Ibid, page 4.2-17

⁸⁶ Ibid, page 4.2-21

project on the environment, in particular the environmental consequences associated with provision of municipal services to areas currently outside the boundaries of the City of Livermore.

Specific Proposal Policy 2.2: *The fundamental policy of the Commission in considering the development status of land, located in or adjacent to an established city SOI boundary and contiguous to a city boundary, shall be that such urban development is preferred in cities. This policy is based on the fact cities exist to provide a broader range of services than do special districts.*

Consistency Consideration: The City of Livermore’s Sewer Extension Project, including the provisions of Measure P, do not change the development status of any land located in or adjacent to the City’s boundary, Sphere of Influence, or UGB. The Sewer Extension Project does not provide for the extension of urban development to any properties that are outside of the City’s existing city boundary. The Sewer Extension project’s new sewer lines would only support existing uses, and future development that is consistent with the General Plan, SLVSP and SLVAP in South Livermore Valley, subject to Alameda County Measure D.

Annexation

Pursuant to the Cortese-Knox- Hertzberg Act, annexation is defined as the inclusion of additional territory in a city or special district. Although no petition or application for annexation has yet been made, one option that would allow the City of Livermore to provide sewer services to properties that are currently outside of its City limits would be to annex all or a portion of these lands. Alameda LAFCO policies relevant to annexations include the following.

Specific Proposal Policy 1.2: *Annexations not initiated by LAFCO shall not be approved unless the annexing agency is willing to accept the annexation.*

Consistency Consideration: Alameda LAFCO has not initiated any actions relative to the annexation of lands to the City of Livermore. Should an annexation petition or application action arise, it is assumed that such a petition or application would be initiated by the City of Livermore. Per the City’s Sewer Extension Project EIR, the City has already stated its willingness to extend sewer services for the purposes of improving groundwater quality in the South Livermore Valley area, and facilitating development of existing and new wineries, visitor serving commercial uses and residences consistent with the City’s General Plan, SLVSP, and SLVAP, and enhancing the short- and long-term economic viability of agriculture and viticulture in the South Livermore Valley area.

Specific Proposal Policy 1.7: *LAFCO discourages the annexation of vacant land or extension of urban services unless there is a demonstrated near term (within five years) need for services.*

Consistency Consideration: In 2018, Alameda LAFCo conducted a Municipal Services Review (MSR) of the services provided by each of the cities in Alameda County. Based on that MSR, the City of Livermore’s present and planned land uses are adequate for existing residents as well as future growth. There were no anticipated changes in the type of public services and facilities required within the SOI for the City of Livermore, although the level of demand for these services and facilities will increase commensurate with anticipated population growth over the next five years. There are no Disadvantaged Unincorporated Communities within or contiguous to the SOI for the City of Livermore and therefore no present or probable need for new facilities or services for Disadvantaged Unincorporated Communities.⁸⁷

The MRS does not demonstrate a near-term need for the extension of urban services. Rather, the Sewer Extension project is intended to achieve Livermore and County objectives related to the following:

⁸⁷ Alameda LAFCO, Resolution No. 2018-09, Reaffirming the Existing Sphere of Influence for the City of Livermore, January 11, 2018

- Improve groundwater quality in the South Livermore Valley area relative to nitrates
- Facilitate the development potential of existing and new wineries, visitor serving commercial uses and residences consistent with the City's General Plan, SLVSP, and South Livermore Valley Area Plan (SLVAP) subject to Alameda County Measure D
- Enhance the short- and long-term economic viability of agriculture and viticulture in the South Livermore Valley area

Specific Proposal Policy 1.9: *Prior to annexation to a city or special district, the petitioners shall provide information demonstrating that the need for governmental services exists, the annexing agency is capable of providing service, that a plan for service exists, and that the annexation is the best alternative to provide service.*

Consistency Consideration: The City of Livermore has not yet petitioned Alameda LAFCO for any annexations. If (or when) such a petition is filed, it will need to include a Plan for Providing Municipal Services, documenting the City's ability to provide extended sewer service (these issues were fully addressed in the City of Livermore's certified South Livermore Sewer Expansion Project EIR). Information included in this Special Study demonstrates that there are strong environmental and economic benefits associated with the provision of sewer services to portions of the Livermore Valley rather than continued reliance on on-site wastewater treatment systems. Whether annexation is the best alternative to provide these sewer services, as compared to an out-of-area contract, remains an open question.

Specific Proposal Policy 1.15: *LAFCo shall disapprove proposals including annexation of territory subject to a Williamson Act contract if any city or special district would provide facilities or services related to sewers, non-agricultural water, or streets and roads in the territory under contract unless lands to be annexed that are within an adopted SOI, shall be physically contiguous to present agency boundaries unless one of the following conditions exists:*

- Existing developed areas where it can be clearly found that interests of public health, safety, and welfare would best be served by the addition of the service, or which present clear or present health or safety hazards that could be mitigated by the requested change of organization;*
- Existing developed areas where agency facilities are present and sufficient for service and where the Commission determines that the annexation does not represent a growth-inducing factor for the area; or*
- Lands that are owned by the city and are being used for municipal purposes at the time Commission proceedings are initiated, and do not exceed 300 acres in area. If the city sells noncontiguous territory or leases it for development of shopping, hotel, motel or other lodging purposes, noncontiguous territory shall be automatically detached.*

Consistency Consideration: Of the 200 properties within the likely service area for the South Livermore Sewer Expansion Project, 28 properties (or 14%) are under Williamson Act contract, and of the of the 2,710 acres within the likely service area for the South Livermore Sewer Expansion Project, nearly 1,200 acres (or 44%) are under Williamson Act contract. Only 7 of these properties are physically contiguous to the present City of Livermore boundary or within its Sphere of Influence.

Of those remaining Williamson Act properties not contiguous to the Livermore boundary or within Livermore's Sphere of Influence, none of these properties has clearly defined health or safety hazards that could only be mitigated by providing sewer service, none of these properties have City sewer lines currently present and sufficient for service, and one of these properties is owned or used for municipal purposes (the Alameda County Martinelli Event Center is not on land under Williamson Act contract).

However, Measure P (the ballot measure approved by Livermore voters that enabled the potential for implementation of the South Livermore Sewer Expansion Project) includes conditions that define conservation easements that must be recorded on those properties if they receive sewer service, as well

as limits on the maximum permitted amount of commercial use in the Livermore Valley. These provisions of Measure P retain current plans and policies related to well ordered, efficient development patterns, appropriate preservation and conservation of open space and prime agricultural lands, and substantially limit the potential for expanded sewer service to be a growth-inducing factor for the area.

Specific Proposal Policy 2.3: *Developed lands that benefit from municipal services and are contiguous to a city boundary, should be annexed to the city providing such services.*

Specific Proposal Policy 2.4: *Land may not be annexed to a city unless it is contiguous to the city at the time the proposal is initiated unless the land is owned by the city, is being used for municipal purposes at the time Commission proceedings are initiated, is within the same county as the city, and does not exceed 300 acres in area.*

Consistency Consideration: Of the 200 properties within the likely service area for the South Livermore Sewer Expansion Project, approximately 144 properties, including about 107 parcels within the Buena Vista neighborhood (or more than 70%), are located either contiguous to the City of Livermore boundary or within the City of Livermore's Sphere of Influence. Of the 2,710 acres within the likely service area, those properties within Livermore's Sphere of Influence amount to approximately 950 acres of land (or about 30% of the potentially served area).

These properties are all within Alameda County, only one of these properties (the Alameda County Martinelli Event Center) is used for municipal purposes, and these properties combine for far more than 300 acres in area.

Specific Proposal Policy 2.5: A city shall pre-zone undeveloped property to be annexed before the Commission takes action on the annexation. No changes to the general plan or zoning shall be made for two years after LAFCO approves a proposal unless the annexing city determines that substantial changes have occurred that necessitate such actions.

Consistency Consideration: Based on the Livermore City Attorney's impartial analysis of Measure P, sewer service would only be extended to residential properties or agricultural properties that permit commercial uses that are permitted by Alameda County's SLVAP and allowed by Alameda County's Measure D. Measure P did not change the location of the South Livermore Urban Growth Boundary, did not amend Alameda County's SLVAP, and did not amend Alameda County's Measure D.

No annexations have yet been proposed, no pre-zoning of lands outside of Livermore has yet been suggested, and no related annexation requests are currently before the Commission at this time. However, the City of Livermore's General Plan does include a land use designation of Rural Residential (RR) for the Buena Vista neighborhood, and a land use designation of Agriculture/Viticulture (AG/VT) for all other lands within its Sphere and within the likely service area for the South Livermore Sewer Expansion Project.

Out of Area Contracts

The following particularly relevant LAFCO policies pertain to the potential for Out of Area Contract(s):

Specific Proposal Policy 16.1: LAFCo will encourage jurisdictional changes rather than out-of-area contracts if territory is within a city's or district's SOI and can be efficiently served by the agency.

Consistency Consideration: Of the 200 properties within the likely service area for the South Livermore Sewer Expansion Project, approximately 58 properties (or about 30%) are located outside of the City of Livermore and its Sphere of Influence. Of the 2,710 acres within the likely service area, those properties outside of Livermore and its Sphere of Influence amount to approximately 1,760 acres of land (or about 70% of the potentially served area).

Specific Proposal Policy 16.3: LAFCo shall only authorize a city or district to provide new or extended services outside its jurisdictional boundaries and SOI if an existing or pending public health and safety threat exists, if

documentation of the public health and safety threat is provided, and if any alternative service providers have been notified of the pending request and are unable or unwilling to provide service.

Consistency Consideration: In its General order, the California Water Resources Control Board defines process water as “waste”, and that “the discharge of winery waste can affect the quality of waters of the state”. Zone 7 has identified nitrates as a “constituent of concern” and has identified ten local areas of concern where nitrate has been detected at concentrations above the Maximum Contaminant Level as established by regulatory water quality standards (i.e., the primary Maximum Contaminant Levels set by the EPA and the State of California Environmental Protection Agency).

There is no reason to believe that implementation of the State Water Board’s General Order for Wineries, and on-going implementation of Zone 7/Alameda County Department of Environmental Health’s on-site wastewater treatment system loading limits and other Special Permit Area requirements will be unable to address nitrate loading concerns in the area, or Zone 7’s continued sustainable management of the Main Basin’s groundwater quality on a regional basis.

Alternatively, the proposed extension of sewer service to areas outside of Livermore’s Sphere of Influence would remove certain sources of nitrates and allow nitrate levels to naturally break down in the groundwater, such that water quality will improve over an extended time without further treatment. The availability of a municipal sewer may also serve as an economic and ease-of-management incentive that might encourage new mid- to larger-sized wineries, thereby increasing the demand for grapes and potentially encouraging additional vineyard plantings within the Livermore Valley.

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TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: Draft Report on Alameda LAFCO’s Initial Feasibility Analysis

The Alameda Local Agency Commission (LAFCO) will receive a draft report and presentation from consultant, Richard Berkson of Berkson Associates on its Initial Feasibility Analysis (IFA) for the potential incorporation of the unincorporated communities of Castro Valley, Ashland, Cherryland, San Lorenzo, Fairview, and Hayward Acres. The draft is being presented to the Commission for initial discussion and feedback ahead of initiating a formal 30-day public review and comment period.

Background

In the last nine months, Alameda LAFCO staff received several requests from the public inquiring about potential governance options for Castro Valley and/or surrounding communities, and the necessary steps required to examine them. In each case, LAFCO would require the preparation of a Comprehensive Fiscal Analysis (CFA). In an effort to provide the public with clear and objective information about an incorporation proposal and its feasibility, staff provided presentations to the Alameda County Agricultural Advisory Committee and Municipal Advisory Committees (MACs) on the interest of LAFCO preparing an IFA.

At the Commission’s November 9, 2022 regular meeting, Alameda LAFCO commissioned consultant, Berkson Associates to prepare an IFA that provides an initial assessment of financial feasibility and identifies issues requiring further resolution. The purpose of the report is to provide LAFCO, affected agencies, and residents with a quantitative understanding of the pros and cons of cityhood to help decide whether to move forward with incorporation and to understand its financial and service implications.

The draft report analyzes three hybrid models for incorporation.

1. Castro Valley
2. Castro Valley plus Ashland, Cherryland, San Lorenzo, Hayward Acres, and Fairview
3. Ashland, Cherryland, San Lorenzo, Fairview and Hayward Acres as a standalone city

Discussion

This item is for the Commission to receive and review the draft report on its *Initial Feasibility Analysis* of Castro Valley and its surrounding unincorporated communities consistent with the adopted work plan and ahead of staff initiating a formal 30-day public review and comment period. Similarly, it is also an opportunity for staff to present the report’s findings to key stakeholders and agencies in the region. Feedback will be incorporated as appropriate into a final report presented for future action as early as September to formally accept and file or return with specific actions.

Analysis

The report has been commissioned to provide the community with clear and objective information about an incorporation proposal, its service cost, and tax revenue implications. It should provide a snapshot of these areas and if they are able to standalone.

A summary of key findings follows:

The findings of this preliminary analysis indicate that none of the boundary configurations produce positive net annual fiscal outcomes. If State legislation provides for a transfer of Property Tax in lieu of Vehicle License Fees from the State, or transfers from the County to a new city, feasibility is possible depending on the magnitude of the transfer and adverse impacts on the County. Voter-approved taxes would improve fiscal feasibility, but no new taxes are assumed in this IFA. The IFA also does not assume transfer of CSA-PP-1991-1 revenues received from the State.

Item	Castro Valley Only	Castro Valley & Fairview+Eden	Fairview+Eden
REVENUES			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	537,010	627,417	90,407
Utility Users Tax	4,491,457	10,056,524	5,565,067
Business License Tax	1,645,262	3,683,797	2,038,535
Other Revenues	<u>9,276,649</u>	<u>19,008,972</u>	<u>9,732,323</u>
Subtotal, Revenues	\$35,908,710	\$77,723,843	\$41,815,133
EXPENDITURES			
Administration	\$9,356,540	\$18,852,108	\$11,818,538
Police & Animal Shelter	22,055,188	49,412,913	27,357,725
Community Development	5,253,186	10,763,493	6,706,250
Public Works	5,603,564	11,481,398	7,153,545
Other	<u>879,686</u>	<u>1,947,377</u>	<u>1,067,691</u>
Subtotal, Expenditures	\$43,148,163	\$92,457,289	\$54,103,749
NET	(\$7,239,454)	(\$14,733,446)	(\$12,288,616)
VLF if Transferred (1)	<u>\$7,020,786</u>	<u>\$15,719,777</u>	<u>\$8,698,991</u>
NET with VLF Transfer	(\$218,668)	\$986,332	(\$3,589,625)

Table 1 New City Budget Forecast (before revenue neutrality)

(1) Estimated Property Tax in lieu of Vehicle License Fees if transferred from County as part of property tax exchange (requires legislation).

Castro Valley

The Castro Valley boundary generates the most revenues relative to its population due to its magnitude and mix of commercial uses. These revenues are offset by additional service costs attributable to residential and additional commercial uses. The net result is an annual fiscal shortfall. If the new City receives a share of Property Tax in lieu of Vehicle License Fees (PTVLF), the annual net could be virtually break-even considering the preliminary nature of the IFA. As noted previously, the net annual balance also needs to provide for contingencies and annual reserve allocations that equal at least ten percent of annual expenditures.

Castro Valley and Fairview+Eden

The largest boundary combines all communities. The inclusion of Fairview+Eden reduces total per capita revenues due to fewer tax-generating commercial uses in Fairview+Eden. These revenue reductions are partially offset by efficiencies of scale that could reduce expenditures per capita. The net result is an annual fiscal shortfall. If the new City receives a share of Property Tax in lieu of Vehicle License Fees (PTVLF), the annual net could be slightly positive.

Fairview+Eden

The Fairview+Eden boundary generates the least total per capita revenues due to fewer tax-generating commercial uses compared to other areas. The new City may not provide the same level of service and cost efficiencies of scale as a larger boundary. The net result is an annual fiscal shortfall. If the new City receives a share of Property Tax in lieu of Vehicle License Fees (PTVLF), the annual net would be reduced but still insufficient for a feasible city.

Recommendation

It is recommended Alameda LAFCO discuss the draft report on its *Initial Feasibility Analysis* of Castro Valley and its surrounding unincorporated communities and provide related feedback to staff. This includes providing direction on desired revisions and/or additions ahead of staff circulating the draft for public review and comment and returning with a final version for action as early as the Commission's next regular meeting.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the business calendar. The following procedures are recommended in consideration of this item:

1. Receive verbal presentation from staff unless waived.
2. Invite any comments from the public.
3. Provide feedback on the item as needed.

Respectfully,



Rachel Jones
Executive Officer

Attachment:

1. Alameda LAFCO's Initial Feasibility Analysis, Incorporation of Alameda County Unincorporated Communities, Draft Report



ADMINISTRATIVE DRAFT REPORT

INITIAL FEASIBILITY ANALYSIS

INCORPORATION OF ALAMEDA COUNTY UNINCORPORATED COMMUNITIES

Ashland

Castro Valley

Cherryland

Fairview

Hayward Acres

San Lorenzo

Prepared by Berkson Associates
for Alameda LAFCO

June 26, 2023

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1. ALAMEDA COUNTY INCORPORATIONS

OVERVIEW OF POTENTIAL NEW CITIES

Potential new cities could be formed from several communities in unincorporated Alameda County including Castro Valley, Fairview, and the Eden area. Eden includes Ashland, Cherryland, Hayward Acres, and San Lorenzo.

Three potential city boundaries evaluated in this report combine those communities; a future incorporation application may differ from the boundaries and communities shown. **Table 1** summarizes characteristics of each potential city boundary.

Table 1 Summary of New City Characteristics

Item	Castro Valley Only	Castro Valley & Fairview + Eden	Fairview + Eden
Area (sq.mi.)	10.77	19.66	8.89
Population	66,441	151,260	84,819
Jobs	12,647	23,324	10,677
Assessed Value (mill.\$)	\$11,679	\$19,792	\$8,113
Sales Tax	\$4,880,000	\$10,590,000	\$5,710,000

6/26/23

- 1) Castro Valley (**Figure 1**)
- 2) Castro Valley, Fairview and Eden (**Figure 2**)
- 3) Fairview and Eden (**Figure 3**)

Figure 1 Castro Valley

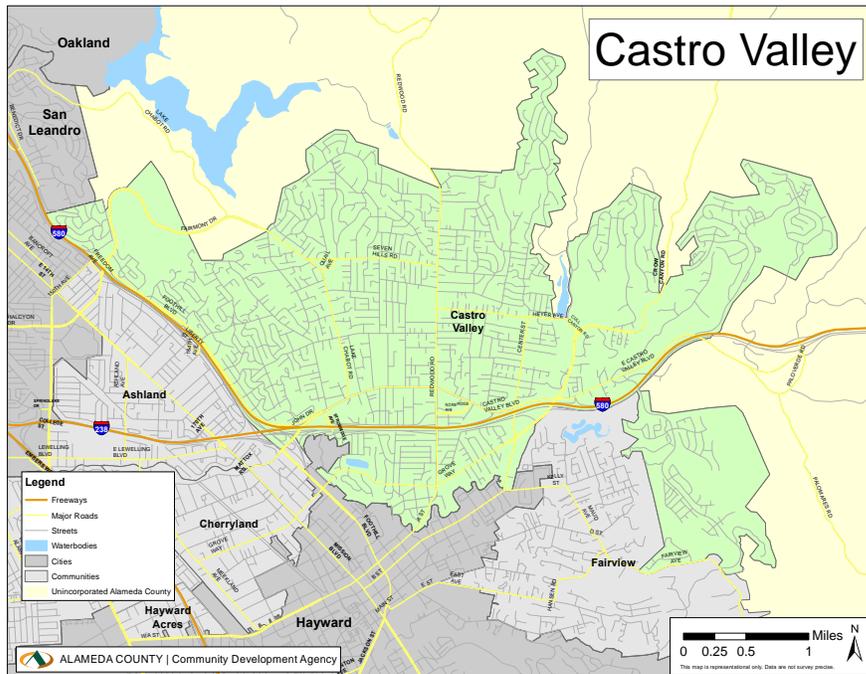


Figure 2 Castro Valley, Eden & Fairview

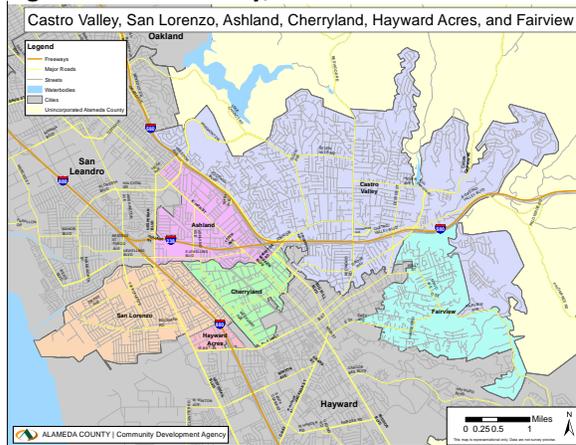
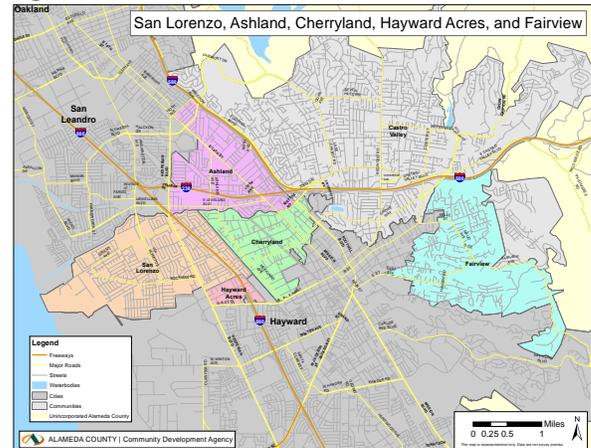


Figure 3 Eden & Fairview



Why Incorporate?

Every community pursuing cityhood has a unique set of concerns, issues and objectives. Typically, incorporation includes one or more of the following goals:

1. **Increase Local Control** – A city provides local control of land use planning and decision-making about services provision, facilities and housing in the community.
2. **Local Use of Revenues** – A city council of at least five locally elected council members determine priorities for the use of locally-generated revenues for local services and infrastructure priorities.
3. **Improve Local Governance and Accountability** – Residents have increased opportunities to participate in city council decisions and participate on volunteer committees and engage with city staff and council. A city budget documents revenues and expenditures to a level of detail and transparency not typical of unincorporated area County budgets.

A new city could influence regional governance and economic activity in a number of ways:

1. **Reduce County Scope and Scale** – Incorporation will reduce County of Alameda unincorporated area responsibilities and potentially facilitate increased County focus on countywide services and facilities.
2. **Increase Regional Economic Benefits** – Enhanced local governance could help to maintain and improve communities' livability and economic vitality.

FINANCIAL FEASIBILITY OF NEW CITIES

This IFA evaluates the financial ability to form a new city in Alameda County. Creating a new city vests residents with local control over public services, however financial hurdles can be challenging. No new city has been created in California since 2000 without the benefit of Property Tax in lieu of Vehicle License Fees which are no longer available to new cities.

Table 2 depicts potential fiscal shortfalls to the three potential new cities considered in this analysis; these shortfalls do not include potential additional costs for adverse revenue neutrality impacts on the County, if any, nor do the results consider possible new revenue measures such as additional sales taxes.

The findings of this preliminary analysis indicate that none of the boundary configurations produce positive net annual fiscal outcomes. If State legislation provides for a transfer of Property Tax in lieu of Vehicle License Fees from the State, or transfers from the County to a new city, feasibility is possible depending on the magnitude of the transfer and adverse impacts on the County. Voter-approved taxes would improve fiscal feasibility, but no new taxes are assumed in this IFA. The IFA also does not assume transfer of CSA-PP-1991-1 revenues received from the State.

Table 2 New City Budget Forecast (before revenue neutrality)

Item	Castro Valley Only	Castro Valley & Fairview+Eden	Fairview+Eden
REVENUES			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
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(1) Estimated Property Tax in lieu of Vehicle License Fees if transferred from County as part of property tax exchange (requires legislation).

In addition to maintaining and improving current governance, services and facilities, the new city must also demonstrate that it can generate contingency funds and sustain prudent levels of financial reserves.

SUMMARY BY CITY BOUNDARY

LAFCO defined three boundary alternatives for initial feasibility analysis; these boundaries are likely to be revised as part of an incorporation application and its review by LAFCO.

Commercial uses and related tax revenues including sales tax, hotel tax, and business license tax improve financial feasibility. A larger city generates more revenues such as utility users tax, and its services and costs are likely to benefit from efficiencies of scale.

Castro Valley

The Castro Valley boundary generates the most revenues relative to its population due to its magnitude and mix of commercial uses. These revenues are offset by additional service costs attributable to residential and additional commercial uses. The net result is an annual fiscal shortfall. If the new City receives a share of Property Tax in lieu of Vehicle License Fees (PTVLF), the annual net could be virtually break-even considering the preliminary nature of the IFA. As noted previously, the net annual balance also needs to provide for contingencies and annual reserve allocations that equal at least ten percent of annual expenditures.

Castro Valley and Fairview+Eden

The largest boundary combines all communities. The inclusion of Fairview+Eden reduces total per capita revenues due to fewer tax-generating commercial uses in Fairview+Eden. These revenue reductions are partially offset by efficiencies of scale that could reduce expenditures per capita. The net result is an annual fiscal shortfall. If the new City receives a share of Property Tax in lieu of Vehicle License Fees (PTVLF), the annual net could be slightly positive.

Fairview+Eden

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PRIOR CITYHOOD EFFORTS

In 2002 Castro Valley residents voted on incorporation. A 72.1 percent “No” vote defeated the ballot measure.¹ The Comprehensive Fiscal Analysis (CFA) commissioned by LAFCO during its 2002 review process determined that a new city could be feasible if it was approved by voters along with a new 10 percent hotel tax.

The current IFA indicates that city revenues projected in 2002 generally increased at a rate that exceeds inflation through 2022. The growth in revenues approximately equaled the growth in expenditures.

The 2023 IFA budget forecast includes hotel taxes approved in the unincorporated County areas subsequent to 2002; a new city would receive these revenues but at a cost to the County which did not exist in 2002. The current budget does not include Vehicle License Fees (VLF) from the State which were included in the 2002 CFA and provided about 25 percent of total city revenues.

As described in the current report, State legislation is necessary to restore State distributions of VLF (in the form of property tax, or PTVLF) to future new cities. With PTVLF a new City in Alameda County could be feasible depending on the distribution formula and amount and depending on a more detailed analysis to be completed by LAFCO.

OPTIONS TO INCORPORATION

The formation of special districts, for example a Community Services District (CSD), potentially could facilitate local control and decision-making regarding services. To be effective the CSD would require revenues for administration and services. A CSD could also create a transition to eventual cityhood.

Annexation to a neighboring city could improve local control through representation at the City Council, although the annexing area would be one community among several represented by the Council.

Further analysis is necessary to evaluate these governance options.

¹ www.smartvoter.org/2002/11/05/ca/alm/meas/Q/

IMPACTS ON OTHER AGENCIES

State law requires that new cities mitigate financial impacts, if any, on other agencies. Mitigation of negative impacts shown in **Table 3** would be funded from the new City’s budget.

Table 3 Fiscal Impact on the County (Revenue Neutrality)

Item	Castro Valley Only	Castro Valley & Eden/Fairview	Only Eden/Fairview
Revenue Reductions			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	537,010	627,417	90,407
Utility Users Tax	4,491,457	10,056,524	5,565,067
Business License Tax	1,645,262	3,683,797	2,038,535
Other Revenues (1)	<u>7,439,358</u>	<u>14,895,217</u>	<u>7,455,858</u>
Total Revenue Reductions	\$34,071,419	\$73,610,087	\$39,538,668
Net Expenditure Reductions (1)	\$30,629,812	\$68,581,183	\$37,951,371
Net Gain (or loss) to County General Fund	(\$3,441,607)	(\$5,028,904)	(\$1,587,296)

(1) Net of Charges for Services.

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The proponents of incorporation will have an opportunity to negotiate a revenue neutrality agreement with the County. This agreement will specify terms including annual payment amounts and duration of mitigation payments.

NEXT STEPS

Community Outreach

Formation of a non-profit by residents creates an organization for fund-raising and a forum for community discussion and dissemination of incorporation information.

Application to LAFCO

Residents may submit a petition to LAFCO along with an application and required fees. Alternatively, a public agency may submit an application to LAFCO to initiate the incorporation process. A boundary will be defined in the application, although LAFCO may choose to consider alternative boundaries.

LAFCO will prepare a detailed Comprehensive Fiscal Analysis (CFA) to determine fiscal feasibility as part of LAFCO’s determination of whether to send the incorporation decision to the voters. The incorporation applicants will be required to pay LAFCO application fees and costs and will fund the CFA.

Legislation to Address State Funding to New Cities

In 2011 the State legislature eliminated Property Tax In Lieu of Vehicle License Fees (PTVLF), a significant revenue source to new cities as part of a State budget re-structuring.² Subsequent legislation fixed the adverse impacts of this change on then-recently formed new cities in Riverside County, but future new cities continue to face reduced revenues that largely eliminate prospects for financial feasibility in the absence of additional special taxes, assessments and other significant revenues. No new cities have been formed in California over the past two decades other than new cities in Riverside County that received a legislative fix to receive PTVLF.

As recently as 2019, bills have been introduced to remedy the loss of revenues to new cities, but none have passed to-date.³ The League of California cities may consider advocating for legislation in future sessions and political support from communities considering incorporation will improve chances of bill passage. Incorporation proponents should engage with other communities and associations pursuing cityhood to push for legislation to remedy funding inequities adversely affecting future new cities.

As an interim step to full restoration of PTVLF comparable to existing cities, State legislation could enable an exchange of PTVLF between the new city and the county similar to the exchange of property tax without adversely affecting the State, school funding, or other agencies. LAFCO, the new city and the county would consider this exchange in determining revenue neutrality of the incorporation.

² SB 89 (2011) excluded new cities from the statutory formula that allocates revenues based on the 2004 VLF-property tax swap.

³ AB 818 (Cooley) 2019-20 failed to emerge from committee.

2. PUBLIC SERVICES PROVIDED BY A NEW CITY

Currently the County of Alameda’s Board of Supervisors maintain oversight and direct County departments in the provision of public services and facilities to unincorporated communities. Several citizens bodies provide input and comment on issues, policies and services and advise County departments providing services to the unincorporated communities.

Incorporation will shift responsibility for local services and facilities from the County to the new City. Services provided by special districts (e.g., library, fire protection) are assumed to continue as currently organized and funded.

The County’s budget includes an Unincorporated Services Budget (USB) that projects departmental service costs to unincorporated communities separately from Countywide services.⁴ The IFA utilizes the USB to help determine newly incorporated city budgets for comparable services. The IFA also references the USB to indicate potential costs and revenue shifts from the County to a new city, and therefore the potential net financial impact on the County. The USB includes funding sources such as service charges, special assessments, voter-approved taxes, the use of fund balances, and additional funding provided by the County General Fund. Presentations to advisory bodies and community groups generated comments and feedback on the projected FY2021-22 USB; the presentations and budget forecasts did not distinguish detailed departmental staffing, costs and sources of revenue by individual community.

Table 4 summarizes service providers before and after incorporation. It is likely that a new City will rely on contracts with other agencies for many services, for example the Sheriff’s Department. Over time, the City could choose to establish its own departments. This chapter describes services provided by the new City and the projected budget estimates based on current County costs and on a review of other cities in the region. Certain services are likely to benefit from efficiencies of scale reflected by a lower “per resident” (or other factor) cost for larger cities.

Appendix B documents key assumptions and calculations for services costs and revenues in the budget forecasts. Actual budgets will vary depending on future economic and fiscal conditions, decisions by public agencies including the future new City council, and specific manner and level of services and revenues.

Table 4 Summary of Existing and Future Service Providers

Service	Service Providers	
	Current Provider	Post-Incorporation
General Government Administration	County administers all municipal services to unincorporated communities.	City Council of new city will oversee all municipal functions including administration (manager, clerk, attorney, human resources, finance, risk management, IT).
General Services	The County GSA provides workspace, vehicles, supply and purchasing services, and facility planning and construction for County departments.	City departments will provide services comparable to County GSA.
Community Development	County departments provide development services (plan check/building permits, building inspection, code enforcement) and planning services (General Plan update, zoning code enforcement, safe & affordable housing).	New city will be responsible for all planning and development services. City may contract with County or private firm, and will receive revenues from permits and fees to partially offset costs.
Economic Development	County CDA department promotes & implements economic development & community investment.	New city will provide economic development services via staff and/or contracts.
Road Maintenance	Alameda County Public Works	City Public Works
Police Protection	Alameda County Sheriff's Dept. Cal. Highway Patrol (traffic enforcement)	New city will be responsible for law enforcement, and may contract with Sheriff or create new City police dept.
Animal Control	Alameda County	New city will be responsible for animal control.

Table 4 Summary of Existing and Future Service Providers (cont'd)

Service	Service Providers	
	Current Provider	Post-Incorporation
Fire Protection	Fairview FPD serves Fairview; the County Fire District provides protection and EMS services to other unincorporated areas.	No change.
Parks and Recreation	HARD maintains and programs local and regional parks and facilities including County-built community facilities.	No change.
Libraries	County owns and operates libraries.	No change.
Wastewater	Castro Valley Sanitary District Oro Loma Sanitary District	No change.
Water	East Bay Municipal Utility District	No change.
Storm Water	County of Alameda provides regional storm water services.	City will be responsible for local drainage and compliance with regional & State requirements.
Solid Waste	Castro Valley Sanitary District Oro Loma Sanitary District Ala. Cnty Waste Management Authority	No change.
Transit	Regional agencies provide transit services.	New city can coordinate transit planning and participate in regional transportation planning agencies.
Schools	Various school districts.	No change. City has no oversight of school districts.
Other Utility Services	Various utility providers (electric, gas, telephone, etc.)	No change. City can designate exclusive franchisees.

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MANAGEMENT & ADMINISTRATIVE SERVICES

The new City will be governed by city council members who will establish City policies, approve a General Plan and other City planning and management documents, adopt an annual budget, hire key staff, and take responsibility for efficient and effective City operations. The IFA assumes that elections for five council members will be at-large although the new City could choose to elect council members by district. New cities typically form as “General Law” cities governed by State statutes; a city may also form or transition to a “Charter City” which would be governed by a voter-approved charter which can only be modified by voter approval.

The new City will employ a city manager. This manager will oversee all municipal operations. The new City also has the option of a “city council/strong mayor” form of governance in lieu of a city manager, although this arrangement is less common in California and limited to a few large cities.

The new City will require a City Clerk and other support functions that include Legal (City Attorney), Finance, Human Resources, and Economic Development. The IFA budgets these services at a cost generally comparable to current County services in some cases, and similar to other cities in the region in other cases. The IFA recognizes that a new city will provide fewer services than many other cities because existing districts (e.g., fire district, library district) are expected to continue as the primary providers in a new city.

Costs to the new City include costs for office space, insurance, information technology (IT) systems, equipment and supplies, and retirement and other employee benefit costs. A new City will continue to pay for an allocated share of administrative, overhead and employee costs for any services that the new City contracts from another agency including the County. A new city will have an opportunity to create a benefit system for new City employees that does not incur the same degree of financial risk as traditional retirement systems applicable to most existing cities. Projected management and administrative costs in the City budgets are based on the cities of San Leandro and Hayward, depending on the size of the new City.

GENERAL SERVICES

The new City will maintain city facilities and equipment that may be transferred from the County of Alameda and any new City equipment and facilities. The new city may require additional space to accommodate city administrative and other service functions and incur related maintenance obligations. Additional responsibilities include capital planning, asset management, and equipment purchasing.

During the new City’s transition period the County of Alameda General Services Department will continue to maintain City buildings and facilities until the new City Council and City staff decide upon and develop a more permanent arrangement. Options for future general services include 1) continued

County of Alameda contract services dependent upon agreement between the new city and the County; 2) formation of a City general services department or the equivalent under another department such as public works. Projected general services costs in the City budgets are included in Management and Administrative services. The actual costs will depend on the manner of service provision (i.e., contracts vs. City departments), size of City staff, and City facilities.

Existing County of Alameda General Services

As described in the County of Alameda budget, the County's General Services Agency provides a range of services including maintenance of facilities, purchasing activities, waste reduction and recycling, and emergency operation planning. The General Services Agency also supports other departments including Capital Programs (architectural/engineering services), construction management, energy, environmental, and sustainable program management) and Portfolio Management (capital planning and asset management).

Specific examples of facilities, services and support provided by the County of Alameda's General Services Agency (GSA) include:⁵

- Workspaces
- Vehicle fleets
- Logistics services (e.g., parking, messengers)
- Supplies and purchases
- Safety training and support
- Emergency logistics support
- Long-range capital planning (plan, design and build public facilities)
- Maintenance and improvements to public facilities

The new City's General Services will be limited specifically to facilities within City boundaries and the services, supplies and equipment needed by the new City.

⁵ List of services derived from <https://gsa.acgov.org/about-gsa/> accessed 2023-01-26.

COMMUNITY DEVELOPMENT

The new City will be responsible for all planning functions similar to current Alameda County services including land use planning, environmental management, neighborhood improvement, and community/economic development. Certain programs of the County's Community Development Agency will not be affected; for example, the "Neighborhood Preservation and Sustainability" serves the rural areas of the County and the proposed city boundaries do not benefit directly from those services.⁶

Depending on the new City's governance structure, the Community Development department may also handle review and inspection of construction and development activity, currently handled by County Public works, which should largely be self-supporting from fees and charges. Projected Community Development costs in the City budgets are based on other cities in the region. Certain services currently shown in the Unincorporated Services Budget such as Neighborhood Preservation and Sustainability are not included in the new City budgets. The County is assumed to continue to serve as the successor agency to the former redevelopment agency, a cost included in the County's budget.

Planning

The new City's Planning Department will be responsible for preparing, updating and implementing the City's General Plan, and will administer and update applicable ordinances; initially, the new City will adopt all County plans and ordinances until it has created its own Plan. The new City will be responsible for facilitating housing development, including affordable housing, to meet regional housing allocations, and for managing rental-related programs adopted by the new City Council. Sustainability and clean energy goals and programs of the new City will be managed by the City's Planning Department depending on the City's organization.

The City's Planning Department will conduct environmental, design, and policy review of proposed development projects pursuant to City and State development and planning laws and procedures. The Department will issue and enforce required land use permits and monitor required environmental mitigation measures. A Planning Commission and other citizen advisory bodies will provide input to City Council decisions, replacing Municipal Advisory Committees and other commissions advising the County Board of Supervisors about municipal matters.

⁶ Memorandum from Sandra Rivera, CDA Director, April 26, 2023, to Berkson Associates, Response to Incorporation Feasibility Analysis Data Request.

The County will continue certain Countywide programs that are not responsibilities of the new City including: enforce the California Food and Agriculture Codes (i.e., health department approval and inspection of restaurants) and the California Business and Professions Codes related to agriculture, weights, and measures; verify the accuracy of commercial weighing and measuring devices, including point-of-sale terminals; provide case management and environmental investigation of lead-exposed children; provide lead poisoning prevention education and lead safety training to reduce lead exposure risks for County children, families and workers; implement the mineral resource management and surface mining permit administration as mandated by the state Surface Mining and Reclamation Act of 1975 (SMARA) and the County's Surface Mining Ordinance.

Construction and Development

The new City will be responsible for review, approval and inspection of construction and new development. Currently the Alameda County Public Works Agency handles this responsibility. During the new City's initial transition period it is likely the County would continue to provide these services, to be replaced by a new City department or a contract with a private firm to provide permit services.

Over the past five years the number of building permits issued for unincorporated areas Countywide ranged from about 2,000 to 2,300 permits.⁷ Fees and charges are set to cover the costs of services provided. New units constructed over the past ten years averaged about 120 units annually in Castro Valley, and 95 units annually in the Eden and Fairview area; commercial development averaged about 5,000 to 6,000 square feet in each of those areas, respectively.⁸

Economic Development

The new City will support economic activity in the community. Currently Alameda County's Economic and Civic Development Department promotes economic development and public/private investment in the unincorporated communities of Alameda County, including Ashland, Castro Valley, Cherryland, Hayward Acres, San Lorenzo, Fairview, Sunol & Unincorporated East County.⁹ A recent example of economic development includes the successful CDBG grant application to build out a food hall for food

⁷ Alameda County Public Works Agency response to Data Request – Incorporation Feasibility Analysis, April 11, 2023.

⁸ Memorandum from Sandra Rivera, CDA Director, April 26, 2023, to Berkson Associates, Response to Incorporation Feasibility Analysis Data Request.

⁹ <https://www.acgov.org/cda/ecd/>

entrepreneurs in Castro Valley.¹⁰ The IFA budgets for one to two economic development staff for similar activities in the new City.

Other Community Development Services

Housing – The new City will facilitate housing development through its planning and development review functions; funding will derive from various federal, state and local sources.

The new City may receive a share of Measure A1 bond funds approved by Countywide voters in 2016 for affordable housing; the current allocation formula is based on population and assessed value. The initial projected allocations when the bond measure passed in 2016 provided a minimum of \$19.7 million to unincorporated areas. Currently the County CDA is closing on construction financing for two projects in 2023 with the help of Measure A1 funding.¹¹

The County currently provides “\$2.5 million per year in homeless funding for the Unincorporated County. The programs that are supported include a 50-bed homeless shelter, a day use drop in shelter, two safe parking programs, and five transitional housing sites scattered throughout Castro Valley, Cherryland and Ashland.”¹² The status and availability of this funding within a new City in the event of incorporation are not known at this time.

Community Development Block Grants (CDBG) – The new City can participate in CDBG grants and may continue to be part of the Alameda County “Urban County” program whereby the County manages CDBG grants on behalf of smaller cities and the unincorporated areas. Alameda County currently qualifies as an Urban County for the purpose of applying for and administering certain CDBG grants, for example the Community Development Block Grant (CDBG) Entitlement Program that provides grants to entitled cities and counties to develop viable urban communities for low- and moderate-income persons.¹³ The status of the “Urban County” designation could be affected depending on the population of the areas ultimately incorporated and continuing participation by the new City and other cities in the program.

Healthy Homes – The County would continue to provide Healthy Homes lead poisoning-related services funded by the State.

¹⁰ *ibid*, CDA Memorandum, April 26, 2023.

¹¹ *ibid*, CDA Memorandum, April 26, 2023.

¹² *ibid*, CDA Memorandum, April 26, 2023.

¹³ <https://www.hudexchange.info/programs/cdbg-entitlement/>

Transportation – Regional transit agencies will continue to serve the new City. City representatives would participate in various regional planning agencies responsible for transportation planning and funding, including the Metropolitan Transportation Commission.

POLICE

All California cities are responsible for assuring that police protection is provided within their boundaries. During the new City's initial transition period (up to the first 12 months) the Alameda County Sheriff's Office (ACSO) would continue to serve the City until the City Council and City staff decide upon and develop a more permanent arrangement with a service provider. Options for future police services include 1) continued Alameda County Sheriff's Department contract services dependent upon agreement; 2) formation of a City police department.

The Alameda County Sheriff's Office currently provides patrol services to the unincorporated areas from its Eden Township Substation (ETS). The Department has a current adjusted net budget of approximately \$429.7 million and has over 1,700 authorized positions, including in excess of 1,000 sworn personnel.¹⁴ Sheriff services to the unincorporated areas are funded through a combination of County discretionary funds (e.g., business licenses, utility users tax, hotel and lodging tax, and property tax) and CSA-PP-1991-1. The CSA revenues are received from the State to compensate for the loss of funds due to ERAF beginning in 1993-94.¹⁵

The Sheriff's Office provides a number of services specific to unincorporated areas and other services Countywide. Services include:

- Provide patrol & investigation to unincorporated areas
- Security to County Superior Courts
- Operate Coroner's Bureau
- Criminalistics laboratory
- Perform civil process service
- Operate a County Jail (Santa Rita)

¹⁴ <https://www.alamedacountysheriff.org/about-us>

¹⁵ Legislative changes associated with the State's allocation of property tax revenues to ERAF (Education Revenue Augmentation Fund) resulted in a loss to the Special District Augmentation Fund; those losses were compensated by the State and those compensating funds are allocated by the County to CSA-PP-1991-1 for public safety purposes. See the MSR prepared for CSA-PP-1991-1 by Alameda LAFCO, 2012.

- Operate the County Office of Emergency Services
- Contract services to City of Dublin and other agencies¹⁶
- Conduct a basic academy

The California Highway Patrol is responsible for enforcement of traffic laws in unincorporated areas. The Sheriff's Office also provides some traffic enforcement services in the unincorporated area.

Contract with the County of Alameda Sheriff's Department

The City could contract for law enforcement services with the Alameda County Sheriff's Department, depending on decisions by the County Board of Supervisors and the Sheriff's Department. Currently, the Sheriff's Department provides services to the City of Dublin pursuant to a contract. A number of factors may affect the future cost of contract services to a new City.

An agreement between a new City and the County Sheriff's Department could include general law enforcement services, patrol, traffic, special purpose officers, school resource officers, community services officers, detectives, and retired-rehired deputies (960s) for special services. Sheriff's Department staff would serve as the City's Chief of Police. Costs in the agreement would include personnel, ancillary support, supplies, vehicles, space, management support, and liability.

Projected police costs in the City budgets assume a Sheriff contract similar to City of Dublin contract. As noted by the Sheriff's Department, the current Sheriff's Department costs "...would probably increase 20% in salary and employee benefits...in order to meet the minimum staffing requirements..."¹⁷ to serve a new city due to current vacant positions that would need to be filled. The estimated new city costs are approximately 37 percent higher per capita compared to current County total costs. A number of factors may affect the future cost of contract services to a new City including an allocated share of the cost for a planned new Law Enforcement Complex that will house the Sheriff's Department.

Vehicle replacement costs similar to the City of Dublin contract sheriff costs are included in the City budget estimates. Animal control costs net of revenues as shown in the Unincorporated Services Budget under the Sheriff's Department are also included in the City budgets as a separate line item. Animal control services include operation of the animal shelter and related services (rescue, medical care, investigations, licensing, call referral); field services (stray pickup, patrol, response to complaints); spay/neuter program; adoptions; public education and presentations; donation procurement.

¹⁶ <https://www.alamedacountysheriff.org/about-us>

¹⁷ ACSO Response to Request for Data, received June 7, 2023.

The new City will utilize its General Fund revenues and fees for related services to fund the contract with the Sheriff and for animal control services. The City's General Fund is not assumed to receive revenues currently allocated for public safety to the Sheriff's Department and CSA-PP-1991-1.

City Police Department

Newly formed cities typically continue services from the County Sheriff's Department through a contract. Creating a new City police department could be time consuming, costly, and recruitment difficult although this option could be considered in future years to provide increased local control but without the potential efficiencies of scale and breadth of services of a contract with a larger department. A police department would require new facilities to accommodate the officers. The City of Oakley in Contra Costa County, which incorporated in 1999, reorganized its police services in 2018 and replaced a County Sheriff contract with its own police department. The City of Oakley utilizes revenues from a Police Services Special Tax Area (P-6) to fund a majority of its police department costs.

PUBLIC WORKS

The new City will take over responsibility for maintenance and construction of infrastructure from the County Public Works Agency. The Alameda County Flood Control District will continue to provide all flood control services, which it provides Countywide. The new City will be responsible for NPDES permit services.¹⁸ The IFA assumes that the review and permitting of private development, currently managed by the County Public Works Agency, will be handled by the new City's Community Development Department. Projected public works costs in the City budgets are based on other cities in the region.

Currently the Alameda County Public Works Agency (ACPWA) "...is responsible for the management and operation of infrastructure including streets, bridges and flood control facilities, such as pump stations and stormwater conveyance infrastructure. ACPWA manages the planning, design, construction and maintenance of these facilities which will become a new City responsibility. Additionally, the Agency facilitates private development through the review and issuance of permits and inspection of private developments."¹⁹ Development services will become a new City responsibility.

¹⁸ An NPDES permit allows clean stormwater discharges into rivers, lakes or the ocean. The California State Water Resources Control Board (regional board) issues NPDES permits.

¹⁹ <https://www.acpwa.org/about-us>

Road Maintenance

The new City will maintain roads within its boundary. **Table 5** displays the centerline miles of publicly maintained roads within each community. Currently the average pavement condition of the roads falls within the range of “good” condition.²⁰

Road maintenance is funded from a number of local, State and Federal sources. Funding sources include gas taxes, RMRA (Road Maintenance and Rehabilitation Account), SB1, and Measure BB. Road-related revenues cover the County’s estimated annual maintenance cost of \$10 million for all unincorporated roads, or about \$21,100 per centerline mile.²¹ The IFA estimates road-related revenues based on reference cities.

In addition to annual road maintenance costs, major road capital construction for new roads and road reconstruction requires additional funding; Countywide, capital expenditures for roads range from \$15.4 million (2019, actual) to \$49.5 million (2023, forecast).²² The new City will utilize various road-related funding sources to pay for capital improvements.

Table 5 Road Miles and PCI

Community	Centerline Miles	PCI (1)
Ashland	45.4	73.7
Castro Valley	197.8	75.6
Cherryland	23.7	76.9
Fairview	35.18	75
Hayward Acres	5.88	73.8
San Lorenzo	58.99	72.9

Source: Alameda County Public Works Agency
(1) "PCI" is the Pavement Condition Index.
A PCI of 70-79 is considered "Good".

County Service Areas

County Service Areas (CSAs) provide services to specific areas that are assessed an annual charge for those services.²³ CSA revenues can only be spent within the CSA.

The CSAs that the Public Works agency provides services to include:

- **Morva Drive/Morva Court CSA R-1982-2** – Road maintenance

²⁰ Alameda County Public Works Agency response to Data Request – Incorporation Feasibility Analysis, April 11, 2023.

²¹ Average cost per centerline mile based on County estimate of \$10 mill. total divided by 473 centerline miles (State Roads Report, 2020). Actual costs per mile will vary depending on road conditions, level and type of use, and weather impacts.

²² Alameda County Public Works Agency response to Data Request – Incorporation Feasibility Analysis, April 11, 2023.

²³ Refer to engineering reports prepared annually to establish assessments within each CSA.

- **Castlewood CSA R-1967-1** – Road maintenance
- **Five Canyons CSA PW-1994-1** – Road maintenance, landscaping and lighting
- **Streetlighting CSA SL-1970-1** – Unincorporated Countywide lighting

Upon incorporation, LAFCO can make determinations that the CSAs continue or establish comparable districts within the new city to continue the services and charges for the area corresponding to the CSA.

Capital Improvements

The new City will be responsible for maintaining and constructing public facilities and infrastructure serving the City. Currently the Alameda County Public Works Agency is responsible for these services. Upon incorporation, it is anticipated that any capital funds accrued by the County for use within the new City would be transferred to the City. This IFA focuses on the financial feasibility of annual ongoing new City operations and does not address capital requirements (other than ongoing road improvements discussed above). If incorporation proceeds, LAFCO's CFA should identify major planned capital improvements and available funding (or funding gaps, if any).

As described on the Public Works Agency's website, the Public Work's Agency's Infrastructure Capital Improvement Program (CIP) "...is a five-year plan for preserving and enhancing Alameda County's public infrastructure (transportation and flood control facilities). The CIP identifies and prioritizes infrastructure projects and includes tentative schedules and funding options. Projects entail the provision and major improvement to public infrastructure, including the design and construction of multi-modal transportation facilities, street reconstruction and rehabilitation projects, and construction and rehabilitation of flood control facilities.²⁴

In 2022 the County Administrator reported that the County's Fiscal Year 2022-23 through 2026-27 five-year Capital Improvement Plan (CIP) proposes projects totaling \$1.9 billion.²⁵ Identified financing totals \$645 million leaving an unfunded balance of \$1.3 billion. The County Administrator was directed to prepare a financing plan for the entire CIP. The CIP is funded with various revenue sources including but not limited to State and federal aid, County General Fund, Road Fund, Flood Fund, and taxes through various voter-supported measures.

²⁴ Alameda Public Works Agency website, downloaded 1/25/23, at <https://www.acpwa.org/programs-services/cip.page?>

²⁵ Alameda County Administrator correspondence to Board of Supervisors re: adoption of CIP, June 6, 2022.

FIRE PROTECTION

No changes to the current organization of fire protection services are assumed in this IFA. Currently, the potential incorporation areas are served by fire protection districts (Alameda County Fire Department and Fairview Fire Protection District). Stations are listed below.

Table 6 Fire Stations in Unincorporated Communities

Station	Community	Address	Agency
Station #6	Castro Valley	19780 Cull Canyon Road, Castro Valley	ACFD
Station #7	Castro Valley	6901 Villareal Drive, Castro Valley	ACFD
Station #22	San Lorenzo	427 Paseo Grande, San Lorenzo	ACFD
Station #23	Cherryland	19745 Meekland Ave, Hayward	ACFD
Station #24	Ashland	1430 164th St, San Leandro	ACFD
Station #25	Castro Valley	20336 San Miguel Ave, Castro Valley	ACFD
Station #26	Castro Valley	18770 Lake Chabot Road, Castro Valley	ACFD
Fairview FPD	Castro Valley	25862 Five Canyons Pkwy, Castro Valley	Fairview FPD

Alameda County Fire Department (ACFD)

The IFA assumes no change to the organization or funding of the Alameda County Fire Department (ACFD), which is the main fire suppression service provider for areas of unincorporated Alameda County. ACFD provides dispatch, fire suppression and emergency medical services to several cities in Alameda County.

Fairview Fire Protection District (FFPD)

The FFPD serves the Fairview and Five Canyons unincorporated areas just north of the City of Hayward. Most of the area of FFPD is situated in the City of Hayward's sphere of influence (SOI). The FFPD boundary encompasses about 4.2 square miles.²⁶

FFPD contracts with the City of Hayward Fire Department (Hayward FD) for the provision of fire protection, emergency medical and paramedic services, auto accident rescue, natural disasters rescue, safe surrender service, and animal rescue. The main fire station serving the FFPD area is owned by

²⁶ Fairview Fire Protection District Municipal Service Review, Dec. 19, 2013.

ACFD.²⁷ The City of Hayward Fire Department personnel manage the day-to-day operations of FFPD, including administrative, and all fire protection and other services.

PARKS AND RECREATION

The Hayward Area Recreation District (HARD) is the primary provider of parks and recreation services to the unincorporated areas; the County partners with HARD on construction and operation of certain County facilities. The IFA assumes no change to the organization and service provision of HARD as a result of incorporation.

The HARD boundary area includes the City of Hayward and the unincorporated areas of Castro Valley, San Lorenzo, Cherryland, Ashland, and Fairview and the Crow Canyon and Palomares areas. The total land area within the boundary of HARD is 105.6 square miles.²⁸

The County recently completed construction of the Cherryland Community Center and entered into an agreement whereby HARD will operate the Center which includes the County branch library.

LIBRARY

The Alameda County Library serves the unincorporated communities, as well as certain cities, and is assumed to continue to provide services following incorporation.

As described on the Alameda County Library website, library services are provided from ten libraries in the cities of Albany, Dublin, Fremont, Newark and Union City and the unincorporated communities of Castro Valley and San Lorenzo. Mobile and Outreach services are provided through the Mobile Library, the Education and Literacy Program, and the County Jails. The County Library was established in 1910 and is governed by the Alameda County Board of Supervisors. The Alameda County Library Advisory Commission advises the County Librarian and the Board of Supervisors on library services. The County Library is funded primarily by local property taxes dedicated to the libraries, with additional revenue from State grants and contracts with cities for additional open hours and services. The Board of Supervisors allocates a portion of a utility users, business license tax and hotel tax which is collected only in the unincorporated areas of the County to the Library for service to the unincorporated areas. The Alameda County Library Foundation and active Friends or Library League groups in each community

²⁷ Alameda County Fire Department Municipal Service Review, Oct. 7, 2013, pg. 18.

²⁸ HARD Municipal Service Review Final, July 11, 2013.

support library programs and services.²⁹ Libraries in the unincorporated communities are located at the following addresses:

Castro Valley, 3600 Norbridge Ave, Castro Valley

San Lorenzo, 395 Paseo Grande, San Lorenzo

Cherryland, 278 Hampton Road, Hayward, located inside the Cherryland Community Center.³⁰

The County recently completed construction of the Cherryland Community Center and entered into an agreement whereby the Hayward Area Recreation District (HARD) will operate the Center which includes the County branch library.

Incorporation “would provide Alameda County Library with more opportunities to work with local elected officials in expanding library services or developing new services.”³¹ The County library system receives a share of property taxes dedicated to the library system (Fund 7005);³² These dedicated revenues will not be affected by incorporation. The share is approximately 4.4 percent of the Prop. 13 property tax 1 percent of assessed value, although the share varies from four to six percent among different tax rate areas.³³ The IFA indicates that the County may experience a financial loss under certain incorporation scenarios that could reduce local revenues (utility, business license, and hotel taxes) currently allocated to the library system.

²⁹ Alameda County Library website, <https://aclibrary.org/who-we-are/>

³⁰ Cherryland Library, website:
https://aclibrary.org/locations/CHY/?_ga=2.113428359.1405567991.1678742622-678182713.1674159030

³¹ Cindy Chadwick, County Librarian, response to March 17, 2023, data request April 7, 2023.

³² Library Fund Number from “Class” reported in Key to Class Numbers, or file “Fund Number Key.pdf”, from Alameda County Auditor website at: <https://acgov.org/auditor/tax/districts21-22.htm>

³³ See the file: “TXA-21-snp.docx” available on the Alameda County Auditor website at: <https://acgov.org/auditor/tax/districts21-22.htm> for tax allocation factors by Fund and TRA.

3. BUDGET FOR A NEW CITY

The new City’s budget maintains current levels of basic municipal services currently provided by the County as described in **Chapter 2**.

Local control by a locally elected City Council offers the potential to focus local tax revenues on funding community needs. The city budget process provides a transparent public process while establishing budget issues and priorities.

Currently the County prepares an Unincorporated Services Budget (USB) for approval by County Supervisors. This budget does not describe staffing and services to individual communities.³⁴ A new City budget will detail costs for City staff, contracts and other services, approved by City Council members.

Table 7 New City Budget Forecast (before revenue neutrality)

Item	Castro Valley Only	Castro Valley & Fairview+Eden	Fairview+Eden
REVENUES			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	537,010	627,417	90,407
Utility Users Tax	4,491,457	10,056,524	5,565,067
Business License Tax	1,645,262	3,683,797	2,038,535
Other Revenues	<u>9,276,649</u>	<u>19,008,972</u>	<u>9,732,323</u>
Subtotal, Revenues	\$35,908,710	\$77,723,843	\$41,815,133
EXPENDITURES			
Administration	\$9,356,540	\$18,852,108	\$11,818,538
Police & Animal Shelter	22,055,188	49,412,913	27,357,725
Community Development	5,253,186	10,763,493	6,706,250
Public Works	5,603,564	11,481,398	7,153,545
Other	<u>879,686</u>	<u>1,947,377</u>	<u>1,067,691</u>
Subtotal, Expenditures	\$43,148,163	\$92,457,289	\$54,103,749
NET	(\$7,239,454)	(\$14,733,446)	(\$12,288,616)
VLF if Transferred (1)	<u>\$7,020,786</u>	<u>\$15,719,777</u>	<u>\$8,698,991</u>
NET with VLF Transfer	(\$218,668)	\$986,332	(\$3,589,625)

(1) Estimated Property Tax in lieu of Vehicle License Fees if transferred from County as part of property tax exchange (requires legislation). 6/25/23

Table 7 summarizes initial results of the feasibility study for three possible configurations for a new city in unincorporated Alameda County. Services were described in the prior **Chapter 2** and revenues are detailed in this chapter. The new cities were defined for purposes of analysis but could be configured to better achieve resident objectives if incorporation is pursued in one or more of the communities.

Table 7 illustrates an estimate of the potential benefit if PTVLF is restored to new cities. This restoration depends on action by the State legislature. If legislation limits PTVLF to an exchange between the new City and the County, the State, schools, and other agencies would not be adversely affected; however, it will be necessary for the new City to consider impacts of the shift on the County.

³⁴ County of Alameda Final Budget FY2022-2023 budget, pg. 325.

Although recent legislation has sought to restore PTVLF to new cities, none has been successful partly due to potential financial impacts on the State and funding of schools. This IFA recommends, as a first step that would not adversely affect other agencies, that new cities be allocated a share of the County's PTVLF. The amount of this allocation could be determined in a manner similar to the allocation of property tax from a county to a newly incorporated city. The new City would still need to assure that adverse impacts on the County are mitigated. The amount transferred has been estimated in the IFA proportionate to the cost of services transferred, similar to the exchange of property tax; the actual sharing arrangement could be different.

REVENUES

The new City will fund services using revenues similar to other cities in California of similar size, with the exception of Property Tax in lieu of Vehicle License Fees (PTVLF) which new cities do not receive. The absence of PTVLF, which can represent an additional 30-50 percent relative to property taxes, presents a significant barrier to the formation of new cities.

In 2004 the State allocated vehicle license fees to all cities in the form of property tax that grows proportionate to growth in local assessed values. Legislation excluded newly formed cities in Riverside County, and all future new cities, from the statutory formula. Newly formed cities in Riverside County risked bankruptcy until legislation restored allocation to those affected cities. However, future new cities continue to be excluded.

Currently, Alameda County prepares an Unincorporated Services Budget (USB) for services to all unincorporated communities.³⁵ The USB identifies departmental costs to serve the communities and allocates revenues sufficient to fund those services. In addition to assessments, fees and charges specific to the services, the USB includes revenue from business license fees, utility users taxes, and transient occupancy taxes from hotel occupancies. Remaining shortfalls are funded by the County's General Fund.

Property Tax

The new City will receive a share of County property taxes. Upon incorporation the County will transfer an ongoing share of its property tax to the new City proportionate to the net cost of services shifted from the County to the City. The proportionate share transferred is termed the "Auditor's Determination" (or "Auditor's Ratio"), which is the ratio of total County property taxes (excluding PTVLF)

³⁵ County of Alameda Final Budget FY2022-2023 budget, pg. 325.

to total County “revenues available for general purposes” (including property taxes). This ratio, or portion of costs funded by property tax, is estimated to be approximately 49 percent.

In addition to paying the basic 1 percent of assessed value in property tax, residents of the new city will continue to pay additional assessments currently collected for services to the area.

Property Tax in lieu of Vehicle License Fees (PTVLF)

State legislation in 2004 realigned the manner in which State vehicle license fees are distributed to cities and counties. Subsequent legislation³⁶ excluded new cities from the statutory formula that allocates revenues based on the 2004 VLF-property tax swap, significantly reducing the revenue base of new cities. Since the elimination of PTVLF, no new cities have been incorporated.

As an interim step to full restoration of PTVLF comparable to existing cities, State legislation could enable an exchange of PTVLF between the new city and the county similar to the exchange of property tax without adversely affecting the State, school funding, or other agencies. LAFCO, the new city and the county would consider this exchange in determining revenue neutrality of the incorporation.

Sales Tax

Sales taxes typically represent a major portion of a new city’s budget. Sales taxes to a new city in Alameda County are based on actual taxable sales to the County from the unincorporated area. **Table 8** summarizes estimated taxable sales and sales tax (not including a share of State and County sales tax pools included in the City budget).

All California cities and counties receive a one percent (“Bradley-Burns”) rate on sales and use transactions within their jurisdiction. Many cities vote to approve additional sales taxes that may also apply to certain transactions by city residents outside of the city, for example auto sales. A portion of regional voter-approved sales taxes are allocated to jurisdictions within the region for transportation.

Table 8 Summary of Taxable Sales

Community	Taxable Sales	Sales Tax (1)
Ashland	\$232.9 mill.	\$2,329,000
Castro Valley	\$398.1 mill.	\$3,981,000
Cherryland	\$61.3 mill.	\$613,000
Fairview	\$2.8 mill.	\$28,000
Hayward Acres	\$68.6 mill.	\$686,000
San Lorenzo	\$99.9 mill.	\$999,000

Source: HdL; County of Alameda.

(1) Estimated sales tax equals 1% of taxables sales; a share of County and State pools not shown.

³⁶ SB 89 (2011)

The new City will receive a share of County and State sales tax “pools”. These taxes include certain categories of construction-related sales, large purchases, and purchases from other states “...including purchases made by mail order, telephone, or Internet.”³⁷

As described by the California Department of Tax and Fee Administration, “Retailers engaged in business in California must register with the California Department of Tax and Fee Administration (CDTFA) and pay the state's sales tax, which applies to all retail sales of goods and merchandise except those sales specifically exempted by law, for example, certain food products (many groceries), prescription drugs and certain medical devices. The use tax generally applies to the storage, use, or other consumption in California of goods purchased from retailers in transactions not subject to the sales tax. Use tax may also apply to purchases shipped to a California consumer from another state, including purchases made by mail order, telephone, or Internet.”³⁸

The IFA assumes the new City receives the basic 1% Bradley-Burns local sales tax including a share of the State and county pools based on current allocations as percentage of other 1% sales tax received. Currently the County collects two additional voter-approved Countywide sales taxes. Measure A, approved in 2004, provides an additional ½ cent sales tax dedicated to various health-related purposes; no proceeds from this tax are assumed in the new City’s budget. Measure W, approved in 2020, is a Countywide ½ cent sales tax intended for general purposes.³⁹ The IFA does not include these Countywide revenues in the new City’s budget. LAFCO’s Terms and Conditions could require additional new City sales taxes if required to achieve feasibility, contingent on voter approval of the incorporation and the tax measure.

³⁷ Sales & Use Tax in California, Cal. Dept. of Tax and Fee Admin., downloaded 2022-09-29 at: <https://www.cdtfa.ca.gov/taxes-and-fees/sutprograms.htm>

³⁸ Sales & Use Tax in California, Cal. Dept. of Tax and Fee Admin., downloaded 2022-09-29 at: <https://www.cdtfa.ca.gov/taxes-and-fees/sutprograms.htm>

³⁹ Measure W is not shown in the Alameda County General Fund budget and therefore not included as a “Revenue Available for General Purposes” in Auditor’s Ratio estimate, which would alter property tax revenues shifted to a new city.

Transient Occupancy Tax (TOT)

Hotel occupancies generate Transient Occupancy Tax (TOT) depending on the tax rate, room rates, and occupancy levels at hotels within the city. Estimates of TOT, or “hotel taxes”, to a new city are based on actual taxable room sales to Alameda County from the unincorporated area. **Table 9** summarizes hotel rooms and estimated TOT revenues to each potential new city.

State of California codes authorize any city or county to “...levy a tax on the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging unless the occupancy is for a period of more than 30 days.”⁴⁰ This tax may require that LAFCO’s Terms and Conditions place a comparable measure on the incorporation ballot; approval of the incorporation could be contingent on approval of the tax measure to assure the new City continues to capture these existing County tax revenues in its budget as assumed in this IFA.

Table 9 Summary of Transient Occupancy Tax

Item (1)	Castro Valley Only	Castro Valley & Fairview + Eden	Fairview + Eden
Hotel Rooms	192	239	47
Estimated Room Revenues	\$5,370,000	\$6,274,000	\$904,000
Hotel Tax (2)	\$537,000	\$627,000	\$90,000

Source: Berkson Associates; CoStar Group. 5/3/23
 (1) Estimated revenues not detailed by community to maintain confidentiality of individual businesses.
 (2) TOT rate 10 percent.

Utility Users Tax

The Utility Users Tax was authorized by the Board of Supervisors in 1992 and approved by the voters in 1996, 2000, 2008, and most recently in 2020, at which time it was extended through 2033.⁴¹ The 6.5% utility tax on residents of unincorporated areas funds County services; as a matter of policy the County allocates Utility Users Tax to the Unincorporated Services Budget although the tax was approved by all County voters and could be used for any purpose. Alameda is one of four counties in the state that levy a utility user tax, and nearly 160 cities rely on this tax for discretionary income.⁴²

⁴⁰ Cal. R&TC 7280-7299, dl 2022-09-27 at https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=2.&title=&part=1.7.&chapter=1.&article=

⁴¹ County of Alameda Final Budget FY2022-2023 budget, pg. 329.

⁴² Alameda County Measure V Ballot Information, Nov. 3, 2020, General Election.

The IFA assumes approximately \$10.1 million of Utility Users Tax⁴³ allocated proportionate to “persons served” in each community.⁴⁴ This tax may require that LAFCO’s Terms and Conditions place a comparable measure on the incorporation ballot; approval of the incorporation could be contingent on approval of the tax measure.

Business License Taxes

The Business License Tax is a local tax established by the Board of Supervisors on businesses operating within the unincorporated areas of Alameda County. Revenues from this tax are used to fund services provided in the unincorporated areas of the County.⁴⁵ The IFA assumes approximately \$3.7 million of total Business License Tax⁴⁶ allocated proportionate to jobs in each community.

Licenses & Permits

The Licenses and Permits category includes revenue for the purpose of recovering costs associated with regulating an activity and other revenues such as business certificate fees, rental unit certificate fees, parking meter collections, alarm permit fees, and special event permits.

The IFA allocates approximately \$11.1 million of Licenses and Permits⁴⁷ proportionate to residents in each community.

Fines, Forfeitures, and Penalties

The fines, forfeitures, and penalties category includes revenue generated from the violation of laws or regulations, such as California Vehicle Code violations, City parking and ordinance violations, negligent impounds, collection referrals, and litigation awards.

⁴³ County of Alameda, State Controller Schedules, Schedule 6, Fiscal Year 2022-2023. Note: this amount is less than the \$12.6 mill. shown in the FY2022-23 Unincorporated Services Budget.

⁴⁴ “Persons Served” equals residents plus 50% of employees.

⁴⁵ County of Alameda Final Budget FY2022-2023 budget, pg. 434.

⁴⁶ County of Alameda, State Controller Schedules, Schedule 6, Fiscal Year 2022-2023. Note: this amount is greater than the \$2.8 mill. shown in the FY2022-23 Unincorporated Services Budget.

⁴⁷ County of Alameda, State Controller Schedules, Schedule 6, Fiscal Year 2022-2023.

The IFA allocates approximately \$4.4 million of Fines, Forfeitures, and Penalties⁴⁸ proportionate to residents in each community. Actual amounts to a new City will vary based on fees adopted by the new City Council, violations and enforcement actions by the new City.

Revenue from Money and Property

The new City will earn interest on short-term deposits depending on the timing and magnitude of cash flows and prevailing interest rates. Longer-term investment of reserves and fund balances will also generate earnings.

The IFA assumes annual earnings that average 0.50% of annual revenues. It is likely that earnings would be higher due to earnings on reserves and fund balances, however, the IFA employs a conservative estimate for purposes of assessing feasibility of a new city. For reference, the City of San Leandro earned 2.2 percent of annual General Fund revenues.

Charges for Current Services

“Charges for current services” are revenues generated by payments for services provided to the public. The primary sources are planning and building permit revenue.

The IFA assumes new city revenues comparable to current County revenues shown in the Unincorporated Services Budget for planning and building permit services.

Franchise Fees

Cities receive franchise fees from utilities authorized by the City to serve the community. The IFA assumes franchise fee revenue comparable to current County revenues shown in the County budget and collected from providers of certain utilities including intrastate, interstate and/or international telephone, cellular or wireless communication services; electrical energy services; gas services delivered through mains, pipes, or mobile transport; video and cable services.⁴⁹

The IFA assumes new city franchise fee revenues comparable to current County revenues shown in the County Budget allocated proportionate to residents in each community.⁵⁰

⁴⁸ County of Alameda, State Controller Schedules, Schedule 6, Fiscal Year 2022-2023, “General Fines and Forfeits”.

⁴⁹ Alameda County Treasurer-Tax Collector website, Frequently Asked Questions (Business License Taxes, Utility User Taxes) downloaded 2023-04-13 at <https://treasurer.acgov.org/taxcoll/BLTfaq.page#buslicfaq>

⁵⁰ County of Alameda, State Controller Schedules, Schedule 6, Fiscal Year 2022-2023.

Property Transfer Taxes

Property transfer tax is levied on the sale of real property. The County of Alameda collects \$1.10 per \$1,000 of the sale price when any real property is sold. The new City will be credited \$0.55 per \$1,000 against the County's charge, giving both the County and City each \$0.55 per \$1,000 of the sale price.

The IFA assumes that on average approximately five percent of property, or assessed value, in the County will sell every year; this is an average of a sale of a given property of about once every twenty years. Residential property typically sells more frequently, and commercial property sells less often. Actual sales will also depend on economic conditions and City revenues would be improved in strong real estate markets with appreciating values.

Road Revenues

The new City will qualify for a range of road-related revenues which are estimated based on City of San Leandro per resident estimates for gas taxes, Measures B, BB and F. Actual revenues will vary depending on collections, planned projects, and allocations. **Table 10**

Table 10 Summary of Roads Budget

Item	Castro Valley Only	Castro Valley & Fairview+Eden	Fairview+Eden
REVENUES			
Road-related Revenues	\$9,593,000	\$21,841,000	\$12,247,000
EXPENDITURES			
Road Maintenance	\$4,182,000	\$7,758,000	\$3,576,000
Other (reconstruction, new)	\$5,411,000	\$14,083,000	\$8,671,000

illustrates potential revenues and costs (see prior chapter for road maintenance discussion). Funds are allocated between ongoing maintenance and reserves for capital improvements.

OTHER REVENUES

Currently CSA-PP-1991-1 receives funds provided by the State for public safety purposes. These revenues help to pay for services provided to the unincorporated areas from the Eden Township Substation. This IFA does not assume that a new City will receive a share of these revenues; State legislation could provide a new City with a share of the amount currently received by the County for Sheriff services without adversely affecting the revenues of the State or other agencies.

The new City is likely to receive various other revenues including one-time grants. Depending on the City's structure of funds, the City may utilize multiple funds to segregate certain costs and revenues which are shown in this IFA in a single operating General Fund and restricted Road Revenue fund.

CONTINGENCY AND RESERVES

State law requires that a CFA demonstrate the new city will have sufficient reserves for contingencies. This would require that a balance be accumulated by the new city equal to at least fifteen to twenty

percent of annual expenditures. This level of balance provides for operating cash flows; additional funds will be needed for various other reserves, for example for equipment replacement, capital, and other reserves as to be determined by the city council. The IFA assumes that certain reserves accumulated by the County for use in the unincorporated communities will be transferred to the new city; the level of these transferred funds will be determined by LAFCO and by negotiations between proponents of the new city.

REVENUE NEUTRALITY PAYMENTS

Incorporation will transfer certain current services and service costs to the new City and transfer a portion of County property taxes that fund those transferred services and shift other County tax revenues to the newly incorporated community. State law requires that LAFCO determine “revenue neutrality” to assure that adverse impacts on the County (and other agencies) are mitigated through various terms and conditions that may include payments from the new City to the County over time unless the County is in agreement with the exchange of services and revenues.⁵¹

Mitigation of negative impacts shown in **Table 11** in the following chapter would be funded from the new City’s budget if sufficient net revenues exist.

The estimates of fiscal impacts will be refined and may change in a Comprehensive Fiscal Analysis prepared by LAFCO if an incorporation application is submitted. The CFA will need to demonstrate that the new City is financially feasible including revenue neutrality payments to the County.

REPAYMENT FOR TRANSITION YEAR SERVICES

A new City may request that the County continue to provide services during the new City’s initial Transition Year, and the City will be required to repay the County for the cost of these services if requested by the County.⁵² The CFA will provide a more detailed transition-year analysis based on the timing of specific revenues to determine the need for repayment, and terms to be negotiated as part of revenue neutrality discussions. The timing of specific revenues to the new City will depend on the timing of required filings necessary to receive certain revenues directly from the State; the County may receive those revenues on behalf of the City and credit them towards transition year services or revenue neutrality if required.

⁵¹ Gov. Code Sec. 56815.

⁵² Gov. Code Sec. 57384.

4. IMPACTS ON EXISTING AGENCIES

IMPACTS ON THE COUNTY OF ALAMEDA

State law requires that the new City mitigate any adverse financial impacts on the County unless there is an agreement to the contrary (or that defines the scope of mitigation) approved by the County.⁵³ The current analysis estimates a potential adverse annual fiscal impact on the County as a result of an incorporation as shown in **Table 11**.

Table 11 Fiscal Impact on the County (Revenue Neutrality)

Item	Castro Valley Only	Castro Valley & Eden/Fairview	Only Eden/Fairview
Revenue Reductions			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	537,010	627,417	90,407
Utility Users Tax	4,491,457	10,056,524	5,565,067
Business License Tax	1,645,262	3,683,797	2,038,535
Other Revenues (1)	<u>7,439,358</u>	<u>14,895,217</u>	<u>7,455,858</u>
Total Revenue Reductions	\$34,071,419	\$73,610,087	\$39,538,668
Net Expenditure Reductions (1)	\$30,629,812	\$68,581,183	\$37,951,371
Net Gain (or loss) to County General Fund	(\$3,441,607)	(\$5,028,904)	(\$1,587,296)

(1) Net of Charges for Services.

6/26/23

The CFA will calculate a more detailed estimate of the potential impact on the County resulting from a reduction in revenues due to incorporation, net of County cost reductions. The actual amount of the revenue neutrality payments, if required, also depend on repayment terms to be negotiated between the County and the proposed new City. Negotiated terms can differ from a fixed annual payment; for example, the number of repayment years can be limited, and the amounts of the payments can vary.

Transition Year Services

State law provides for continued County services to the new City during the City’s initial “transition year”.⁵⁴ The new City may be required to repay the County.

⁵³ Gov. Code Sec. 56815.

⁵⁴ State law (GC 57384) provides that services be continued for the remainder of the new city’s initial fiscal year.

APPENDIX A PRELIMINARY SCHEDULE

Incorporation of Alameda County Unincorporated Communities
Initial Feasibility Analysis
June 26, 2023

Task	2024					2025												July 1, 2026 Start of City
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
Preliminary Comprehensive Fiscal Analysis (IFA)																		
IFA Completed 2023																		
Proponents' Public Outreach (ongoing)																		
Initiate Incorporation Process																		
Proponents prepare legal description																		
Petition/Application Submitted by Residents																		
Submittal of IFA with Incorporation Application																		
LAFCO prepares/adopts Incorporation Policies																		
LAFCO deems App. complete, CEQA review																		
Comprehensive Fiscal Analysis																		
LAFCO issues RFP/engages CFA consultant																		
County releases recent year budget data																		
Consultant distributes Requests for Information																		
Consultants receives responses/followup																		
County Auditor determines Property Tax Ratio																		
LAFCO determines boundary scenarios (if any)																		
Admin Draft CFA prepared																		
Admin Draft CFA previewed w/Proponents, Cnty																		
LAFCO releases Public Review CFA																		
Public Hearing CFA Prepared/Released																		
Revenue Neutrality/Transition Negotiations																		
Proponents meet with County																		
Revenue Neutrality Agreement Finalized																		
Other Actions																		
LAFCO prepares environmental review																		
LAFCO staff report w/Terms & Conditions, Reso.																		
LAFCO Hearings																		
LAFCO Hearing on Public Review CFA																		
LAFCO Hearing on Incorporation Proposal*																		
Election Process																		
County calls for an election																		
Election (at least 88 days later)																		
Cityhood																		
Effective Date of City: July 1, 2026**																		
Transition Period (continued City services) - July 1, 2026 through June 30, 2027																		

Note: schedule is preliminary overview and subject to further review/revision by LAFCO.

* Multiple LAFCO hearings may be required; schedule assumes that State Controller review of the CFA is not requested, which could delay the process up to 3 months.

** Start Date of new city will depend on certification of election results and required filings.

2023-03-09

APPENDIX B BUDGET ESTIMATES

**Tables for the Initial Feasibility Analysis (IFA) of Incorporation
Castro Valley and Other Unincorporated Communities
(constant 2023 \$'s)**

Table 1	Public Services Before and After City Incorporation Rpt Tables: Table 4 Summary of Existing and Future Service Providers
Table 2	Fire Stations in Unincorporated Communities Rpt Tables: Table 6 Fire Stations in Unincorporated Communities
Table 3	Report Summary Tables (City Characteristics, Roads, Taxable Sales, Hotel Tax) Rpt Tables: Table 1 Summary of New City Characteristics Table 5 Road Miles and PCI Table 8 Summary of Taxable Sales Table 9 Summary of Transient Occupancy Tax
Table A-1	Preliminary Incorporation Schedule
Table B-2	Key Factors (Demographics, Area, Roads, A.V., Sales Tax)
Table B-3	not used
Table B-4a	City Budget Forecast Summary Rpt Tables: Table 2 New City Budget Forecast (before revenue neutrality) Table 7 New City Budget Forecast (before revenue neutrality)
Table B-4b	City Road Fund Summary Rpt Tables: Table 10 Summary of Roads Budget
Table B-5a	City Budget Forecast Detail
Table B-5b	City Revenue Notes
Table B-5c	City Expenditure Notes
Table B-5d	City Property Tax Summary
Table B-6	Fiscal Impact on the County (Revenue Neutrality) Rpt Tables: Table 3 Fiscal Impact on the County (Revenue Neutrality) Table 11 Fiscal Impact on the County (Revenue Neutrality)
Table B-7	Property Tax Transfer
Table B-8	Base Year Net Cost for Unincorporated Services Transferred
Table B-9a	County Auditor's Ratio: Countywide Property Tax % of General Purpose Revenue
Table B-9b	County Budget Detail
Table B-10a	County Unincorporated Services Expenditures FY2022-23
Table B-10b	County Unincorporated Services Revenues FY2022-23
Table B-10c	Unincorporated Services Budget Detail FY2022-23
Table B-11a	City of Hayward General Fund Expenditures FY2022-23
Table B-11b	City of Hayward General Fund Revenues FY2022-23
Table B-11c	City of San Leandro General Fund Expenditures FY2022-23
Table B-11d	City of San Leandro General Fund Revenues FY2022-23
Table B-11e	City of Dublin General Fund Expenditures FY2022-23
Table B-11f	City of Dublin General Fund Revenues FY2022-23
Table B-11g	City of San Ramon General Fund Expenditures FY2022-23
Table B-11h	City of San Ramon General Fund Revenues FY2022-23
Table B-11i	City of Oakley (Contra Costa County) FY2022-23
Table B-11j	City of Oakley (Contra Costa County) FY2022-23 General Fund Revenues

**Table 1
Public Services Before and After City Incorporation**

Service	Service Providers	
	Current Provider	Post-Incorporation
General Government Administration	County administers all municipal services to unincorporated communities.	City Council of new city will oversee all municipal functions including administration (manager, clerk, attorney, human resources, finance, risk management, IT).
General Services	The County GSA provides workspace, vehicles, supply and purchasing services, and facility planning and construction for County departments.	City departments will provide services comparable to County GSA.
Community Development	County departments provide development services (plan check/building permits, building inspection, code enforcement) and planning services (General Plan update, zoning code enforcement, safe & affordable housing).	New city will be responsible for all planning and development services. City may contract with County or private firm, and will receive revenues from permits and fees to partially offset costs.
Economic Development	County CDA department promotes & implements economic development & community investment.	New city will provide economic development services via staff and/or contracts.
Road Maintenance	Alameda County Public Works	City Public Works
Police Protection	Alameda County Sheriff's Dept. Cal. Highway Patrol (traffic enforcement)	New city will be responsible for law enforcement, and may contract with Sheriff or create new City police dept.
Animal Control	Alameda County	New city will be responsible for animal control.

**Table 1
Public Services Before and After City Incorporation**

Service	Service Providers	
	Current Provider	Post-Incorporation
Fire Protection	Fairview FPD serves Fairview; the County Fire District provides protection and EMS services to other unincorporated areas.	No change.
Parks and Recreation	HARD maintains and programs local and regional parks and facilities including County-built community facilities.	No change.
Libraries	County owns and operates libraries.	No change.
Wastewater	Castro Valley Sanitary District Oro Loma Sanitary District	No change.
Water	East Bay Municipal Utility District	No change.
Storm Water	County of Alameda provides regional storm water services.	City will be responsible for local drainage and compliance with regional & State requirements.
Solid Waste	Castro Valley Sanitary District Oro Loma Sanitary District Ala. Cnty Waste Management Authority	No change.
Transit	Regional agencies provide transit services.	New city can coordinate transit planning and participate in regional transportation planning agencies.
Schools	Various school districts.	No change. City has no oversight of school districts.
Other Utility Services	Various utility providers (electric, gas, telephone, etc.)	No change. City can designate exclusive franchisees.

6/26/23

Table 2
Fire Stations in Unincorporated Communities

Station	Community	Address	Agency
Station #6	Castro Valley	19780 Cull Canyon Road, Castro Valley	ACFD
Station #7	Castro Valley	6901 Villareal Drive, Castro Valley	ACFD
Station #22	San Lorenzo	427 Paseo Grande, San Lorenzo	ACFD
Station #23	Cherryland	19745 Meekland Ave, Hayward	ACFD
Station #24	Ashland	1430 164th St, San Leandro	ACFD
Station #25	Castro Valley	20336 San Miguel Ave, Castro Valley	ACFD
Station #26	Castro Valley	18770 Lake Chabot Road, Castro Valley	ACFD
Fairview FPD	Castro Valley	25862 Five Canyons Pkwy, Castro Valley	Fairview FPD

Table 3
Report Summary Tables (City Characteristics, Roads, Taxable Sales, Hotel Tax)

Item	Castro Valley Only	Castro Valley & Fairview + Eden	Fairview + Eden
Area (sq.mi.)	10.77	19.66	8.89
Population	66,441	151,260	84,819
Jobs	12,647	23,324	10,677
Assessed Value (mill.\$)	\$11,679	\$19,792	\$8,113
Sales Tax	\$4,880,000	\$10,590,000	\$5,710,000

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Community	Centerline Miles	PCI (1)
Ashland	45.4	73.7
Castro Valley	197.8	75.6
Cherryland	23.7	76.9
Fairview	35.18	75
Hayward Acres	5.88	73.8
San Lorenzo	58.99	72.9

Source: Alameda County Public Works Agency

(1) "PCI" is the Pavement Condition Index.

A PCI of 70-79 is considered "Good".

Table 3
Report Summary Tables (City Characteristics, Roads, Taxable Sales, Hotel Tax)

Community	Taxable Sales	Sales Tax (1)
Ashland	\$232.9 mill.	\$2,329,000
Castro Valley	\$398.1 mill.	\$3,981,000
Cherryland	\$61.3 mill.	\$613,000
Fairview	\$2.8 mill.	\$28,000
Hayward Acres	\$68.6 mill.	\$686,000
San Lorenzo	\$99.9 mill.	\$999,000

Source: HdL; County of Alameda.

(1) Estimated sales tax equals 1% of taxables sales; a share of County and State pools not shown.

Item (1)	Castro Valley Only	Castro Valley & Fairview + Eden	Fairview + Eden
Hotel Rooms	192	239	47
Estimated Room Revenues	\$5,370,000	\$6,274,000	\$904,000
Hotel Tax (2)	\$537,000	\$627,000	\$90,000

Source: Berkson Associates; CoStar Group.

5/3/23

(1) Estimated revenues not detailed by community to maintain confidentiality of individual businesses.

(2) TOT rate 10 percent.

**Table A-1
Preliminary Incorporation Schedule**

Task	2024					2025												July 1, 2026 Start of City
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
Preliminary Comprehensive Fiscal Analysis (IFA)																		
IFA Completed 2023																		
Proponents' Public Outreach (ongoing)	█	█	█	█	█													
Initiate Incorporation Process																		
Proponents prepare legal description	█	█	█	█														
Petition/Application Submitted by Residents			█	█	+													
Submittal of IFA with Incorporation Application			█	█	+													
LAFCO prepares/adopts Incorporation Policies			█	█	+													
LAFCO deems App. complete, CEQA review				█	█	█	█											
Comprehensive Fiscal Analysis																		
LAFCO issues RFP/engages CFA consultant					+	█	█	+										
County releases recent year budget data		+																
Consultant distributes Requests for Information							+	█										
Consultants receives responses/followup								+	█									
County Auditor determines Property Tax Ratio									+	█								
LAFCO determines boundary scenarios (if any)							█	█	█	█	█	█	█					
Admin Draft CFA prepared							█	█	█	█	█	█	█	+				
Admin Draft CFA previewed w/Proponents, Cnty													+					
LAFCO releases Public Review CFA													+					
Public Hearing CFA Prepared/Released													█	+	█			
Revenue Neutrality/Transition Negotiations																		
Proponents meet with County																		
Revenue Neutrality Agreement Finalized													█	█	█	+		
Other Actions																		
LAFCO prepares environmental review																		
LAFCO staff report w/Terms & Conditions, Reso.													█	█	+			
LAFCO Hearings																		
LAFCO Hearing on Public Review CFA																	+	
LAFCO Hearing on Incorporation Proposal*																	+	
Election Process																		
County calls for an election																		+
Election (at least 88 days later)																		+
Cityhood																		
Effective Date of City: July 1, 2026**																		
Transition Period (continued City services) - July 1, 2026 through June 30, 2027																		

Note: schedule is preliminary overview and subject to further review/revision by LAFCO.

* Multiple LAFCO hearings may be required; schedule assumes that State Controller review of the CFA is not requested, which could delay the process up to 3 months.

** Start Date of new city will depend on certification of election results and required filings.

2023-03-09

**Table B-2
Key Factors (Demographics, Area, Roads, A.V., Sales Tax)
Castro Valley Preliminary Comprehensive Fiscal Analysis**

Item	Description	Castro Valley	Other Communities			
			Ashland	Cherryland	Fairview	Hayward Acres
<u>Demographics</u>						
Population	Residents	66,441 44%	23,823 16%	15,808 10%	11,341 7%	4,266 3%
	County of Alameda (Jan 1, 2022)					
	Unincorporated Alameda County					
	Incorporated Alameda County					
	Total County					
Employment	Jobs within each community Unincorporated Alameda County	12,647	3,196	1,600	858	1,853
Persons Served	Residents +	66,441	23,823	15,808	11,341	4,266
	50% Jobs within each community	6,324	1,598	800	429	927
	Total Persons Served	72,765 45%	25,421 16%	16,608 10%	11,770 7%	5,193 3%
<u>Area Served</u>						
Land Area	Land Area by Community (sq.mi.)	10.77	1.78	1.24	2.81	0.24
<u>Infrastructure</u>						
Roads (centerline mi)	Roads (centerline miles) by Community	197.8	45.4	23.7	35.2	5.9
	Total Unincorporated County Roads					
<u>Revenues</u>						
Assessed Value		11,679,133,741.0	1,826,031,001.0	1,099,000,790.0	1,872,231,898.0	269,818,719.0
Sales Tax		3,981,322.0	2,328,832.0	612,889.0	28,037.0	686,277.0

**Table B-2
Key Factors (Demographics, Area, Roads, A.V., Sales Tax)
Castro Valley Preliminary Comprehensive Fiscal Analysis**

Item	Description	TOTAL		TOTAL	Source
		San Lorenzo	Other Communities	ALL COMMUNITIES	
<u>Demographics</u>					
Population	Residents	29,581 20%	84,819 56%	151,260 100%	2020 population https://www.census.gov/quickfacts/fact/hayward-acres 2019 from "Unincorporated Area Profile", Ala. Cnty-Oakland Community Action Partnership, 2/2022.
	County of Alameda (Jan 1, 2022)			Cnty of Alameda	
	Unincorporated Alameda County			149,506	Dept. of Finance (Population_E-1_2022)
	Incorporated Alameda County			<u>1,502,473</u>	
	Total County			1,651,979	
Employment	Jobs within each community Unincorporated Alameda County	3,170	10,677	23,324	Source: https://onthemap.ces.census.gov/ Hayward Acres is not a "place"; jobs for Hayward Acres based on total jobs per \$100k taxable sales for all areas.
Persons Served	Residents +	29,581	84,819	151,260	
	50% Jobs within each community	<u>1,585</u>	<u>5,339</u>	<u>11,662</u>	
	Total Persons Served	31,166 19%	90,158 55%	162,922 100%	
<u>Area Served</u>					
Land Area	Land Area by Community (sq.mi.)	2.82	8.89	19.66	Source: CDA
<u>Infrastructure</u>					
Roads (centerline mi)	Roads (centerline miles) by Community	59.0	169.15	366.95	Source: CDA, Robert Taylor, 2/15/2023.
	Total Unincorporated County Roads			473	State Roads Report Uninc. Cnty Total
<u>Revenues</u>					
Assessed Value		3,045,795,016.0	8,112,877,424.0	19,792,011,165.0	
Sales Tax		999,432.0	4,655,467.0	8,636,789.0	

Table B-4a
City Budget Forecast Summary
Castro Valley and Other Unincorporated Communities

Item	Castro Valley Only	Castro Valley & Fairview+Eden	Fairview+Eden
REVENUES			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	537,010	627,417	90,407
Utility Users Tax	4,491,457	10,056,524	5,565,067
Business License Tax	1,645,262	3,683,797	2,038,535
Other Revenues	<u>9,276,649</u>	<u>19,008,972</u>	<u>9,732,323</u>
Subtotal, Revenues	\$35,908,710	\$77,723,843	\$41,815,133
EXPENDITURES			
Administration	\$9,356,540	\$18,852,108	\$11,818,538
Police & Animal Shelter	22,055,188	49,412,913	27,357,725
Community Development	5,253,186	10,763,493	6,706,250
Public Works	5,603,564	11,481,398	7,153,545
Other	<u>879,686</u>	<u>1,947,377</u>	<u>1,067,691</u>
Subtotal, Expenditures	\$43,148,163	\$92,457,289	\$54,103,749
NET	(\$7,239,454)	(\$14,733,446)	(\$12,288,616)
VLF if Transferred (1)	<u>\$7,020,786</u>	<u>\$15,719,777</u>	<u>\$8,698,991</u>
NET with VLF Transfer	(\$218,668)	\$986,332	(\$3,589,625)

(1) Estimated Property Tax in lieu of Vehicle License Fees if transferred from County as part of property tax exchange (requires legislation). 6/25/23

Table B-4b
City Road Fund Summary
Castro Valley and Other Unincorporated Communities

Item	Castro Valley Only	Castro Valley & Fairview+Eden	Fairview+Eden
REVENUES			
Road-related Revenues	\$9,593,000	\$21,841,000	\$12,247,000
EXPENDITURES			
Road Maintenance	\$4,182,000	\$7,758,000	\$3,576,000
Other (reconstruction, new)	\$5,411,000	\$14,083,000	\$8,671,000

(1) Based on City of San Leandro per resident estimates for gas taxes, Measures B, BB and F. Actual revenues will vary depending on collections, planned projects, and allocations.

(2) Road maintenance from PWA estimated \$10 mill. Countywide (PWA 4/11/2023 Response to Data Request), 473 centerline miles.

(3) Revenues not required for ongoing maintenance assumed allocated to capital improvements (major reconstruction, new infrastructure, etc.)

**Table B-5a
Castro Valley and Other Unincorporated Communities**

Item	Source	Castro Valley &		
		Castro Valley 1	Eden/Fairview 2	Eden/Fairview 3
REVENUES				
Property Tax	Table B-5b, Note 1	\$15,077,231	\$33,758,429	\$18,681,198
Sales Tax	Table B-5b, Note 2	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	Table B-5b, Note 3	537,010	627,417	90,407
Utility Users Tax	Table B-5b, Note 4	4,491,457	10,056,524	5,565,067
Business License Tax	Table B-5b, Note 5	1,645,262	3,683,797	2,038,535
Licenses & Permits	(1) Table B-5b, Note 6	736,681	1,649,453	912,772
Fines, Forfeitures, and Penalties	(1) Table B-5b, Note 7	2,136,886	4,784,561	2,647,674
Revenue from Money and Property	Table B-5b, Note 8	178,650	386,686	208,035
Charges for Current Services	(2) Table B-5b, Note 9	1,837,291	4,113,756	2,276,465
Franchise Fees	Table B-5b, Note 10	1,175,379	2,631,714	1,456,335
Real Property Transfer Tax	Table B-5b, Note 11	3,211,762	5,442,803	2,231,041
Subtotal, Revenues		\$35,908,710	\$77,723,843	\$41,815,133
EXPENDITURES				
City Council	Table B-5b, Note 1	595,161	1,354,948	759,787
City Manager	Table B-5b, Note 2	1,583,990	3,606,122	2,022,132
City Attorney	Table B-5b, Note 3	741,490	1,381,609	946,591
City Clerk	Table B-5b, Note 4	736,830	845,818	940,642
City Finance	Table B-5b, Note 5	2,343,430	4,150,226	2,991,638
Administration (HR & Non-Dept.)	Table B-5b, Note 6	3,355,638	7,513,386	4,157,748
Police	Table B-5b, Note 7	21,240,715	47,558,679	26,317,964
Animal Control	Table B-5b, Note 8	814,473	1,854,234	1,039,761
Community Development	Table B-5b, Note 9	5,253,186	10,763,493	6,706,250
Public Works	Table B-5b, Note 10	5,603,564	11,481,398	7,153,545
Parks and Recreation	Table B-5b, Note 11	na	na	na
Economic Development (6)	Table B-5b, Note 12	200,000	400,000	200,000
Vehicle Replacement (7)	Table B-5b, Note 13	679,686	1,547,377	867,691
Subtotal, Expenditures		43,148,163	92,457,289	54,103,749
ANNUAL NET		(7,239,454)	(14,733,446)	(12,288,616)
ROAD FUND				
Revenues (3)	Table B-5b, Note 12	9,593,451	21,840,511	12,247,060
Expenditures (4), (5)	Table B-5b, Note 14			
Road Maintenance	\$21,125 /cntrline	4,178,550	7,751,864	3,573,315
Other (Major Reconstruction, New CIP)		5,414,901	14,088,647	8,673,745

(1) Based on County Unincorporated per capita (County Sched. 9).

(2) Includes per unincorporated population Planning (Other Charges) and Building Inspection (Other Revenues).

(3) Road Fund revenues based on City of San Leandro; actual amounts will vary.

(4) Road maintenance based on \$10,000,000 Unincorporated 473 Centerline miles (State Roads Rpt)

(5) Road maintenance does not include major road capital improvements.

(6) Economic Development assumes 1 to two staff plus expenses.

(7) Vehicle replacement for police vehicles (based on Dublin); other departments vehicles included in internal service charges

**Table B-5b
City Revenue Notes
Castro Valley and Other Unincorporated Communities**

Item	Assumptions	Castro Valley	Castro Valley + Eden/Fairview	Eden/Fairview
General Revenues				
1 Property Tax				
Total Assessed Value (mill\$)	(1)	\$11,679 mill.	\$19,792 mill.	\$8,113 mill.
1% Property Tax (all agencies)		\$116,791,337	\$197,920,112	\$81,128,774
Share to City	(2)	12.9%	17.1%	23.0%
Property Tax to City	Table B-5d	\$15,077,231	\$33,758,429	\$18,681,198
2 Sales Tax				
1% Sales Tax	(3)	\$3,981,322	\$8,636,789	\$4,655,467
City share of unallocated pool	(4)	\$899,779	\$1,951,914	\$1,052,136
Net Sales Tax to County/City	22.6% of 1% HdL CY22	\$4,881,101	\$10,588,703	\$5,707,603
Source: Alameda County (HdL) 4/7/2023	\$70.00 avg.			
3 Transient Occupancy Tax				
Hotel Rooms (cumulative)	(5)	192	239	47
Total Estimated Room Revenues		\$5,370,099	\$6,274,168	\$904,069
Total GF Transient Occupancy Tax	10.0%	\$537,010	\$627,417	\$90,407
4 Utility Users Tax				
Alameda County Sched. 6 FY23	(6)	\$4,491,457	\$10,056,524	\$5,565,067
	\$61.73 per person served Table B-9b			
5 Business License Tax				
Alameda County Sched. 6 FY23	(6)	\$1,645,262	\$3,683,797	\$2,038,535
	\$22.61 per job Table B-9b			
6 Licenses & Permits				
Alameda County Sched. 6 FY23	(6)	\$736,681	\$1,649,453	\$912,772
	\$10.12 per cap Table B-9b			
7 Gen. Fines, Forfeits, & Penalties				
Alameda County Sched. 6 FY23	(6)	\$2,136,886	\$4,784,561	\$2,647,674
	\$29.37 per cap Table B-9b			
8 Revenue from Money & Property				
BA estimate		\$178,650	\$386,686	\$208,035
	0.50% of total revenues			
Revenue from Federal Agencies				
Not Applicable	(7) none assumed in analysis			

**Table B-5b
City Revenue Notes
Castro Valley and Other Unincorporated Communities**

Item	Assumptions	Castro Valley	Castro Valley + Eden/Fairview	Eden/Fairview
Revenue from Other Agencies	(7) none assumed in analysis			
Not Applicable				
9 Charges for Current Services	(8) \$ 25.25 per cap	\$1,837,291	\$4,113,756	\$2,276,465
USB Planning and Building Inspection				
	Table B-10c			
10 Franchise Fees	(6)			
Total Franchise Fees	\$16.15 per cap	\$1,175,379	\$2,631,714	\$1,456,335
Alameda County Sched. 6 FY23	\$2,415,000			
11 Real Property Transfer Tax	(9)			
Turnover of A.V.	5% \$0.55 /100 rate	\$3,211,762	\$5,442,803	\$2,231,041
12 Road-Related Revenues	(10) San Leandro			
	Table B-11c			
Gas Tax	\$29.20 per reside	1,939,929	4,416,455	2,476,526
Gas Tax (Section 2103)	\$6.07 per reside	403,588	918,812	515,223
Measure B	\$23.36 per reside	1,551,973	3,533,233	1,981,259
Measure BB	\$80.70 per reside	5,361,636	12,206,335	6,844,699
Measure F (Vehicle Registration Fee)	\$5.06 per reside	<u>336,324</u>	<u>765,676</u>	<u>429,353</u>
Subtotal, Road Fund Revenues		9,593,451	21,840,511	12,247,060

Notes to Table B-5b

- (1) Assessed value from Alameda County CDA GIS; values are approximate.
- (2) Property tax allocation based on Auditor's Ratio times Net Cost of Services transferred from the County to the new City.
- (3) Estimated sales tax provided by HdL to County of Alameda.
- (4) Estimated share of State and County pools from CaliforniaCityFinance.com estimate of Statewide average, 2018.
- (5) Trend Report for Castro Valley Hotels, STR.com.
- (6) Total County revenue amount from Alameda County Schedule 6 reported to the State Controller.
- (7) Grants and other one-time revenues may be received by new City but not assumed.
- (8) Primary source of charges for services are building and planning related.
- (9) Turnover rate could be higher; a 5% rate assumes one sale every 20 years.
- (10) Road Revenues based on City of San Leandro.

Table B-5c
City Expenditure Notes
Castro Valley and Other Unincorporated Communities

Item	Assumptions (1)	Castro Valley +		
		Castro Valley	Eden/Fairview	Eden/Fairview
Expenditures	(2)			
1 City Council				
Basis		San Leandro	San Leandro	San Leandro
Factor	per resident	\$8.96	\$8.96	\$8.96
Total		\$595,161	\$1,354,948	\$759,787
2 City Manager				
Basis		San Leandro	San Leandro	San Leandro
Factor	per resident	\$23.84	\$23.84	\$23.84
Total		\$1,583,990	\$3,606,122	\$2,022,132
3 City Attorney				
Basis		San Leandro	Hayward	San Leandro
Factor	per resident	\$11.16	\$9.13	\$11.16
Total		\$741,490	\$1,381,609	\$946,591
4 City Clerk				
Basis		San Leandro	Hayward	San Leandro
Factor	per resident	\$11.09	\$5.59	\$11.09
Total		\$736,830	\$845,818	\$940,642
5 City Finance				
Basis		San Leandro	Hayward	San Leandro
Factor	per person served	\$35.27	\$27.44	\$35.27
Total		\$2,343,430	\$4,150,226	\$2,991,638
6 Administration (HR & Non-Dept.)	(3)			
Basis		San Leandro	San Leandro	San Leandro
Factor	per person served	\$46.12	\$46.12	\$46.12
Total		\$3,355,638	\$7,513,386	\$4,157,748
7 Police	(4)			
Basis		Dublin	Dublin	Dublin
Factor	per person served	\$291.91	\$291.91	\$291.91
Total		\$21,240,715	\$47,558,679	\$26,317,964
8 Animal Control (shelter)	(5)			
Basis		Cnty (290351)	Cnty (290351)	Cnty (290351)
Factor	per resident	\$12.26	\$12.26	\$12.26
Total		\$814,473	\$1,854,234	\$1,039,761
9 Community Development				
Basis		San Leandro	90%	San Leandro
Factor	per resident	\$79.07	\$71.16	\$79.07
Total		\$5,253,186	\$10,763,493	\$6,706,250
10 Public Works				
Basis		San Leandro	90%	San Leandro
Factor		\$84.34	\$75.91	\$84.34
Total		\$5,603,564	\$11,481,398	\$7,153,545
11 Parks and Recreation				
Basis		No change in current provider (HARD)		
Factor				
Total		\$0	\$0	\$0

Table B-5c
City Expenditure Notes
Castro Valley and Other Unincorporated Communities

Item	Assumptions (1)		Castro Valley +		
			Castro Valley	Eden/Fairview	Eden/Fairview
12 Economic Development					
Basis	(6)	FTE	1	2	1
Factor		\$200,000 per FTE	\$200,000	\$200,000	\$200,000
Total			\$200,000	\$400,000	\$200,000
13 Vehicle Replacement	(4)				
Basis			San Leandro	San Leandro	San Leandro
Factor			\$10.23	\$10.23	\$10.23
Total			\$679,686	\$1,547,377	\$867,691
14 Road Maintenance					
Road Maintenance		\$21,142 per centerline mi	4,181,818	7,757,928	3,576,110
Road maintenance based on Unincorporated Countywide	(7)	\$10,000,000 473 centerline miles			
Miles by City boundary			197.8	367.0	169.2
Road maintenance does not include major road capital improvements.					

Notes to Table B-5c

Table B-5d
City Property Tax Summary
Castro Valley and Other Unincorporated Communities

Item	Castro Valley +		
	Castro Valley	Eden/Fairview	Eden/Fairview
Total Assessed Value	\$11,679 mill.	\$19,792 mill.	\$8,113 mill.
1% Property Tax (all agencies)	\$116,791,337	\$197,920,112	\$81,128,774
Share from County	12.91%	17.06%	23.03%
Amount from County & Districts	\$15,077,231	\$33,758,429	\$18,681,198
Net Property Tax to City	\$15,077,231	\$33,758,429	\$18,681,198

Table B-6
Fiscal Impact on the County (Revenue Neutrality)
Castro Valley and Other Unincorporated Communities

Item	Castro Valley Only	Castro Valley & Eden/Fairview	Only Eden/Fairview
Revenue Reductions			
Property Tax	\$15,077,231	\$33,758,429	\$18,681,198
Sales and Use Tax	4,881,101	10,588,703	5,707,603
Transient Occupancy Tax	537,010	627,417	90,407
Utility Users Tax	4,491,457	10,056,524	5,565,067
Business License Tax	1,645,262	3,683,797	2,038,535
Other Revenues (1)	<u>7,439,358</u>	<u>14,895,217</u>	<u>7,455,858</u>
Total Revenue Reductions	\$34,071,419	\$73,610,087	\$39,538,668
Net Expenditure Reductions (1)	\$30,629,812	\$68,581,183	\$37,951,371
Net Gain (or loss) to County General Fund	(\$3,441,607)	(\$5,028,904)	(\$1,587,296)

(1) Net of Charges for Services.

6/26/23

Table B-7
Property Tax Transfer from County
Castro Valley and Other Unincorporated Communities

Item		Castro Valley Only	Castro Valley & Eden/Fairview	Only Eden/Fairview
A. Transfer of Property Tax Base				
A.1 Total Net Expenditures Subject to Transfer	Table B-8	\$30,629,812	\$68,581,183	\$37,951,371
A.2 County Auditor's Determination ("Auditor's Ratio")	Table B-9a	49.2%	49.2%	49.2%
A.3 Property Tax Transferred from County to new city = A.1 * A.2		\$15,077,231	\$33,758,429	\$18,681,198
A.4 Property Tax Transferred from Districts		na	na	na
A.5 Total Property Tax Base		\$15,077,231	\$33,758,429	\$18,681,198
If Motor Vehicle-ERAF is inc. as "Property Tax"				
Auditor's Determination is 72.1%		\$22,098,017	\$49,478,207	\$27,380,190
Increase due to VLF transfer		\$7,020,786	\$15,719,777	\$8,698,991
B. Estimated Tax Allocation Factor				
B.1 Assessed Value		\$11,679,133,741	\$19,792,011,165	\$8,112,877,424
B.2 Total Property Tax Collected (all agencies) = 1% * B.1		\$116,791,337	\$197,920,112	\$81,128,774
B.3 Tax Allocation Factor from County = A.3 / B.2		12.9%	17.1%	23.0%
B.4 Tax Allocation Factor from Districts = A.4 / B.2		na	na	na
B.5 Assumed Tax Allocation Factor = B.3 + B.4		12.9%	17.1%	23.0%

Table B-8
Base Year Net Cost for Unincorporated Services Transferred
Castro Valley and Other Unincorporated Communities

Department/Function	Unincorporated Services Budget		Castro Valley +		
	Total	Transferred (1),(4)	Castro Valley (3)	Eden/Fairview (3)	Eden/Fairview (3)
County Fire District	\$62,404,743	\$0	\$0	\$0	\$0
County Library	11,977,619	0	0	0	\$0
Community Development Agency (4)	17,043,286	13,595,875	6,072,206	13,595,875	\$7,523,669
Public Works Agency	145,193,880	145,193,880	64,846,668	145,193,880	\$80,347,212
Sheriff's Office	<u>73,990,620</u>	<u>38,013,468</u>	<u>16,977,622</u>	<u>38,013,468</u>	<u>\$21,035,846</u>
Subtotal, Unincorporated Services	\$310,610,148	\$196,803,223	\$87,896,496	\$196,803,223	\$108,906,727
General Government (3)	\$27,244,341	\$17,262,070	\$7,709,607	\$17,262,070	\$9,552,463
TOTAL SERVICES COST	\$337,854,489	\$214,065,293	\$95,606,103	\$214,065,293	\$118,459,191
(less) Revenues (2),(4)	(\$264,703,969)	(\$145,484,110)	(\$64,976,291)	(\$145,484,110)	(\$80,507,819)
NET COUNTY COST OF SERVICES TRANSFERRED	\$73,150,520	\$68,581,183	\$30,629,812	\$68,581,183	\$37,951,371

Basis for transfer of property tax from County to New City = Net Cost * Auditors Ratio.

(1) County Library and County Fire District are not assumed to transfer services to the new city but will continue as is.

(2) Less dedicated and restricted revenues (fees, grants); transferred excludes revenues for services not transferred (fire, library), and other General Revenues including Business License, Utility Users, and Hotel & Lodging Tax.

General revenues excluded from Uninc. Budget \$16,417,802 excluded (GF funds Net County Cost)

County Fire District and County Library revenues 74,382,362 not transferred

\$90,800,164

Police Protection CSA-PP-1991-1

\$24,972,284

\$3,447,411

Neighborhood Preservation excluded from costs and revenues.

\$119,219,859

(3) General Government \$281,425,129 8.8% Gen'l Gov't as %

Total Other General Fund Expenditures \$3,208,501,161

Source: Alameda County Final Budget 2022-23, General Fund Summary by Program, pg. 363-4.

(4) CDA excludes "Neighborhood Preservation and Sustainability" program costs serving rural areas only (and revenues). \$3,447,411

Table B-9a
County Auditor's Ratio: Countywide Property Tax % of General Purpose Revenue
Castro Valley and Other Unincorporated Communities

Item	FY22-23 Adopted Amount	Comments
A.1 Property Tax Revenue to the County (1)	\$615,102,971	Excludes "Motor Vehicle - ERAF" (aka Property Tax in-lieu of VLF)
A.2 Other General Purpose Revenue	<u>\$634,495,732</u>	
A.3 Total Net Revenue Available for General Purposes (A.1 + A.2)	\$1,249,598,703	
A.4 Property Tax as % of Total Revenue Available for General Purposes (A.1 / A.3)	49.2%	
If Motor Vehicle - ERAF is included "Property Tax"	72.1%	

(1) "Property Tax in-Lieu of VLF" excluded from property tax per State Controller's Office Review of the Proposed Incorporation of the Town of Olympic Valley (Placer County), October 2015, which cited Revenue and Tax Code §93(b).
 See Table B-9b for additional detail. 5/8/23

**Table B-9b
County Budget Detail**

FINANCING SOURCE ACCOUNT	2022-2023 ADOPTED BY BOARD OF SUPERVISORS	PROPERTY TAXES	REVS AVAIL FOR GEN'L PURPOSES	REVS NOT AVAIL FOR GEN'L PURPOSES	Notes
GENERAL FUNDS					Uninc. pop.149,506
TAXES					
PROPERTY TAXES CURR SEC	527,952,971				
PROPERTY TAXES CURRENT UNSEC	28,000,000				
PROPERTY TAXES SUPPLEMENTAL	12,000,000				
PROPERTY TAXES PRIOR SECURED	.				
PROP TAXES PRIOR UNSECURED	.				
PROP TAXES PR SA UNSECURED	50,000				
PROP TAXES RESIDUAL RPTTF	47,100,000				
PROP TAXES DDR OTHER	.				
SUBTOTAL, PROPERTY TAX	615,102,971	615,102,971	615,102,971		
SALES & USE TAXES	25,000,000		25,000,000		
SALES & USE TAXES-IN LIEU	1,600,000		1,600,000		
SALES & USE TAXES-MEASURE A	<u>43,808,364</u>			43,808,364	
SUBTOTAL, SALES TAXES	70,408,364				
AIRCRAFT TAXES	2,700,000				
PROPERTY TRANSFER TAXES	24,410,601				
RACE HORSE TAXES	1,000				
BUSINESS UC TAX ORD 0-91-3	3,458,596				
UTILITY USERS' TAX	10,056,524				
HOTEL AND LODGING TAX	<u>774,767</u>				
SUBTOTAL, OTHER TAXES	41,401,488		41,401,488		
TOTAL TAXES	726,912,823				
LICENSES, PERMITS AND FRANCHISES					
ANIMAL LICENSES	14,651				
BUSINESS LICENSES	225,201				
CONSTRUCTION PERMITS	3,770,000				
ZONING PERMITS	125,000				
MARRIAGE LICENSES	537,693				
MARRIAGE LICENSES-CONFIDENTIAL	.				
BURIAL PERMITS	45,098				
VEHICLE REGISTRATION FEES	2,454,395				
OTHER LICENSES & PERMITS	1,513,625				\$10.12 per capita
SUBTOTAL, LICENSES	8,685,663		8,685,663		
FRANCHISES	<u>2,415,000</u>				
SUBTOTAL, FRANCHISES	2,415,000		2,415,000		\$16.15 per capita
TOTAL LICENSES, PERMITS &	11,100,663				
FINES, FORFEITURES AND PENALTIES					
MOTOR VEHICLE FINES & FORFEITS	3,150,000				
GENERAL FINES & FORFEITS	4,390,566				\$29.37 per capita
FINES IMP AS COND OF PROBATION	15,908				
STATUTORY PENAL TIES	8,000				
PENALTIES ON DEL TAXES	1,500,000				
REDEMPTION FEES ON DEL TAXES	.				
COSTS ON DEL TAXES	.				
JUDGMENTS & DAMAGES	61,000				
AGRICULTURAL FINES	7,000				
SUBTOTAL, FINES	9,132,474		9,132,474		
REVENUE FROM USE OF MONEY AND					
INTEREST ON INVESTMENTS	10,000,000				
INTEREST FROM OTHER SOURCES	8,435				
RENT OF LAND & BUILDINGS	2,089,813				
RENT OF TELEPHONES	<u>1,305</u>				
SUBTOTAL, USE OF MONEY AND PROI	12,099,553		12,099,553		

**Table B-9b
County Budget Detail**

FINANCING SOURCE ACCOUNT	2022-2023 ADOPTED BY BOARD OF SUPERVISORS	PROPERTY TAXES	REVS AVAIL FOR GEN'L PURPOSES	REVS NOT AVAIL FOR GEN'L PURPOSES	Notes
GENERAL FUNDS					Uninc. pop.149,506
INTERGOVERNMENTAL REVENUES -					
MOTOR VEHICLE-ERAF	286,425,700		286,425,700		
HOMEOWNERS' PROP TAX RELIEF	3,117,000		3,117,000		
REALIGNMENT-SALES TAX	181,137,237		181,137,237		
REALIGNMENT-VLF	21,071,353		21,071,353		
REALIGNMENT-CALWORKS SALES	.			.	
REALIGNMENT-TRIAL CT SECURITY	26,641,226			26,641,226	
REALIGNMENT-LOCAL COMM	54,584,127			54,584,127	
REALIGNMENT-DISTRICT ATTORNEY	814,538			814,538	
REALIGNMENT-PUBLIC DEFENDER	814,538			814,538	
REALIGNMENT-2011 SALES TAX	238,477,144			238,477,144	
SB 90 MANDATED COSTS	300,264		300,264		
STATE AID/DISASTER	.			.	
STATE SOCIAL SVS ADM	88,423,083			88,423,083	
STATE PUBLIC ASSIST PROGRAMS	72,442,562			72,442,562	
STATE HEALTH ADMINISTRATION	45,491,658			45,491,658	
STATE HEAL TH PROGRAMS	186,758,661			186,758,661	
STATE HEAL TH SUBVENTIONS	223,300			223,300	
TOBACCO TAX REVENUE-PROP	150,000			150,000	
STATE AGRICULTURE PROGRAMS	4,194,730			4,194,730	
STATE AID/PUBLIC PROTECTION	249,839,628			249,839,628	
OFF-HIGHWAY MOTOR VLF	9,000			9,000	
PEACE OFFICER TRAINING	100,000			100,000	
TITLE IV-E	600,000			600,000	
STATE AID FOR EDUCATION	2,696,800			2,696,800	
TRIAL COURT FUNDING	.			.	
MISCELLANEOUS STATE AID	43,703,031			43,703,031	
SUBTOTAL, INTERGOVERNMENTAL	1,508,015,580				
INTERGOVERNMENTAL REVENUES - FEDERAL					
FEDERAL AID/DISASTER	513,811				
FEDERAL SOCIAL SVCS ADM	198,157,280				
FEDERAL PUBLIC ASSIST PROGRAMS	97,270,757				
FEDERAL HEAL TH ADMINISTRATION	105,608,653				
MAA					
TCM					
FEDERAL HEAL TH PROGRAMS	83,611,954				
HUD	5,012,374				
MISCELLANEOUS FEDERAL AID	45,145,223				
SUBTOTAL FEDERAL	535,320,052			535,320,052	
INTERGOVERNMENTAL REVENUES- OTHER					
LOCAL HOUSING AUTH IN-LIEU	10,000		10,000		
REDEVELOPMENT IN LIEU OF TAXES	42,100,000		42,100,000		
CONTRIBUTIONS FROM CITIES	932,076			932,076	
CONTRIBUTIONS FROM AUTHORITIES	.			.	
CONTRIBUTIONS FROM DISTRICTS	34,900,702			34,900,702	
SUBTOTAL, INTERGOVERNMENTAL	77,942,778				

**Table B-9b
County Budget Detail**

FINANCING SOURCE ACCOUNT	2022-2023 ADOPTED BY BOARD OF SUPERVISORS	PROPERTY TAXES	REVS AVAIL FOR GEN'L PURPOSES	REVS NOT AVAIL FOR GEN'L PURPOSES	Notes
GENERAL FUNDS					Uninc. pop.149,506
CHARGES FOR SERVICES					
ASSMTS & TAX COLL FEES	13,362,505				
PROPERTY TAX ADM-ABX1 26					
PROPERTY TAX ADM-OVERSIGHT					
PROPERTY TAX ADMINISTRATION	8,567,250				
PROPERTY TAX ADM-SUPPLEMENTAL	5,654,424				
AUDITING & ACCOUNTING FEES	1,046,132				
COLLECTION SERVICE FEES	1,720,000				
COMMUNICATION SERVICES	103,000				
ELECTION SERVICES	15,281,273				
PERSONNEL SERVICES	1,170,529				
TRAINING FEES	8,536				
LEGAL SERVICES	6,488,500				
INTER-FUND SERVICE FEES	30,643,672				
CO OVERHEAD REIMBURSEMENT					
ASSESSMENTS	5,737,414				
PLANNING & ENGINEERING SVCS	514,831				
AGRICULTURAL SERVICES	214,950				
COURT FEES & COSTS	4,858,751				
COURT FILING FEES & COSTS	.				
BAIL FEES & ADM COSTS	.				
JURY, WITNESS & INTERP FEES	.				
RECORD SEARCH FEES	.				
LAW ENFORCEMENT SERVICES	59,786,067				
BOOKING FEES	.				
INSTITUTIONAL CARE & SERVICES	22,688,400				
CITY & FEDERAL PRISONERS	.				
CIVIL PROCESS SERVICE	325,000				
HUMANE SERVICES	45,000				
ESTATE FEES	411,000				
RECORDING FEES	9,576,112				
RECORDING FEES-AB 1938	.				
RECORDING FEES-NOTARIES	.				
RECORDING FEES-FICTITIOUS BUS	.				
RECORD FEES-INVOLUNTARY LIENS	.				
RECORD FEES-OWNERSHIP CHANGE	.				
RECORD FEES-STATE TRIAL CTS	.				
RECORDING FEES-SB2 ADMIN COSTS	.				
VITAL RECORDS FEES	1,425,000				
VITAL RECORDS FEES-MARRIAGE	.				
VITAL RECORDS FEES-DEATH	.				
MARRIAGE CEREMONIES	.				
GUARDIANSHIP FEES	725,000				
ADOPTION FEES	51,600				
HEALTH FEES & SERVICES	420,000				
ENVIRONMENTAL HLTH SVC FEES	19,318,744				
PATIENT FEES	13,483				
INSURANCE	251,183				
MEDI-CAL	189,766,421				
MEDICARE	243,092				
OTHER CHARGES FOR CURRENT SVCS	20,200,602				
OTHER CHARGES-COPY WORK	.				
OTHER CHARGES-HANDLING	.				
OTHER CHARGES-CERTIFICATION	.				
SUBTOTAL, CHARGES FOR	420,618,471			420,618,471	

**Table B-9b
County Budget Detail**

FINANCING SOURCE ACCOUNT	2022-2023 ADOPTED BY BOARD OF SUPERVISORS	PROPERTY TAXES	REVS AVAIL FOR GEN'L PURPOSES	REVS NOT AVAIL FOR GEN'L PURPOSES	Notes
GENERAL FUNDS					Uninc. pop. 149,506
MISCELLANEOUS REVENUES					
SALE OF MEALS	148,864				
SALES OF GOODS & MATERIALS	268,000				
SALES-SERVICES	.				
DISCOUNTS	100,000				
CONTRIBUTIONS/DONATIONS	342,825				
GENERAL RELIEF REFUNDS	2,982,282				
INSURANCE PROCEEDS	.				
TOBACCO TAX SETTLEMENT	3,175,002				
UNCLAIMED MONEY & CASH OVERAGE	1,000,000				
INTEREST TRSFRD FR OTHER FUNDS	7,920,000				
OTHER REVENUE	98,656,503				
RETURNED CHECK FEES	.				
TOBACCO HEALTH CARE INITIATIVE	.				
SUBTOTAL, MISCELLANEOUS REVENUES	114,593,476			114,593,476	
TOTAL	3,415,735,870	615,102,971	1,249,598,703	2,166,137,167	3,415,735,870
OTHER FINANCING SOURCES - TRANSFE	42,357,213	49.2%	PROPERTY TAX AS % OF REVENUES AVAILABLE FOR GENERAL PURPOSES		
GRAND TOTAL	3,458,093,083	72.1%	if "MOTOR VEHICLE-ERAF" included as property tax		

Source: County of Alameda Detail of Additional Financing Sources by Fund and Account, Governmental Funds FY 2022-23, Schedule 6.

Table B-10a
County Unincorporated Services Expenditures FY2022-23
Castro Valley and Other Unincorporated Communities

Department	Amount (1)	Total Cost Per Resident (3)
Community Development Agency		
260305 Housing & Community Development	1,616,561	10.81
260400 Planning	8,745,657	58.50
260920 Successor Agency	3,233,657	21.63
260950 Neighborhood Preservation and Sustainability	<u>3,447,411</u>	23.06
Subtotal, CDA	17,043,286	114.00
		0.00
County Library	11,977,619	80.11
		0.00
		0.00
Fire Department		0.00
280101 Fire District - Zone 1	4,607,216	30.82
280111 Fire District - ALACO	<u>57,797,527</u>	386.59
Subtotal, Fire Department	62,404,743	417.41
Public Works Agency		
270100 Public Works Administration	1,785,270	0.00
270200 Building Inspection	3,775,000	25.25
270301 Countywide Clean Water Program	420,000	2.81
270311 Flood Control District, Zone 2	16,046,371	107.33
270400 Roads & Bridges	112,583,614	753.04
270501 Public Ways CSA R-1967-1	2,672,230	17.87
270511 Public Ways CSA R-1982-1	258,472	1.73
270521 Public Ways CSA R-1982-2	37,617	0.00
270531 Public Ways CSA PW-1994-1	1,774,806	0.00
270541 Public Ways CSA SL-1970-1	1,511,104	10.11
270551 Public Ways CSA B-1988-1	<u>4,329,396</u>	28.96
Subtotal, Public Works	145,193,880	971.16
Sheriff's Office		
290351 Animal Shelter	2,179,426	14.58
290371 Fish and Game	60,000	0.40
290601 Eden Township Substation	35,834,042	239.68
290611 Records and Warrants	3,236,261	21.65
290631 Youth and Family Services	7,708,607	51.56
290701 Police Protection CSA-PP-1991-1	<u>24,972,284</u>	167.03
Subtotal, Sheriff	73,990,620	494.90
TOTAL (MOE)	\$310,610,148	\$2,077.58
(less) Revenues (MOE)	(\$264,717,802)	
Net County Cost	\$45,892,346	

Notes:

(1) Adopted Budget Fiscal Year 2022-23, Alameda County Special Budgets, Unincorporated Services.

(2) Source: Cal. Dept. of Finance, E-1 149,506 Jan. 1, 2022

Note: community estimates total 151,260.

Table B-10b
County Unincorporated Services Revenues FY2022-23
Castro Valley and Other Unincorporated Communities

Revenue Item	Note	Amount (1)	Revenue per Resident (2)
Property Tax			
Total Property Tax		\$81,800,000	\$547.14
Sales Tax		na	
Hotel & Lodging Tax		1,019,884	\$6.82
Licenses & Permits		na	
Business Licenses		2,810,823	\$18.80
Fines, Forfeitures, and Penalties		na	
Revenue from Money and Property		na	
Revenue from Federal Agencies		na	
Revenue from Other Agencies		na	
Charges for Current Services	(3)	na	
Transfers In		na	
All Other Revenue		102,700,000	\$686.93
Utility Users Tax		12,587,095	\$84.19
Franchise		na	
Property Transfer Taxes		na	
TOTAL		\$200,917,802	\$1,343.88
Available Fund Balance		\$63,800,000	
TOTAL		\$264,717,802	

Notes:

(1) Final Budget Fiscal Year 2022-23, Alameda County Special Budgets, Unincorporated Services, pg. 329.

"na" indicates that detail is not provided in budget or is included in "All Other Revenue", Avail. Fund Balance, or in funding of Net County Cost.

(2) Cal. Dept. of Finance E-1 149,506 Jan. 1, 2022 unincorporated

(3) "Charges for Current Services" included in "All Other Revenue".

	2023
Community Development Agency	
260305 Housing & Community Development	
Appropriation	
Discretionary Services & Supplies	\$1,034,109
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	\$142,258
Other Financing Uses	
Salaries & Employee Benefits	\$440,194
Appropriation Total	\$1,616,561
Revenue	
Available Fund Balance	
Other Revenues	\$1,616,561
Property Tax Revenues	
Revenue Total	\$1,616,561
260400 Planning	
Appropriation	
Discretionary Services & Supplies	\$3,392,836
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$5,352,821
Appropriation Total	\$8,745,657
Revenue	
Available Fund Balance	
Other Revenues	\$1,187,781
Property Tax Revenues	\$2,066,333
Revenue Total	\$3,254,114
260920 Successor Agency	
Appropriation	
Discretionary Services & Supplies	\$1,675,758
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	\$250,000
Other Financing Uses	
Salaries & Employee Benefits	\$1,307,899
Appropriation Total	\$3,233,657
Revenue	
Available Fund Balance	
Other Revenues	\$648,177
Property Tax Revenues	
Revenue Total	\$648,177

	2023
260950 Neighborhood Preservation and Sustainability	
Appropriation	
Discretionary Services & Supplies	\$3,139,577
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$307,834
Appropriation Total	\$3,447,411
Revenue	
Available Fund Balance	
Other Revenues	\$3,447,411
Property Tax Revenues	
Revenue Total	\$3,447,411
CDA TOTAL	
Appropriation	
Discretionary Services & Supplies	\$9,242,280
Fixed Assets	\$-
Intra-Fund Transfer	\$-
Non-Discretionary Services & Supplies	\$-
Other Charges	\$392,258
Other Financing Uses	\$-
Salaries & Employee Benefits	\$7,408,748
Appropriation Total	\$17,043,286
Revenue	
Available Fund Balance	\$-
Other Revenues	\$6,899,930
Property Tax Revenues	\$2,066,333
Revenue Total	\$8,966,263
NET	\$8,077,023

	2023
County Library	
360100 County Library (Unincorporated Area only)	
Appropriation	
Discretionary Services & Supplies	\$5,603,437
Fixed Assets	\$150,000
Intra-Fund Transfer	\$ -
Non-Discretionary Services & Supplies	\$630,000
Other Charges	\$205,107
Other Financing Uses	\$ -
Salaries & Employee Benefits	\$5,389,075
Appropriation Total	\$11,977,619
Revenue	
Available Fund Balance	\$1,339,772
Other Revenues	\$910,218
Property Tax Revenues	\$9,727,629
Revenue Total	\$11,977,619

	2023
Fire Department	
280101 Fire District - Zone 1	
Appropriation	
Discretionary Services & Supplies	\$2,097,216
Fixed Assets	\$2,510,000
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	
Appropriation Total	\$4,607,216
Revenue	
Available Fund Balance	\$4,064,759
Other Revenues	\$72,500
Property Tax Revenues	\$469,957
Revenue Total	\$4,607,216
280111 Fire District - ALACO	
Appropriation	
Discretionary Services & Supplies	\$10,546,785
Fixed Assets	\$27,584
Intra-Fund Transfer	\$2,064,759
Non-Discretionary Services & Supplies	\$511,070
Other Charges	\$147,468
Other Financing Uses	
Salaries & Employee Benefits	\$44,499,861
Appropriation Total	\$57,797,527
Revenue	
Available Fund Balance	\$1,495,951
Other Revenues	\$10,801,166
Property Tax Revenues	\$45,500,410
Revenue Total	\$57,797,527
FIRE DEPARTMENT TOTAL	
Appropriation	
Discretionary Services & Supplies	\$12,644,001
Fixed Assets	\$2,537,584
Intra-Fund Transfer	\$2,064,759
Non-Discretionary Services & Supplies	\$511,070
Other Charges	\$147,468
Other Financing Uses	\$-
Salaries & Employee Benefits	\$44,499,861
Appropriation Total	\$62,404,743
Revenue	
Available Fund Balance	\$5,560,710
Other Revenues	\$10,873,666
Property Tax Revenues	\$45,970,367
Revenue Total	\$62,404,743
NET	\$-

	2023
Public Works Agency	
270100 Public Works Administration	
Appropriation	
Discretionary Services & Supplies	\$970,000
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$5,270
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$810,000
Appropriation Total	\$1,785,270
Revenue	
Available Fund Balance	
Other Revenues	\$310,320
Property Tax Revenues	
Revenue Total	\$310,320
270200 Building Inspection	
Appropriation	
Discretionary Services & Supplies	\$1,101,272
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$200,078
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$2,473,650
Appropriation Total	\$3,775,000
Revenue	
Available Fund Balance	
Other Revenues	\$3,775,000
Property Tax Revenues	
Revenue Total	\$3,775,000
270301 Countywide Clean Water Program	
Appropriation	
Discretionary Services & Supplies	\$1,070,020
Fixed Assets	
Intra-Fund Transfer	\$(936,363)
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$286,343
Appropriation Total	\$420,000
Revenue	
Available Fund Balance	
Other Revenues	\$420,000
Property Tax Revenues	
Revenue Total	\$420,000

	2023
270311 Flood Control District, Zone 2	
Appropriation	
Discretionary Services & Supplies	\$13,332,924
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$14,135
Other Charges	\$100,000
Other Financing Uses	
Salaries & Employee Benefits	\$2,599,312
Appropriation Total	\$16,046,371
Revenue	
Available Fund Balance	\$8,549,397
Other Revenues	\$3,188,000
Property Tax Revenues	\$4,308,974
Revenue Total	\$16,046,371
270400 Roads & Bridges	
Appropriation	
Discretionary Services & Supplies	\$90,590,126
Fixed Assets	\$1,530,000
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$1,282,776
Other Charges	\$1,306,671
Other Financing Uses	\$2,700,000
Salaries & Employee Benefits	\$15,174,041
Appropriation Total	\$112,583,614
Revenue	
Available Fund Balance	\$45,171,767
Other Revenues	\$67,411,847
Property Tax Revenues	
Revenue Total	\$112,583,614
270501 Public Ways CSA R-1967-1	
Appropriation	
Discretionary Services & Supplies	\$2,304,118
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$360
Other Charges	\$172,852
Other Financing Uses	
Salaries & Employee Benefits	\$194,900
Appropriation Total	\$2,672,230
Revenue	
Available Fund Balance	\$1,146,630
Other Revenues	\$1,471,300
Property Tax Revenues	\$54,300
Revenue Total	\$2,672,230

	2023
270511 Public Ways CSA R-1982-1	
Appropriation	
Discretionary Services & Supplies	\$247,803
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$10,669
Appropriation Total	\$258,472
Revenue	
Available Fund Balance	\$200,772
Other Revenues	\$57,700
Property Tax Revenues	
Revenue Total	\$258,472
270521 Public Ways CSA R-1982-2	
Appropriation	
Discretionary Services & Supplies	\$35,483
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$2,134
Appropriation Total	\$37,617
Revenue	
Available Fund Balance	\$32,017
Other Revenues	\$5,600
Property Tax Revenues	
Revenue Total	\$37,617
270531 Public Ways CSA PW-1994-1	
Appropriation	
Discretionary Services & Supplies	\$1,721,459
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$53,347
Appropriation Total	\$1,774,806
Revenue	
Available Fund Balance	\$1,051,406
Other Revenues	\$723,400
Property Tax Revenues	
Revenue Total	\$1,774,806
270541 Public Ways CSA SL-1970-1	
Appropriation	
Discretionary Services & Supplies	\$1,234,785
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	\$180,294
Other Financing Uses	
Salaries & Employee Benefits	\$96,025
Appropriation Total	\$1,511,104
Revenue	
Available Fund Balance	\$554,242
Other Revenues	\$951,062
Property Tax Revenues	\$5,800
Revenue Total	\$1,511,104
270551 Public Ways CSA B-1988-1	
Discretionary Services & Supplies	\$1,238,773
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$15,660
Other Charges	\$74,963
Other Financing Uses	
Salaries & Employee Benefits	\$3,000,000
Appropriation Total	\$4,329,396
Revenue	
Available Fund Balance	\$206,774
Other Revenues	\$4,122,622
Property Tax Revenues	
Revenue Total	\$4,329,396

	2023
PUBLIC WORKS TOTAL	
Appropriation	
Discretionary Services & Supplies	\$113,846,763
Fixed Assets	\$1,530,000
Intra-Fund Transfer	\$(936,363)
Non-Discretionary Services & Supplies	\$1,518,279
Other Charges	\$1,834,780
Other Financing Uses	\$2,700,000
Salaries & Employee Benefits	\$24,700,421
Appropriation Total	\$145,193,880
Revenue	
Available Fund Balance	\$56,913,005
Other Revenues	\$82,436,851
Property Tax Revenues	\$4,369,074
Revenue Total	\$143,718,930
NET	\$1,474,950

	2023
Sheriff's Office	
290351 Animal Shelter	
Appropriation	
Discretionary Services & Supplies	\$384,772
Fixed Assets	\$60,000
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$372,107
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$1,362,547
Appropriation Total	\$2,179,426
Revenue	
Available Fund Balance	
Other Revenues	
Property Tax Revenues	\$325,192
Revenue Total	\$325,192
290371 Fish and Game	
Appropriation	
Discretionary Services & Supplies	\$60,000
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	
Appropriation Total	\$60,000
Revenue	
Available Fund Balance	
Other Revenues	\$60,000
Property Tax Revenues	
Revenue Total	\$60,000
290601 Eden Township Substation	
Appropriation	
Discretionary Services & Supplies	\$5,236,296
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$9,095,593
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$21,502,153
Appropriation Total	\$35,834,042
Revenue	
Available Fund Balance	
Other Revenues	\$1,126,804
Property Tax Revenues	\$10,898,362
Revenue Total	\$12,025,166
290611 Records and Warrants	
Appropriation	
Discretionary Services & Supplies	\$425,629
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$312,770
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$2,497,862
Appropriation Total	\$3,236,261
Revenue	
Available Fund Balance	
Other Revenues	\$30,000
Property Tax Revenues	
Revenue Total	\$30,000
290631 Youth and Family Services	
Appropriation	
Discretionary Services & Supplies	\$1,120,022
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	\$483,019
Other Charges	
Other Financing Uses	
Salaries & Employee Benefits	\$6,105,566
Appropriation Total	\$7,708,607
Revenue	
Available Fund Balance	
Other Revenues	\$223,772
Property Tax Revenues	

	2023
Revenue Total	\$223,772
290701 Police Protection CSA-PP-1991-1	
Appropriation	
Discretionary Services & Supplies	\$129,000
Fixed Assets	
Intra-Fund Transfer	
Non-Discretionary Services & Supplies	
Other Charges	\$64,545
Other Financing Uses	
Salaries & Employee Benefits	\$24,778,739
Appropriation Total	\$24,972,284
Revenue	
Available Fund Balance	
Other Revenues	\$144,200
Property Tax Revenues	\$24,828,084
Revenue Total	\$24,972,284
SHERIFF TOTAL	
Appropriation	
Discretionary Services & Supplies	\$7,355,719
Fixed Assets	\$60,000
Intra-Fund Transfer	\$-
Non-Discretionary Services & Supplies	\$10,263,489
Other Charges	\$64,545
Other Financing Uses	\$-
Salaries & Employee Benefits	\$56,246,867
Appropriation Total	\$73,990,620
Revenue	
Available Fund Balance	\$-
Other Revenues	\$1,584,776
Property Tax Revenues	\$36,051,638
Revenue Total	\$37,636,414
NET	\$36,354,206

Table B-11a
City of Hayward General Fund Expenditures FY2022-23
Castro Valley and Other Unincorporated Communities

Department	Amount (1)	Total Cost per Resident (2)	Per Person Served (3)
Mayor & Council	\$403,618	\$2.51	\$2.08
City Attorney	\$1,466,838	\$9.13	\$7.55
City Clerk	897,995	\$5.59	\$4.62
City Manager	6,315,035	\$39.32	\$32.52
Development Services	10,313,456	\$64.22	\$53.11
Finance	5,327,976	\$33.18	\$27.44
Fire	48,714,413	\$303.34	\$250.87
Human Resources	3,262,857	\$20.32	\$16.80
Library	7,068,327	\$44.01	\$36.40
Maintenance Services	6,167,728	\$38.41	\$31.76
Police	85,588,665	\$532.96	\$440.76
Public Works & Utilities	3,988,704	\$24.84	\$20.54
Transfers	14,303,000	\$89.06	\$73.66
Non-departmental (4)	<u>167,853</u>	<u>\$1.05</u>	<u>\$0.86</u>
TOTAL	\$193,986,465	\$1,207.95	\$998.98

Notes to Table B-11a

- (1) General Fund Expenditures, FY2022-23 Proposed Budget, pg. 56
(2) Jan. 1, 2022 population (D) 160,591 household population
(3) Census OnTheMap 67,187 Total Jobs within City
Persons Served 194,185 Residents plus 50% of jobs
(4) Departmental expenses include employee costs and internal service charges.

Table B-11b
City of Hayward General Fund Revenues FY2022-23
Castro Valley and Other Unincorporated Communities

Revenue Item	Amount (1)	Total Revenue per Resident (2)	Per Person Served (3)
Property Tax (inc. VLF)	\$62,670,000	\$390.25	\$322.73
Sales & Use Tax	45,534,000	\$283.54	\$234.49
Utility Users Tax	18,000,000	\$112.09	\$92.70
Franchise Fee Tax	11,360,000	\$70.74	\$58.50
Real Property Transfer Tax	17,600,000	\$109.60	\$90.64
Other Taxes (inc. Hotel Tax)	7,581,000	\$47.21	\$39.04
Charges for Services	13,636,000	\$84.91	\$70.22
Inter-governmental	7,969,000	\$49.62	\$41.04
Fines & Forfeitures	2,385,000	\$14.85	\$12.28
Other Revenues	535,000	\$3.33	\$2.76
Interest & Rents	650,000	\$4.05	\$3.35
Transfers In	<u>11,221,000</u>	<u>\$69.87</u>	<u>\$57.79</u>
TOTAL	\$199,141,000	\$1,240.05	\$1,025.52

Notes to Table B-11b

- (1) General Fund Revenues, FY2022-23 Proposed Budget, pg. 59-60
(2) Cal. Dept. of Finance E-1 160,591 Jan. 1, 2022
(3) Census OnTheMap 67,187 Total Jobs within City
Persons Served 194,185 Residents plus 50% of jobs

Table B-11c
City of San Leandro General Fund Expenditures FY2022-23

Department	Amount (1)	per Resident (2)	Per Person Served (3)
City Council	\$791,900	\$8.96	\$7.07
City Clerk	980,400	11.09	\$8.75
City Attorney	986,600	11.16	\$8.81
City Manager	2,107,600	23.84	\$18.82
Emergency Services	0	0.00	\$0.00
Human Resources	1,567,800	17.73	\$14.00
Finance	3,950,000	44.68	\$35.27
Non-Departmental (exc. pension bond refi) (5)	3,596,800	40.69	\$32.12
Non-Departmental (pension bond refi)	3,037,500	34.36	\$27.12
Police	44,771,400	506.44	\$399.78
Fire	26,992,000	305.33	\$241.02
Engineering & Transportation	4,291,900	48.55	\$38.32
Public Works	7,455,900	84.34	\$66.58
Recreation	7,851,000	88.81	\$70.10
Library	6,707,600	75.87	\$59.89
Community Development	6,989,700	79.07	\$62.41
Transfers Out	<u>13,739,500</u>	<u>155.42</u>	<u>\$122.68</u>
TOTAL	\$135,817,600	\$1,536.33	\$1,212.76

(1) General Fund Expenditures, FY2022-23 Proposed Budget, pg. 53-54

(2) Jan. 1, 2022 population (DOF) 88,404 household population

(3) Census OnTheMap 47,173 Total Jobs within City 2020
 Persons Served 111,991 Residents plus 50% of jobs

(4) Departmental expenses include employee costs and internal service charges.

(5) Non-departmental includes \$3.2 mill. leased facilities and equipment.

Table B-11d
City of San Leandro General Fund Revenues FY2022-23

Revenue Item	Amount (1)	Revenue Per Resident (2)	Per Person Served (3)
Fines, Fees and Forfeitures	\$622,500	\$7.04	\$5.56
Interest & Property Income	2,639,300	\$29.85	\$23.57
Intergovernmental	805,000	\$9.11	\$7.19
Charges for Services	2,165,500	\$24.50	\$19.34
Other Revenues & Taxes	1,428,200	\$16.16	\$12.75
Interdepartmental	2,000,000	\$22.62	\$17.86
Franchise Fees	5,365,000	\$60.69	\$47.91
Property Taxes	27,876,400	\$315.33	\$248.92
Sales & Use Tax	51,326,000	\$580.58	\$458.31
Utility Users Tax	10,767,000	\$121.79	\$96.14
Licenses & Permits	3,877,500	\$43.86	\$34.62
Business License Tax	5,830,000	\$65.95	\$52.06
Real Property Transfer Tax (4)	9,270,000	\$104.86	\$82.77
Emergency Communication System (911)	<u>3,366,000</u>	<u>\$38.08</u>	<u>\$30.06</u>
TOTAL	\$127,338,400	\$1,440.41	\$1,137.05

(1) General Fund Revenues, FY2022-23 Proposed Budget, pg. 42-43

(2) Cal. Dept. of Finance E-1 88,404 Jan. 1, 2022

(3) Census OnTheMap 47,173 Total Jobs within City 2020
 Persons Served 111,991 Residents plus 50% of jobs

(4) Assessed value of San Leandro \$15,310,106,647

Source: Alameda County Auditor-Controller, Annual Assessed Valuation, Report ID: TXA-404, Tax Roll Year: 2021-2022.

Real Property Transfer Tax as a % of assessed 0.061%

Table B-11e
City of Dublin General Fund Expenditures FY2022-23
Castro Valley and Other Unincorporated Communities

Department	Amount (1)	Total Cost per Resident (2)	Per Person Served (3)
Salaries & Wages	\$13,249,383	\$181.67	\$156.38
Benefits	\$5,488,704	\$75.26	\$64.78
Services & Supplies	5,178,309	\$71.00	\$61.12
Internal Service Fund Charges	4,932,571	\$67.63	\$58.22
Utilities	3,485,435	\$47.79	\$41.14
Contracted Services	59,695,219	\$818.51	\$704.58
Capital Outlay	432,737	\$5.93	\$5.11
Debt Service Payment	1,333,050	\$18.28	\$15.73
Contingency & Miscellaneous	<u>223,440</u>	<u>\$3.06</u>	<u>\$2.64</u>
TOTAL	\$94,018,848	\$1,289.13	\$1,109.71
Other			
Police (exc. liability insurance)	\$23,985,730	\$328.88	\$283.10
Vehicle Replacement (internal services transfers)	\$746,088	\$10.23	<u>\$8.81</u>
			\$291.91

Notes to Table B-11e

- (1) General Fund Expenditures, FY2022-23 Proposed Budget, pg. F-1
(2) Jan. 1, 2022 population (DOF) 72,932 household population
(3) Census OnTheMap 23,584 Total Jobs within City 2020
Persons Served 84,724 Residents plus 50% of jobs

Table B-11f
City of Dublin General Fund Revenues FY2022-23
Castro Valley and Other Unincorporated Communities

Revenue Item	Amount	Revenue Per Resident (2)	Per Person Served (3)
Property Tax	\$55,163,000	\$756.36	\$651.09
Sales Tax	\$26,400,000	\$361.98	\$311.60
Sales Tax Reimbursements	-405,555	-\$5.56	-\$4.79
Development Revenue	7,702,334	\$105.61	\$90.91
Transient Occupancy Tax	1,400,000	\$19.20	\$16.52
Other Taxes	6,560,000	\$89.95	\$77.43
Licenses & Permits	351,373	\$4.82	\$4.15
Fines & Penalties	85,000	\$1.17	\$1.00
Interest Earnings	1,510,000	\$20.70	\$17.82
Rentals & Leases	1,477,330	\$20.26	\$17.44
Intergovernmental	290,000	\$3.98	\$3.42
Charges for Services	6,496,124	\$89.07	\$76.67
Other Revenue	<u>1,680,156</u>	<u>\$23.04</u>	<u>\$19.83</u>
TOTAL	\$108,709,762	\$1,490.56	\$1,283.10

Notes to Table B-11f

- (1) General Fund Revenues, FY2022-23 Proposed Budget, pg. F-1
(2) Cal. Dept. of Finance E-1 72,932 Jan. 1, 2022
(3) Census OnTheMap 23,584 Total Jobs within City 2020
Persons Served 84,724 Residents plus 50% of jobs

Table B-11g
City of San Ramon General Fund Expenditures FY2022-23
Castro Valley and Other Unincorporated Communities

Department	Amount (1)	Total Cost per Resident (2)	Per Person Served (3)
General Government	\$3,255,182	\$119.49	\$68.34
Administrative Services	5,581,725	\$204.89	\$117.18
Community Development	4,578,615	\$168.07	\$96.12
Police Services	14,922,602	\$547.78	\$313.29
Public Works	16,176,438	\$593.81	\$339.61
Parks & Community Services	8,460,650	\$310.57	\$177.63
Non-Departmental	50,000	<u>\$1.84</u>	<u>\$1.05</u>
TOTAL	\$53,025,212	\$1,946.45	\$1,113.23

Notes to Table B-11g

- (1) General Fund Expenditures, FY2022-23 Proposed Budget, pg. 55
(2) Jan. 1, 2022 population (DOF) 27,242 household population
(3) Census OnTheMap 40,780 Total Jobs within City 2020
Persons Served 47,632 Residents plus 50% of jobs

Table B-11h
City of San Ramon General Fund Revenues FY2022-23
Castro Valley and Other Unincorporated Communities

Revenue Item	Amount (1)	Revenue Per Resident (2)	Per Person Served (3)
Property Tax	\$24,376,859	\$894.83	\$511.77
Sales Tax	11,298,342	\$414.74	\$237.20
Property Transfer Tax	1,054,696	\$38.72	\$22.14
Transient Occupancy Tax (TOT)	2,317,261	\$85.06	\$48.65
Franchise Fees	5,737,096	\$210.60	\$120.45
Licenses & Permits*	2,748,250	\$100.88	\$57.70
Charges for Services	6,251,004	\$229.46	\$131.24
Fines & Forfeitures*	289,000	\$10.61	\$6.07
Investment Income*	105,000	\$3.85	\$2.20
Intergovernmental	498,484	\$18.30	\$10.47
Miscellaneous Revenue*	3,176,466	\$116.60	\$66.69
Transfers In	<u>4,781,633</u>	<u>\$175.52</u>	<u>\$100.39</u>
TOTAL	\$62,634,091	\$2,007.05	\$1,314.96

Notes to Table B-11h

- (1) General Fund Revenues, FY2022-23 Proposed Budget, pg. 54
(2) Cal. Dept. of Finance E-1 27,242 Jan. 1, 2022
(3) Census OnTheMap 40,780 Total Jobs within City 2020
Persons Served 47,632 Residents plus 50% of jobs

Table B-11i
City of Oakley (Contra Costa County) FY2022-23
Castro Valley and Other Unincorporated Communities

Department	Amount (1)	Total Cost per Resident (2)	Per Person Served (3)
Animal Control	\$341,874	\$7.68	\$7.32
City Council	125,732	\$2.82	\$2.69
City Clerk	516,486	\$11.60	\$11.06
City Attorney	458,279	\$10.29	\$9.81
City Manager	747,831	\$16.79	\$16.02
Community Outreach	0	\$0.00	\$0.00
Finance	975,488	\$21.90	\$20.89
Human Resources	707,995	\$15.89	\$15.16
Building Maintenance	554,278	\$12.44	\$11.87
Information Technology	342,906	\$7.70	\$7.34
Economic Development	270,735	\$6.08	\$5.80
Building Permit	1,098,996	\$24.67	\$23.54
Code Enforcement	383,794	\$8.62	\$8.22
Police	13,706,480	\$307.71	\$293.54
Planning	1,033,744	\$23.21	\$22.14
Engineering	2,158,407	\$48.46	\$46.22
Public Works Maintenance	749,151	\$16.82	\$16.04
Recreation	1,004,934	\$22.56	\$21.52
Parks	1,030,664	\$23.14	\$22.07
Transfers Out	<u>8,080,000</u>	<u>\$181.40</u>	<u>\$173.04</u>
TOTAL	\$34,287,774	\$769.77	\$734.32

Notes to Table B-11i

- (1) General Fund Expenditures, FY2022-23 Proposed Budget, pg. 52.
- (2) Jan. 1, 2022 population (DOF) 44,543 household population
- (3) Census OnTheMap 4,301 Total Jobs within City 2020
Persons Served 46,694 Residents plus 50% of jobs

Table B-11j
City of Oakley (Contra Costa County) FY2022-23 General Fund Revenues
Castro Valley and Other Unincorporated Communities

Revenue Item	Amount (1)	Revenue Per Resident (2)	Per Person Served (3)
Other Revenue	\$397,900	\$8.93	\$8.52
Intergovernmental Revenues	412,600	\$9.26	\$8.84
Other Taxes	(5)		
Transient Occupancy Tax	235,000	\$5.28	\$5.03
Interfund Charges for Services	10,638,108 (4)	\$238.83	\$227.83
Developer Fees	3,177,500	\$71.34	\$68.05
Property Taxes	4,350,000	\$97.66	\$93.16
Property Tax in lieu of VLF	4,099,000	\$92.02	\$87.79
Sales & Use Tax	2,800,000	\$62.86	\$59.97
Franchise Fees	2,162,000	\$48.54	\$46.30
Business Licenses	155,000	\$3.48	\$3.32
Real Property Transfer Tax	400,000	\$8.98	\$8.57
Other Financing Sources	<u>300,000</u>	<u>\$6.74</u>	<u>\$6.42</u>
TOTAL	\$29,127,108 (5)	\$653.91	\$623.79

Notes to Table B-11j

(1) Major Revenue Sources, FY2022-23 Proposed Budget, pg. 52, 54 et seq.

(2) Cal. Dept. of Finance E-1 44,543 Jan. 1, 2022

(3) Census OnTheMap 4,301 Total Jobs within City 2020

Persons Served 46,694 Residents plus 50% of jobs

(4) Fiscal Year 2022-2023, estimated Interfund Charges total approximately \$7.4 million for Police Services, \$1.3 million for Engineering Services, \$1.0 million for Parks Maintenance Services, \$404,000 for Public Works Maintenance, \$350,000 for Contractors, and \$163,000 in total for Legal, Planning and Other Services.

(5) Budget (pg. 60) indicates "Other" inc. Bus. Licenses but they are also shown separately on pg. 52. Therefore the table above, which breaks out "Other" is \$155,000 below the Budget total (pg. 52).



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 7

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer
Ad Hoc Selection Committee (Commissioners Johnson and Vonheeder-Leopold)

SUBJECT: **Contract Award | Community Services Municipal Service Review**

The Alameda Local Agency Formation Commission (LAFCO) will consider awarding a service contract to the consulting firm, RSG, to perform work associated with LAFCO’s Community Service Municipal Service Review and relevant sphere of influence updates for the contract period of eighteen months, starting in August 2023; in an amount not to exceed \$129,695. Staff recommends approval.

Background

Alameda LAFCO’s work plan for fiscal year 2022-2023 includes an objective to complete a community services municipal service review (MSR), and update, where necessary, any related spheres of influence of the affected local agencies. Proposals for a consultant to conduct the MSR were received and reviewed, and the firms were subsequently interviewed by Alameda LAFCO’s Ad Hoc Selection Committee.

Selection Process

The Requests for Proposals (RFP) calling for bids from experienced consultants to assist Alameda LAFCO with preparation of the subject MSR and spheres of influence updates was issued on February 27, 2023. The deadline to receive proposals was April 7, 2023. LAFCO compiled a list of potential bidders with the help of recommendations from other LAFCO agencies and the California Association of Local Agency Formation Commissions (CALAFCO) to distribute the RFP. The RFP was electronically sent to at least 30 firms and posted on the Alameda LAFCO website for approximately 30 days.

An Ad Hoc Selection Committee was formed to review, and screen written proposals, conduct interviews, and develop a recommendation. The Committee was comprised of Commissioners Ralph Johnson, Georgan Vonheeder-Leopold, and Executive Officer, Rachel Jones.

LAFCO received one proposal from the firm, RSG, and conducted an interview on June 1, 2023 remotely. The interviews were structured with questions designed to gauge the consultant's understanding of spheres of influence and MSRs, approach to conducting required tasks, experience and familiarity with LAFCO, qualifications of personnel assigned to the project, and other factors to determine the ability of the firm to successfully complete the required MSR.

The firm RSG is recommended to the Commission for the reasons including, but not limited to, the following:

- The firm is highly recommended amongst other LAFCO agencies.
- The proposed methodology and level of experience indicates that work will be implemented in a timely manner.
- The proposal presents a highly qualified team with extensive experience in conducting spheres of influence updates and MSRs.
- The proposal presents a comprehensive scope of work and timeline.
- The team members have significant experience in project management, municipal services, working with public agencies, and public processes.

Financing

Adequate funding is included in the Commission's FY 2023-2024 operating budget to cover costs associated with the professional consulting services.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Award a service contract to RSG to conduct Alameda LAFCO's Municipal Service Review on Community Services and related spheres of influence updates for the contract period of 18 months, starting on August 2023; in an amount not to exceed \$129,695; and

Authorize the Executive Officer to finalize contract negotiations and execute the consulting contract with RSG with the advice of LAFCO Legal Counsel.

Alternative Two:

Continue consideration of the item.

Alternative Three:

Take no action.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the business calendar. The following procedures are recommended in consideration of this item:

1. Receive verbal presentation from staff unless waived.
2. Invite any comments from the public.
3. Provide feedback on the item as needed.

Respectfully,



Rachel Jones
Executive Officer

Attachment:

1. Draft Contract Agreement
2. RSG Proposal

Blank for Photocopying

P.O./Contract # _____

**ALAMEDA LAFCO, ALAMEDA COUNTY, STATE OF CALIFORNIA
STANDARD AGREEMENT**

THIS AGREEMENT, made and entered into this *** day of ****, by and between the ALAMEDA LOCAL AGENCY FORMATION COMMISSION, a public agency of the State of California, hereafter called the “Alameda LAFCO”, and RSG, Inc., a business duly qualified in the State of California, whose principal place of business 17872 Gillette Avenue, Suite 350, Irvine, CA 92614 is hereafter called the “Contractor.”

WITNESSETH

WHEREAS, the Alameda LAFCO desires to obtain professional consulting services related to the completion of the State-mandated sphere of influence updates and municipal service reviews for community services as described in Exhibit A attached hereto (“Services”); and

WHEREAS, Contractor is professionally qualified to provide such services; and

WHEREAS, the Alameda LAFCO desires to retain and employ the services of Contractor in connection with such work, and Contractor is agreeable with such employment.

NOW, THEREFORE, it is agreed that the Alameda LAFCO does hereby retain and employ Contractor to provide the Services in connection with such work, and Contractor accepts such employment, on the terms and conditions hereinafter specified in this Agreement and additional provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

Exhibit A	Scope of Services
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements

CONTRACT PERIOD will be a continuance from August 1, 2023 through February 1, 2025. This Agreement may be extended by mutual agreement of both parties hereto, in writing not less than thirty (30) days prior to the expiration of this Agreement.

COMPENSATION: The Alameda LAFCO agrees to pay Contractor, pursuant to the terms set forth in Exhibit B, for services performed hereunder in a total amount not to exceed \$129,695 for the term of the current agreement, including all expenses, contingencies, and other miscellaneous expenses.

ADDITIONAL PROVISIONS, pages 3 through 11, attached hereto constitute a part of this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

ALAMEDA LAFCO

CONTRACTOR

By: _____
Rachel Jones
LAFCO EXECUTIVE OFFICER

CONTRACTOR

By: _____

Title

17872 Gillette Avenue, Suite 35
Irvine, CA 92614

Address

Tax Payer I.D. # _____

APPROVED AS TO FORM:

Andrew Massey,
LAFCO LEGAL COUNSEL

I hereby certify under penalty of perjury that the Executive Officer of the Alameda LAFCO was duly authorized to execute this document on behalf of the Alameda LAFCo by its Small Contracting Authority Policy on September 17, 2021.

Date: _____

ATTEST:

Alameda LAFCO
County of Alameda
State of California

By: _____

ADDITIONAL PROVISIONS

1. **EMPLOYER/EMPLOYEE RELATIONSHIP:** No relationship of employer and employee is created by this Agreement, it being understood that Contractor shall act hereunder as an independent Contractor; that Contractor shall not have any claim under this Agreement or otherwise against the Alameda LAFCO for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance, medical care, hospital care, retirement benefits, Social Security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind; that Contractor shall be solely liable for and obligated to pay directly all applicable taxes, including, but not limited to, Federal and State income taxes, and in connection therewith Contractor shall indemnify and hold the Alameda LAFCO harmless from any and all liability which the Alameda LAFCO may incur because of Contractor's failure to pay such taxes; that Contractor does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with currently approved methods and practices in his/her field and that the sole interest of the Alameda LAFCO is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the agency concerned. Notwithstanding the foregoing, if the Alameda LAFCO determines that pursuant to state and federal law Contractor is an employee for purposes of income tax withholding, the Alameda LAFCO shall, upon two weeks notice to Contractor withhold from the payments to Contractor hereunder federal and state income taxes and pay said sums over to the Federal and State governments.
2. **HOLD HARMLESS/INDEMNIFICATION:** To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify Alameda LAFCO, its Commissioners, employees and agents from and against any and all claims, losses, damages, liabilities and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of services under this Agreement, provided that any such claim, loss, damage, liability or expense is attributable to bodily injury, sickness, disease, death or to injury to or destruction of property, including the loss therefrom, or to any violation of federal, state or municipal law or regulation, which arises out of or is any way connected with the performance of this agreement (collectively "Liabilities") except where such Liabilities are caused solely by the negligence or willful misconduct of any indemnitee. Alameda LAFCO may participate in the defense of any such claim without relieving Contractor of any obligation hereunder. The obligations of this indemnity shall be for the full amount of all damage to Alameda LAFCO, including defense costs, and shall not be limited by any insurance limits.
3. **INSURANCE AND BOND:** Contractor shall at all times during the term of the Agreement with Alameda LAFCO maintain in force those insurance policies as designated in the attached Exhibit C, "Insurance Requirements," and will comply with all those requirements as stated herein.
4. **WORKERS' COMPENSATION:** Contractor shall provide Workers' Compensation insurance at Contractor's own cost and expense and further, neither the Contractor nor its carrier shall be entitled to recover from the Alameda LAFCO any costs, settlements, or expenses of Workers' Compensation claims arising out of this agreement.
5. **CONFORMITY WITH LAW AND SAFETY:**
 - A. Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services or any part hereof, including all provisions of the Occupational Safety and Health Act of 1979 and all amendments thereto, and

all applicable federal, state, municipal, and local safety regulations. All services performed by Contractor must be in accordance with these laws, ordinances, codes and regulations. Contractor shall indemnify and hold Alameda LAFCO harmless from any and all liability, fines, penalties and consequences from any noncompliance or violations of such laws, ordinances, codes and regulations. If a provision of this Agreement is found to be invalid, the parties legally, commercially, and practicably can continue this Agreement without that provision, and the remainder of this Agreement shall continue in force and effect unless an essential purpose of this Agreement would be defeated by the loss of such provision. In the event any of the terms, conditions, or provisions of this Agreement are held to be illegal or otherwise unenforceable, such term, condition or provision shall be deemed severable from the remainder of this Agreement and shall not cause any other part or provision of this Agreement to be illegal or unenforceable.

- B. Accidents: If death, serious personal injury or substantial property damage occurs in connection with the performance of this agreement, Contractor shall immediately notify Alameda LAFCO by telephone. Contractor shall promptly submit to Alameda LAFCO a written report, in such form as may be required by Alameda LAFCO of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of Contractor's subcontractor, if any; (3) name and address of Contractor's liability insurance carrier; and (4) a detailed description of accident and whether any of LAFCO's equipment, tools, material, or staff were involved. Contractor further agrees that it shall take all reasonable steps to preserve all physical evidence and information which may be relevant to accidents or circumstances surrounding a potential claim, while maintaining public safety. Contractor shall provide Alameda LAFCO the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: Payment to Contractor will be made only upon presentation of proper invoice by Contractor subject to the approval of Alameda LAFCO, and in accordance with this Agreement and its Exhibit B.
 7. ROYALTIES AND INVENTIONS: The Alameda LAFCO shall have a royalty-free, exclusive and irrevocable license to reproduce, publish and use the results produced in the course of or under this Agreement; and Contractor shall not publish any such material relating to Alameda LAFCO without prior consent of Alameda LAFCO.
 8. CONFIDENTIALITY OF INFORMATION: Confidential information is defined as all information disclosed to Contractor which relates to Alameda LAFCO's past, present, and future activities, as well as activities under this Agreement. Contractor will hold all such information with the same degree of care which Contractor utilizes to protect its own data of a similar nature. Upon cancellation or expiration of this Agreement, Contractor will return to Alameda LAFCO all written or descriptive matter which contains any such confidential information.
 9. CONFLICT OF INTEREST: No officer, member, or employee of Alameda LAFCO and no member of its governing body shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof. No Contractor, nor any member of Contractor's family shall serve on the Alameda LAFCO, or hold any such position which either by rule, practice or action nominates, recommends, or supervises Contractor's operations, or authorizes funding to Contractor. Contractor shall immediately bring to Alameda LAFCO's attention any situation in which its client has, or is reasonably likely to have an application or other matter pending before Alameda LAFCO. The

provisions of this Agreement are not exclusive, and thus Alameda LAFCo may at its discretion appoint a different firm to serve as its consultant in the event of a conflict. Contractor agrees not to assign any of the key personnel identified in Exhibit A to any matter that is, or is likely to be pending before Alameda LAFCo regardless of whether Alameda LAFCo in its discretion decides to hire another firm to avoid a conflict.

10. **USE OF ALAMEDA LAFCO PROPERTY:** Contractor shall not use Alameda LAFCo premises or property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
11. **EQUAL EMPLOYMENT OPPORTUNITY PRACTICES/PROVISIONS:** Contractor assures that it will comply with Title VII of the Civil Rights Act of 1964 and that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement.
 - A. Contractor shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - B. Contractor shall, if requested to so do by Alameda LAFCo, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - C. If requested to do so by Alameda LAFCo, Contractor shall provide Alameda LAFCo with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.
 - D. Contractor shall recruit vigorously and encourage minority- and women-owned businesses to bid its subcontracts.
 - E. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - F. The Contractor shall include the provisions set forth in paragraphs A through E (above) in each of its subcontracts.
12. **ASSIGNMENT OF CONTRACT:** Nothing contained in this Agreement shall be construed to permit assignment or transfer by Contractor of any rights under this Agreement and such assignment or transfer is expressly prohibited and void unless otherwise approved in writing by Alameda LAFCo.
13. **DRUG-FREE WORKPLACE:** Contractor and Contractor's employees shall comply with Alameda LAFCo's policy of maintaining a drug-free workplace. Neither Contractor nor Contractor's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code section 812, including marijuana, heroin, cocaine, and amphetamines, at any LAFCo facility or work site. If Contractor or any employee of Contractor is convicted or pleads

nolo contendere to a criminal drug statute violation occurring at an Alameda LAFCO facility or work site, the Contractor within five days thereafter shall notify the Executive Officer of Alameda LAFCO. Violation of this provision shall constitute a material breach of this Agreement.

14. **FEDERAL AND STATE AUDITS:** Until the expiration of five (5) years after the furnishing of any services pursuant to this Agreement, Contractor shall make available, upon written request, to the Federal/State government or any of their duly authorized representatives, this Agreement, and such books, documents, and records of Contractor that are necessary to certify the nature and extent of the reasonable cost of services to Alameda LAFCO. If Contractor enters into any Agreement with any related organization to provide services pursuant to this Agreement with value or cost of \$10,000 or more over a twelve-month period, such Agreement shall contain a clause to the effect that until the expiration of five years after the furnishing of services pursuant to such subcontract, the related organization shall make available, upon written request, to the Federal/State government or any of their duly authorized representatives, the subcontract, and books, documents and records of such organization that are necessary to verify the nature and extent of such costs. This paragraph shall be of no force and effect when and if it is not required by law. Alameda LAFCO shall have access to Contractor's financial records for purposes of auditing payments made to Contractor hereunder. Such records shall be complete and available for audit ninety (90) days after final payment is made to Contractor hereunder and shall be retained and available for audit purposes for five (5) years after said final payment hereunder.
15. **TIME IS OF THE ESSENCE** in each and all of the provisions of this agreement.
16. **AMENDMENT:** No change, alteration, variation, modification of the terms, termination or discharge of this Agreement shall be valid unless made in writing and signed by the parties hereto.
17. **ASSURANCE OF PERFORMANCE:** If at any time Alameda LAFCO believes Contractor may not be adequately performing its obligations under this Agreement, that Contractor may fail to complete the Services as required by this Agreement, or has provided written notice of observed deficiencies in Contractor's performance, Alameda LAFCO may request from Contractor prompt written assurances of performance and a written plan to correct the observed deficiencies in Contractor's performance. Contractor shall provide such written assurances and written plan within ten (10) calendar days of receipt of Alameda LAFCO's written request and shall thereafter diligently commence and fully perform such written plan. Contractor acknowledges and agrees that any failure to provide written assurances and a written plan to correct observed deficiencies, in the required time, to diligently commence and fully perform such written plan, is a material breach under this Agreement.
18. **KEY PERSONNEL:** Contractor shall identify himself as key personnel assigned to perform services in Exhibit A and obtain Alameda LAFCO approval of any substitution by the Contractor of key personnel.
19. **SUBCONTRACTORS:** Contractor shall identify and obtain Alameda LAFCO approval of all subcontractors. Nothing provided herein shall create any obligation on the part of Alameda LAFCO to pay or to see to the payment by Contractor of any monies to any subcontractor, supplier or vendor, nor create any relationship in contract or otherwise, express or implied between any such subcontractor, supplier or vendor and Alameda LAFCO. Approval by Alameda LAFCO of any subcontractor shall not constitute a waiver of any right of Alameda LAFCO to reject defective work, material or equipment, not in compliance with the requirements of this Agreement.

20. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws, and its courts shall have jurisdiction (but not exclusive jurisdiction) to hear and determine all questions relating to this Agreement.
21. **WAIVER:** Any failure of a party to assert any right under this Agreement shall not constitute a waiver or a termination of that right, under this Agreement or any provisions of this Agreement.
22. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire Agreement between Alameda LAFCO and Contractor relating to the subject matter of this Agreement. As used herein, Agreement refers to any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. The Agreement may not be modified except by a written document signed by both parties.
23. **TERMINATION:** Alameda LAFCO may terminate this Agreement with or without cause by providing thirty (30) days notice, in writing, to the Contractor. Upon the expiration of said notice, this Agreement shall become of no further force or effect whatsoever and each of the parties hereto shall be relieved and discharged here from. Alameda LAFCO may terminate at any time without notice upon material breach of the terms of this Agreement and/or in the event that Alameda LAFCO determines that the Contractor's performance is substandard or unsatisfactory.
24. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination or expiration of the Agreement, including without limitation, the obligations regarding Hold Harmless/Indemnification (paragraph 2), Confidentiality of Information (paragraph 9), and Conflict of Interest (paragraph 10), shall survive termination or expiration.
25. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:
 - **Personal delivery:** When personally delivered to the recipient, notices are effective on delivery.
 - **First Class Mail:** When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
 - **Certified Mail:** When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
 - **Overnight Delivery:** When delivered by overnight delivery (Federal Express/United Parcel Service/DHL WorldWide Express/etc.) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
 - **Telex or facsimile transmission:** When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice, notice is effective on receipt, provided that (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given

by telex or fax shall be deemed received on the next business day if is received after 5:00 p.m. (recipients time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To LAFCO: Alameda LAFCO
 224 West Winton, Suite 110
 Hayward, CA 94544

To Contractor: RSG, Inc.
 17872 Gillette Avenue, Suite 350
 Irvine, CA 92614

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or telex or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

[END OF ADDITIONAL PROVISIONS]

EXHIBIT A - SCOPE OF SERVICES

RSG will prepare a Municipal Service Review (MSR) for Community Services, along with information and analysis necessary for LAFCO to update the spheres of influence for the subject local agencies covered in the MSR. The MSR will be prepared in accordance with California Government Code Section 56430 and Alameda LAFCO policies and procedures. In addition to reviewing the relevant public agencies, the scope of work may involve reviewing private service providers or other service providers not subject to LAFCO review to the extent they relate to the overall provision of the municipal services under review. All work products are to be prepared in Word and Excel formats. Consultant will provide LAFCO with electronic copies of the report; one camera-ready copy for publication must be provided if requested.

General Scope of Work and Task Outline is proposed as follows:

Task	Timeline
Contract Approval / Contract Execution	August 1, 2023
Task 1: Project Initiation	Late August 2023
Task 2: Data Collection	August – December 2023
Task 3: Administrative Draft MSR	October – December 2023
Task 4: Public Review and Public Hearing Draft MSR	January - February 2023
Task 5: Final Draft MSR	March 2023

SCOPE OF SERVICES

TASK 1: PROJECT INITIATION – KICKOFF MEETING, PRELIMINARY RESEARCH, GIS MAP PREPARATION, SURVEY INSTRUMENT CREATION AND STAKEHOLDER OUTREACH

Prior to the kickoff meeting, RSG will review previous MSR determinations and SOI recommendations for each agency included in the scope of work. During the kickoff meeting, RSG and LAFCO staff will review previous MSR determinations and SOI recommendations, including consolidation options, for status updates and a progress report since the previous MSR. This content would also be reviewed with each agency during the agency interviews. RSG conducted a preliminary appraisal of previous MSR determinations and SOI recommendations for all 28 agencies and identified the following discussion topics for the kickoff meeting:

- Several agencies experienced financial challenges in the years following the Great Financial Crisis or related to the increasing costs of pension and other postemployment, benefit programs. (ACMAD, Livermore Area RPD, Hayward Area RPD, East Bay RPD, City of Alameda, City of Fremont, City of Hayward, City of Livermore, City of Newark, and City of Union City)
- Several agencies expressed that they have infrastructure deficiencies (Five Canyons CSA, Castle Homes CSA, Castlewood CSA, Livermore Area RPD, Hayward Area RPD, East Bay RPD, City of Albany, City of Berkeley, City of Fremont, City of Hayward, and City of Livermore)

- Several agencies were not active and not providing services at the time the previous MSRs were prepared, and the MSRs recommended dissolutions (Public Works Extended Services CSA, Castro Valley Library CSA, Dublin Library CSA, and Estuary Bridges CSA)
- One agency was recommended for a reorganization of services (Vector Control CSA to cede mosquito abatement services in Albany to ACMAD)
- Two potential consolidations were recommended (ACMAD to consolidate with Vector Control CSA, and Livermore Area RPD to consolidate with the City of Livermore)
- Four SOI reductions were recommended (ACMAD, Lead Abatement CSA, Livermore Area RPD, and City of Livermore as requested by a property owner)
- One area was recommended for inclusion in an overlapping SOI between Livermore and Pleasanton

RSG will coordinate a kickoff meeting with LAFCO staff following contract commencement. The kickoff meeting is the opportunity to review and discuss the scope of work, define project objectives and possible outcomes, discuss the scope of the survey instrument, assign roles and responsibilities, define communication frequency and platform, exchange contact information for data collection (such as GIS data providers), and discuss the project schedule.

Additional items for discussion during the kickoff meeting include the draft introductory letter and draft survey instrument.

RSG will request GIS files from LAFCO staff or the appropriate County department and compile GIS layers into a mapping tool that will be used during the interview stage to understand and discuss potential consolidation concepts, SOI amendments, or physical and geographic constraints to future consolidations and SOI amendments.

RSG will work with LAFCO staff to develop a survey instrument, which would be distributed to affected agencies prior to the interview process to introduce agencies to interview topics and guide the interviews towards meaningful discussions around shared services and consolidation, among other topics. RSG anticipates that the survey instrument would include a template of common questions that would be discussed with each agency, augmented by specific questions as identified during the initial data collection process and in response to prior MSR determinations and SOI recommendations. The survey instrument would be accompanied by an introductory letter, signed by LAFCO staff, that would serve to introduce agencies to the MSR process. LAFCO staff may also wish to distribute an introductory letter directly to the affected agencies.

TASK 2: DATA COLLECTION – RESEARCH, SURVEY DISTRIBUTION, INTERVIEWS, DATA ANALYSIS, PRELIMINARY FINDINGS

At an early stage, RSG will begin collection of GIS, demographic, fiscal, and economic data in order to better understand the agencies prior to the stakeholder interviews. RSG would augment the County's GIS data with County auditor controller reports, assessment data, DOF demographic data, and the SCO's most recently available fiscal transactions report data, and other public available information. Agency budgets and audits will be collected, where available. RSG will compile all data in a digital library, prepare agency data profiles, and use summarized data to augment and individualize the survey instrument.

RSG will review, interpret, and analyze relevant data sources to develop an understanding of each agency. If available, engineering reports and financial data will be reviewed for significant findings and discussed with agency staff during the interview process.

RSG will rely on LAFCO's disadvantaged unincorporated communities and island/pocket designations for mapping purposes. District outreach, survey distribution, stakeholder interviews, special emphasis on understanding needs, opportunities, concerns regarding shared service or consolidation of districts.

Survey instrument to include findings from prior MSR determinations and recommendations, preliminary data collection, mapping, and analysis.

RSG would distribute the introductory letter along with the survey instrument to affected agencies and begin contacting agencies directly to schedule Zoom interviews with management. Each interview is expected to take one hour and would likely conclude the majority of RSG's interaction with each agency until the MSR is distributed for public review.

Of course, if the interview identifies items that require additional information, RSG would reach out directly to the agency.

Based on RSG's data collection and analysis, and the agency interviews and response to the survey instrument, RSG would compile preliminary findings. The preliminary findings, which generally follow the format of MSR determinations and SOI recommendations, would be distributed to LAFCO staff for review while the administrative draft MSR preparation is underway. RSG would look to LAFCO staff for comments and clarification on any outstanding items identified in the preliminary findings.

TASK 3: ADMINISTRATIVE DRAFT MSR – DRAFT MSR, CLIENT REVIEW, REVISIONS/REDLINE RESPONSE

Building on RSG's data compilation and analysis, and the anecdotal information collected during the interview stage, RSG would develop detailed agency profiles, which represent the body of the MSR.

Each agency profile would include, at a minimum, the following:

- Agency data summaries, including population, demographic, and land use summaries, as well as staffing and governance summaries,
- Summary and discussion of services provided, including any extraterritorial services provided,
- General financial information, including historical revenues and expenditures, reserve fund balances and policies, and pension and other post-employment benefit obligations,
- Discussion about the agency's existing boundary, any recent changes, locations of disadvantaged unincorporated communities and islands/pockets, if any, and potential consolidation/reformation opportunities, and sphere of influence amendments,
- A discussion about recent and planned major capital improvements, including relevant findings identified in any engineering reports, and
- Each agency profile would also include MSR determinations and SOI recommendations designed to meet the requisite legal requirements under CKH. RSG would deliver the administrative draft MSR to the client electronically in both PDF and DOCX format shared via OneDrive to LAFCO staff for review and comment. Following LAFCO staff review, RSG would coordinate a virtual meeting to review and discuss LAFCO staff's comments. RSG would revise the draft MSR by incorporating comments and corrections based on staff comments. The revised administrative draft MSR would then be known as the public review draft MSR.

TASK 4: PUBLIC REVIEW AND PUBLIC HEARING DRAFT MSR – REVISIONS/REDLINE RESPONSE

RSG will distribute the public review draft MSR to affected agencies and interested parties for review and comment. RSG will work with LAFCO staff to determine an appropriate review time period. RSG will parse public review draft MSR comments and work with LAFCO staff, where appropriate, to obtain input in addressing the public review draft MSR comments.

The revised public review draft MSR, reflecting any changes received during the public review period, would then be known as the public hearing draft MSR. RSG anticipates that the public hearing draft MSR would be posted for public review ahead of the Commission public hearing. RSG would work with LAFCO staff to review and prepare to address any comments received prior to the Commission public hearing.

RSG would coordinate with LAFCO staff to prepare a public hearing slide deck, to be provided to LAFCO staff prior to the Commission public hearing (PPT and PDF format shared via OneDrive). RSG and LAFCO staff would also work together to coordinate speaking roles and assignments during the public hearing.

TASK 5: FINAL DRAFT MSR AND COMMISSION MEETING – REVISIONS/REDLINE RESPONSE

RSG will review and compile any comments and revisions received prior to and during the public hearing, and any final comments or corrections by LAFCO staff or the Commission. The revised public hearing draft MSR would then be known as the Final Draft MSR. RSG will provide an electronic PDF copy via OneDrive of the Final Draft MSR to LAFCO staff. RSG would attend a second public hearing for final draft MSR approval, if necessary.

EXHIBIT B – CONTRACT PAYMENT TERMS

1. The Alameda LAFCO will pay Contractor for services provided herein, upon submittal of an invoice and summary report of services performed pursuant to this agreement. All services will be performed at the direction of, and with the prior authorization of, the LAFCo Executive Officer. Invoices will be approved by the Alameda LAFCo Executive Officer. Payments under the terms of this Agreement shall not exceed \$129,695. This amount includes all administrative expenses and costs, travel expenses and contingencies. For the purposes assigned in the proposal, the billing rates are as listed in the firm's proposal and shown below:

PROJECT COST

RSG proposes a total budget not to exceed \$129,695, inclusive of the hours and expenses pursuant to our Billing Rates and Fee Schedule. The assignment would be billed on a time-and-materials basis in accordance with our billing rates and policies set forth below.

- Task 1: Project Initiation \$8,565
- Task 2: Data Collection \$38,760
- Task 3: Administrative Draft MSR \$59,015
- Task 4: Public Review and Public Hearing Draft MSR \$15,400
- Task 5: Final Draft MSR and Commission Meeting \$7,955

BILLING RATES & FEE SCHEDULE

Our Billing Rates are as follows:

Principal / Director	\$ 275
Senior Associate	\$ 200
Associate	\$ 185
Senior Analyst	\$ 150
Analyst	\$ 135
Research Assistant	\$ 125
Technician	\$ 100
Clerical	\$ 60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

2. Payments under the terms of this Agreement shall not exceed \$129,695. This amount includes: one revised draft in response to LAFCO staff review, attendance at two LAFCO hearings, all travel expenses, contingencies, and other miscellaneous expenses.
3. The term of this Agreement is August 1, 2023 to February 1, 2025.

EXHIBIT C - MINIMUM INSURANCE REQUIREMENTS

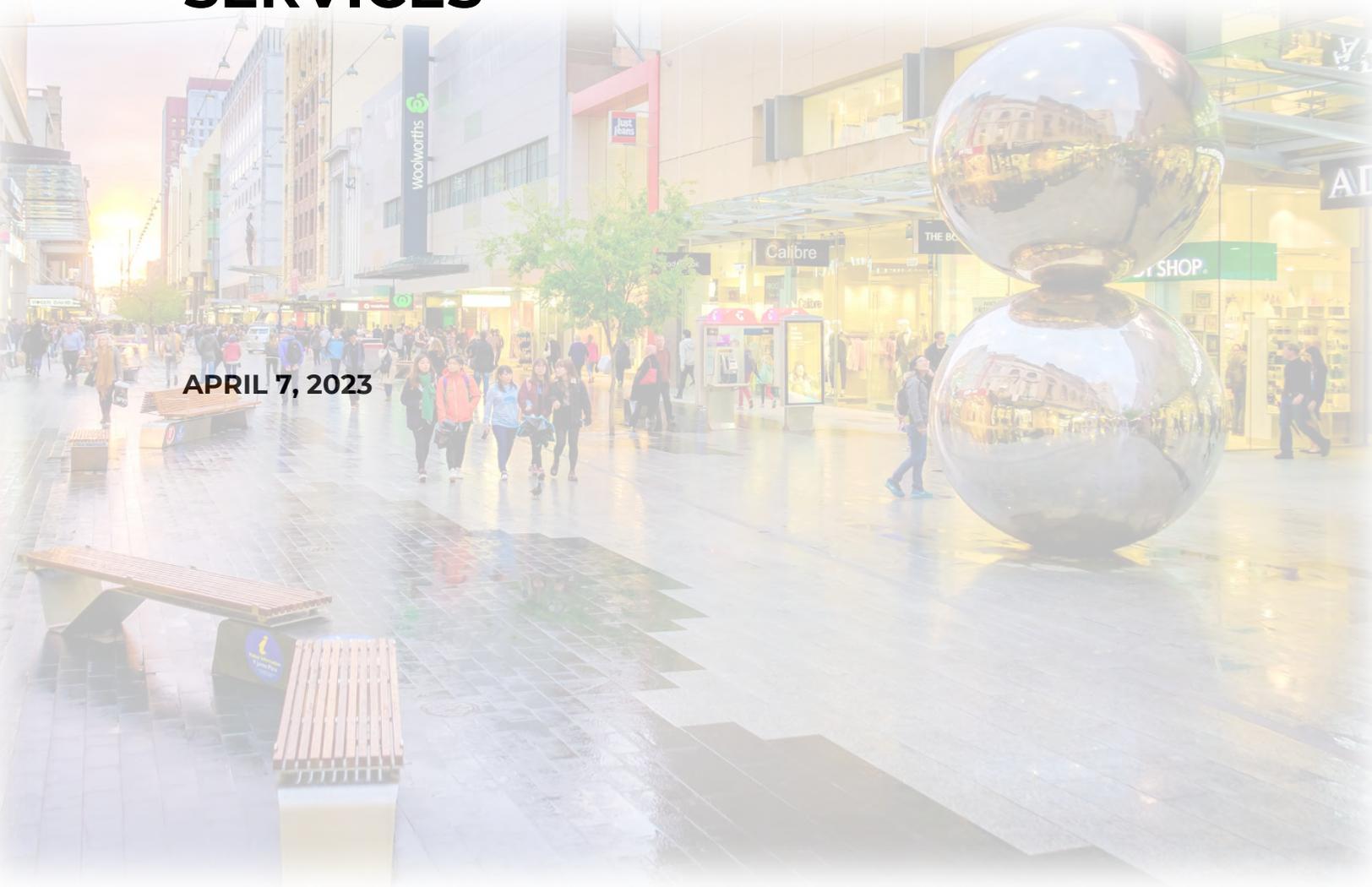
Without limiting any other obligation or liability under this Agreement, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following minimum insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES		MINIMUM LIMITS
A	Commercial General Liability Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B	Commercial or Business Automobile Liability All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses. Personal Automobile Liability is acceptable for individual contractors with no transportation or hauling related	\$1,000,000 per occurrence (CSL) Any Auto Bodily Injury and Property Damage
C	Workers' Compensation (WC) and Employers Liability (EL) Required for all contractors with employees	WC: Statutory Limits EL: \$1,000,000 per accident for bodily injury or disease
D	<p>Endorsements and Conditions:</p> <ol style="list-style-type: none"> ADDITIONAL INSURED: All insurance required above with the exception of Commercial or Business Automobile Liability, Workers' Compensation and Employers Liability, shall be endorsed to name as additional insured: the Alameda Local Agency Formation Commission (LAFCO), the individual members thereof, and all Alameda LAFCO officers, agents, employees, volunteers, and representatives. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. DURATION OF COVERAGE: All required insurance shall be maintained during the entire term of the Agreement. In addition, Insurance policies and coverage(s) written on a claims-made basis shall be maintained during the entire term of the Agreement and until 3 years following the later of termination of the Agreement and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement. REDUCTION OR LIMIT OF OBLIGATION: All insurance policies, including excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to Alameda LAFCO. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13. Pursuant to the provisions of this Agreement insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties. INSURER FINANCIAL RATING: Insurance shall be maintained through an insurer with a A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to Alameda LAFCO. Acceptance of Contractor's insurance by Alameda LAFCO shall not relieve or decrease the liability of Contractor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. SUBCONTRACTORS: Contractor shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. The additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. JOINT VENTURES: If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by one of the following methods: <ul style="list-style-type: none"> Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured" (covered party), or at minimum named as an "Additional Insured" on the other's policies. Coverage shall be at least as broad as in the ISO Forms named above. Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured". CANCELLATION OF INSURANCE: All insurance shall be required to provide thirty (30) days advance written notice to Alameda LAFCO of cancellation. CERTIFICATE OF INSURANCE: Before commencing operations under this Agreement, Contractor shall provide Certificate(s) of Insurance and applicable insurance endorsements, in form and satisfactory to Alameda LAFCO, evidencing that all required insurance coverage is in effect. Alameda LAFCO reserves the rights to require the Contractor to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent as set forth in the Notices provision. 	

PROPOSAL TO ALAMEDA LAFCO

MUNICIPAL SERVICE REVIEW – COMMUNITY SERVICES

APRIL 7, 2023



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April 6, 2023

Via Electronic Mail

Rachel Jones, Executive Officer
LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF ALAMEDA
224 West Winton Avenue, Suite 110
Hayward, CA 94544

Dear Ms. Jones:

In response to your February 27, 2023 Request for Proposals, RSG, Inc. ("RSG") is pleased to present this proposal for consulting services to prepare a Countywide Municipal Service Review ("MSR") on Community Services that will be used to inform the update of sphere of influences ("SOI") along with possible reorganizations such as consolidations, dissolutions, or mergers of local public agencies that provide community services. RSG understands that LAFCO expects the MSR to be conducted in accordance with Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") and LAFCO policies as adopted by the Commission. Based on our review of the RFP and public information available on the affected agencies, a total of 28 agencies would be evaluated in the MSR, including one (1) independent special district, three (3) recreation and park districts, 11 county service areas, and 13 cities. RSG anticipates a not-to-exceed amount of \$129,695 to complete the project.

As you know, RSG brings extensive experience working with LAFCOs across California and the provisions of CKH and related legislative updates. More specifically, RSG's recent experience completing MSRs and SOI updates includes LA LAFCO Four Cities MSRs (2023), Orange County LAFCO West and Southwest Regions MSRs (2023), Siskiyou County Countywide Fire MSR (2023), Riverside LAFCO Countywide Cities MSR (2022), and Los Angeles LAFCO Whittier-La Mirada Joint SOI MSR (2022).

RSG's experience with LAFCOs does not begin or end with MSR and SOI updates. RSG's comprehensive fiscal analysis ("CFA") for the incorporation of Olympic Valley (Placer LAFCO) withstood significant public and State Controller review in 2016. More recently, RSG has nearly completed a CFA for incorporation of Mountain House (San Joaquin LAFCO). We have performed annexation studies for Martinez, San Carlos, and Belmont, among other communities in the past few years as well. RSG is proud to be an active member of the California Association of Local Agency Formation Commissions ("CALAFCO"), where we are honored to serve in the capacity as an Advisory member of their Legislative Committee.

RSG discloses it has no potential conflicts of interest with local agencies in Alameda County. This proposal remains valid for 90 days following the proposal submission deadline. I will be the Principal-in-Charge of this engagement. Should you wish to discuss any of the information presented, please contact me directly at jsimon@webrsg.com or by phone at (714) 316-2120.

Respectfully,



Jim Simon, Principal

RSG SUMMARY OF QUALIFICATIONS

ABOUT RSG

RSG is a creatively charged consultant to California public agencies. We collaborate with the people responsible for creating vibrant places to accomplish their goals. The inspired leaders at RSG create stronger communities capable of achieving bolder futures by bringing more than four decades of native knowledge to each engagement. As diverse as the agencies we work with, our services span real estate, economic development, fiscal health, and housing initiatives.

RSG, Inc. is a California-based, Subchapter "S" Corporation. Founded in 1979, the firm is currently managed by active Principals Jim Simon and Tara Matthews. We maintain three offices in California, including our main office in Irvine and two satellite offices in Berkeley and Vista.

RSG's federal taxpayer identification number is 95-343-5849 and state taxpayer identification number is 27600915. RSG is also a State certified Small Business Enterprise (SBE - 2006876 DGS).

Principal	2
Director	5
Senior Associate	1
Associate	4
Senior Analyst	1
Analyst	5
Research Assistant	5
Admin	4
TOTAL	27

Mission Statement

RSG creates solutions to enhance communities' physical, economic, and social future.

Core Values

Our core values define who we are as people and the standards by which we provide services to our clients.



QUALIFICATIONS

For RSG, Fiscal Health is about more than just numbers – it's about community livelihood. We think of fiscal health as the oxygen of a community. A local government with a robust fiscal health is able to fully function to meet the needs of its residents and businesses, while those struggling must meet the same demands but with limited capability.

Either way, RSG strives to add clarity when performing our fiscal health services. Our staff recognizes value in presenting financial data that is not only accurate but insightful to decision makers, be they investors in municipal financings, elected officials weighing the consequences in the policy choices available, or the public seeking transparency in a complex manner in which local services are funded.

Communities need to be served by their local government as this is not just a luxury, it is a right. Having worked with a variety of communities, we see those that suffer from a lack of resources strive to rise above their circumstances and find resolution. Underprivileged cities lack the financial resources required to help build and sustain communities capable of offering their residents amenities like municipal services, senior services, economic development programs and affordable housing, among other basic needs. Through our fiscal health services, we strive to pave the way for those communities and help them obtain access to the same services as communities who do not face those same struggles. Our overall goal is to help empower cities by providing them with the tools they need to help their communities thrive and have access to the resources needed to secure sustainability and quality of life.

Effective Redevelopment Dissolution

With our extensive and deep background in redevelopment, RSG is proud that we are trusted advisors to more successor agencies than any other firm in the state. In this capacity, we work as an efficient extension of staff, providing technical, management, and administrative services. This includes preparation of PPAs and ROPS, as well as staff reports, resolutions, cash flow statements, and presentation material. We often present these items to decision makers on behalf of clients, making the burdensome and often confusing process easier on a finance department. In addition to efficiency, we also offer a wide variety of expertise in working with so many agencies enabling RSG to provide insights and suggestions to meeting a successor agency's specific, and often unique, needs effectively.

Helping Secure Financing

Often as an extension of our expertise with tax increment financing and successor agencies, RSG performs fiscal consulting and continuing disclosure services for many of our clients. Since 1979, RSG has served as an independent fiscal consultant on over 235 tax allocation bonds and similar financings, representing over \$5.8 billion in debt issued or refunded.

As one of our founders Kathy Rosenow once said, "Anyone with a computer can prepare revenue projections." We are experienced in preparing tax increment revenue projections that delineate taxing agency payments, administrative costs, project funds, and bonding capacity. RSG knows the nuances and importance of each assumption and variable. That can make a big difference when it comes to sizing a bond and getting the best interest rate and reducing costs of issuance.

After bonds are issued, RSG prepares continuing disclosure reports on behalf of our clients. Given our familiarity with the underlying data sources and required components, RSG can cost effectively ensure compliance with your financial reporting requirements. RSG also acts as a Dissemination Agent, posting the Annual Report for the FY and if needed, filing a notice of significant events to the Electronic Municipal Market Access database.

Studying Fiscal Impacts

Fiscal stability is one of the key drivers for revenue and expenses available to communities. The road to achieving financial efficiency often starts with fiscal impact analysis and forecasting, be it for a city, a department or division, or a specific development project. RSG's financial projection services have been used to develop long-range fiscal studies to ensure that the General Plan build out is economically feasible, develop short-and-long range budget forecasts, and develop program strategies.

Fiscal impact analysis is used to inform communities about the implications of discretionary approvals of development proposals, provide a data-driven foundation for incentivizing investment when necessary, and empower decision makers to have a basis for community benefit negotiations, often needed more than ever to mitigate gentrification risks. Our models allow the public and private sector to collaborate on viable solutions where needed beyond the ribbon cutting.

Expanding Financial Capacity

Because not all communities enjoy the benefits of a robust economy all the time, RSG is asked to assist in finding new sources of financing for projects and entice more private investment into communities. RSG can also identify potential financing and funding sources for various projects and programs that need to be implemented. These activities include identifying and researching the feasibility of obtaining grants, creating programs and incentives for local investment, and negotiating and devising public-private partnerships.

Finally, RSG helps our clients understand today's "alphabet soup" of tax increment financing options: EIFD, CRIA, AHA, NIFTI, and others to ascertain which of these is right for your community. We prepare feasibility studies to estimate the potential capacity, costs, and benefits, while showcasing the need for critical partnerships with other taxing agencies to make these resources more bountiful. We draw upon our 4 decades of experience in tax increment financing plus expertise in the current financing tools to help you decide which of these may best fit your communities' needs.

Preparing Municipal Service Reviews and Special Studies

RSG has provided cutting-edge solutions for local government agencies, including outsourcing, shared service studies, and long-range fiscal planning. We have helped LAFCOs develop policies for island annexations and have worked with cities on crafting a viable path in delivering services to areas in their sphere of influence. We have helped cities understand how they need to restructure the services they deliver, and the manner in which they evaluate how they will take discretionary actions in the future. With our assistance, our clients have been able to instill more fiscal discipline at all levels of their organization, become more effective, and have staff engaged in identifying solutions that meet the strategic needs of their community.

Throughout various project engagements, we have both participated in and observed how MSR's have unfolded, including changes to the MSR statute and how LAFCOs have implemented MSR's in a variety of manners. In some situations, a lack of growth pressure or lack of significant changes in service levels do not warrant an extensive review and a "checklist" approach is sufficient to reaffirm an existing SOI. In other situations, a comprehensive, in-depth analysis of demographic trends, financial data, infrastructure capacity/conditions, rate structures, service extension barriers for "disadvantaged unincorporated communities," and shared service delivery alternatives is warranted to lay the groundwork for SOI updates and/or imminent changes of (re)organization. And in other situations, there may be a political

minefield and the MSR is a necessary tool that allows LAFCO to play independent facilitator and evaluator and bring parties together around common data and agreement points.

Evaluating Reorganization, Annexation or Incorporation Proposals

Occasionally, how communities deliver services goes beyond the capacity of the agencies responsible for those services today, and local government and LAFCOs engage RSG to assist in the independent review of the fiscal and operational implications of proposals to annex, incorporate or reorganize local agencies. RSG has significant experience in providing extensive analysis of the potential municipal impacts associated with annexation and reorganization. RSG first seeks to understand the merits of the primary assumptions behind the prospect. Second, RSG reviews the major cost areas that are not a revenue offset, outlining more realistic approaches to projecting these costs. We conclude the study with final suggestions obtained from conducting a preliminary review of the costs and benefits associated with annexing or reorganizing.

RSG's work products have led to many successful changes in local agency organization and withstood scrutiny of the public, decision makers, and even the State Controller.

Recent Fiscal Health Product Line Assignments

MUNICIPAL SERVICE REVIEWS

Orange LAFCO

Southwest Region MSR Update (Underway)

West Region MSR Update (Underway)

Siskiyou LAFCO

Fire Services MSR Update – in conjunction with Planwest Partners (Underway)

Riverside LAFCO

28 City MSR and SOI Update (Completed 2022)

Los Angeles LAFCO

Bell, Maywood, South El Monte, and Vernon MSRs and SOI Review (Underway)

La Mirada and Whittier MSR and SOI Update (Completed 2021)

Consolidated Fire Protection District MSR and SOI Update (Completed 2020)

Yolo LAFCO

Water Districts MSR and SOI Update (Completed 2013)

ANNEXATION STUDIES

City of Martinez (Contra Costa Co.)

Sphere of Influence Annexation Study (Completed 2021, Updated 2023)

Alhambra Valley / North Pacheco Annexation Study (Completed 2015)

City of Belmont (San Mateo Co.)

Eastern Harbor BI Annexation Strategy (Underway)

601 Harbor BI Annexation (Underway)

608 Harbor BI Annexation (Underway)

Old County Rd/Harbor BI Annexation (Completed 2021)

1304 Elmer Street Annexation (Completed 2018)

City of Huntington Beach (Orange Co.)

Bolsa Chica Annexation Study (Completed 2009, Updated 2013, Updated 2022)

City of San Carlos (San Mateo Co.)

252 Club Drive Annexation (Completed 2020)

Hyde Park Estates Annexation (Completed 2019)

Cranfield Annexation (Completed 2015)

Desert Healthcare District (Riverside Co.)

AB 2414 Annexation Fiscal Analysis (Completed 2017)

Berger Foundation / Cathedral City (Riverside Co.)

SOI Expansion and Annexation Fiscal Analysis (Completed 2013)

INCORPORATION STUDIES

San Joaquin LAFCO

Comprehensive Fiscal Analysis – Mountain House Incorporation (Underway)

Malaga County Water District / Malaga (Fresno Co.)

Initial Fiscal Analysis – Malaga Incorporation (Completed 2018)

Placer LAFCO

Comprehensive Fiscal Analysis – Olympic Valley Incorporation (Completed 2015)

San Bernardino LAFCO

Rim Communities Incorporation Feasibility Study (Completed 2015)

OTHER REORGANIZATIONAL STUDIES

City of Portola / Local Emergency Services Study Group (Plumas Co.)

Portola/East Plumas Fire Protection Reorganization (Underway, with Planwest Partners)

County of San Bernardino

CSA 79 Reorganization Fiscal Analysis (Completed 2018, Updated in 2022)

City of Nevada City (Nevada Co.)

SOI Update and Annexation Plan (Completed 2017)

OTHER FISCAL OR OPERATIONAL STUDIES

March Joint Powers Authority (Riverside Co.)

JPA Sunsetting Services (Underway)

CALAFCO

Update Map of Statewide Disadvantaged Unincorporated Communities (Completed 2022)

Riverside LAFCO

Update Map of Statewide Disadvantaged Unincorporated Communities (Completed 2021)

City of Carlsbad (San Diego Co.)

Custodial Service Level Study (Completed 2020)

Public Works Paint Shop Cost Benefits Analysis (Completed 2016)

Public Works Department Lines of Business Operational Study (Completed 2013)

Street & Signal Maintenance Division Business Plan (Completed 2011)

City of Irwindale (Los Angeles Co.)

General Fund Fiscal Plan and Sustainability Model (Completed 2018)

City of Grand Terrace (San Bernardino Co.)

General Fund Sustainability Analysis (Completed 2011)

City of South Gate (Los Angeles Co.)

Housing Division Efficiency Study (Completed 2021)

FISCAL/ECONOMIC IMPACT ANALYSIS

City of Jurupa Valley (Riverside Co.)

Rubidoux Commerce Park (Scheduled 2023 Completion) ^

Rio Vista Specific Plan (Scheduled 2023 Completion) ^

The District Specific Plan (Scheduled 2023 Completion) ^

^ Included community benefits analysis

Toll Bros Multifamily (Orange Co.)

Oceanside Multifamily Project (Scheduled 2023 Completion)

Dana Point Multifamily Project (Completed 2022)

Santa Ana 4th & Main Mixed Use Project (Completed 2019)

Orangethorpe Investment Partners (Orange Co.)

777 W. Orangethorpe Av Multifamily Project (Underway)

City of San Carlos (San Mateo Co.)

789 Old County Rd Life Sciences Project (Scheduled 2023 Completion) *^

642 Quarry Road Life Sciences Project (Scheduled 2023 Completion) *^

803-851 Old County Road Life Sciences Project (Scheduled 2023 Completion) *^

501 Industrial Hotel Project (Scheduled 2023 Completion) *^

Alexandria District Phase II Life Sciences Project (Scheduled 2023 Completion) *^

405 Industrial Life Sciences Project (Completed 2022) *^

1030 Brittan / MBC Biolabs Project (Completed 2020) *^

888 Bransten Life Sciences Project (Completed 2020) *^

655 Skyway Airport Hangar/Office Project (Completed 2020) *^

1091 Industrial Hotel Project (Completed 2017)

Trestle / Transit Village Mixed Use Project (Completed 2018) ^

Marriott Residence Inn / Landmark Hotel Project (Completed 2016) *^

Alexandria District Phase I / Windy Hill (Completed 2015) *^

* Included feasibility analysis

^ Included community benefits analysis

Vineyards Development / Santa Ana (Orange Co.)

Newpark Plaza (Newark, CA) Development Fiscal Impact Analysis (Completed 2022)

Bowery (Santa Ana) Multifamily Project (Completed 2020)

2525 Main Multifamily (Santa Ana) Project (Completed 2019)

Dyer Road / Heritage (Santa Ana) Multifamily Project (Completed 2015)

The Concord Group

El Segundo Residential Development Fiscal Analysis (Completed 2023)

Santa Monica Bl (Beverly Hills) Office Project Fiscal Impact Analysis (Completed 2021)

J Street (Sacramento) Mixed Use Project Fiscal Impact Analysis (Completed 2021)

Medical Main Street (Lancaster) Mixed Use Master Plan (Completed 2021)

4th & Cabrillo (Santa Ana) Mixed Use Project (Completed 2020)

4th & Mortimer (Santa Ana) Mixed Use Project (Completed 2020)

Town Madison (Madison, AL) Interchange (Completed 2020)

651 Sunflower / Legacy (Santa Ana) Multifamily Project (Completed 2019)

The Gulch / Atlanta Mixed Use Project (Completed 2017)

Ridgeline (San Bernardino) Retail Project (Completed 2015)

Basking Ridge Development (Basking Ridge NJ) (Completed 2015)

East Hartford (CN) Outlet Mall (Completed 2015)

City of Los Angeles, Office of Chief Legislative Analyst

Venice Hope Mixed Use Project (Completed 2020) *

AECOM Capital Hotel Project (Completed 2019) *

Grand Avenue Los Angeles Mixed Use Project (Completed 2016) *

Westfield Village at Topanga (Completed 2012) *

* Included feasibility analysis

City of Belmont (San Mateo Co.)

Artisan Crossing Mixed Use Project (Completed 2018)

STAFFING PLAN

The staff at RSG strives to be trusted advisors to our clients, providing them with essential data and guidance. At the root of our services is the innate desire of our staff members to seek answers, and in every engagement, our clients' questions become our own. What should we do? How do we get there? What is best for our community? Our staff's problem-solving skills are products of training and experience, but it is also our tenacious desire to unearth practical solutions that pervades our corporate conscience.

RSG dedicates a Principal to each project assignment and creates a core group of project managers and staff who work on the individual assignments on a consistent basis throughout all stages of the contract engagement. Our staff is focused, committed, and passionate about the work we do. We conduct our engagements around our Core Values and are proud of it. We pride ourselves on our ability to appropriately allocate our time and resources to ensure that a project is completed on time and within budget.

Jim Simon, Principal, would lead the team for this engagement and is the main point of contact. Mr. Simon would be assisted by RSG staff members Mark Sawicki, Director, and Brandon Fender, Associate. Mark is based out of RSG's Bay Area office in Berkeley. Additional RSG staff will be assigned support roles as needed. Resumes of consulting staff assigned to this engagement are on the following pages.

Project and Team Management Practices

RSG manages staff allocation weekly to ensure that clients experience consistent, timely, and high-quality services. When responding to a proposal, RSG considers the expertise needed as well as the availability of personnel and makes assignments at that stage—even before getting a contract. This early commitment of resources minimizes the personnel turnover on engagements, so clients have a consistent team of consultants working on their project.

Each month, employees submit a forecast of their three-month (3) workload (after collaborating with project managers and principals) to RSG's resource management team for a review of overall hourly commitments to ensure adequate time allocation for the highest quality work products.

Project management is a critical part to RSG's operations, and we use several tools that all consulting staff employ as part of their daily activities. RSG employs WorkFlowMax, a project and time management application, daily to manage and track hours and milestones on assignments. On a weekly basis, all RSG team members provide updates on each project assignment in Microsoft Teams, and the Principals conduct weekly one-on-one meetings with each of our staff to review all assignments, actual hours, projected hours, and deliverables to ensure jobs are completed on time, within budget, and at our quality standards.



JIM SIMON

Principal & President

714.316.2120
jsimon@webrsg.com

PROFILE

“With determination and imagination, I serve myself and others to discover our capacity for what is possible by designing solutions for a complex world so we can cherish and nurture our communities.”

OUT & ABOUT

CALED 40 at 40 Honoree for contributions to California Economic Development

Co-Chair, CALED EDFRE Technical Committee

Member, CALED Legislative Committee

“Business Retention and Attraction” – Advanced Certification Program Instructor (CALED)

“Community Economic Development” – Keys Program

Housing California

Non-Profit Housing Association of Northern California (NPH)

Southern California Association of Non-Profit Housing (SCANPH)

California Association of Local Housing Finance Agencies (Cal-ALHFA)

San Diego Housing Federation (SDHF)

California Association of Local Agency Formation Commissions (CALAFCO)

ABOUT JIM

Inspired to improve the Golden State in his work, Jim delivers intelligence, innovation, and passion to projects requiring his unparalleled expertise in fiscal health, real estate, and economic development. For over 30 years, Jim is proud to have led projects that have resulted in the investment of over \$10 billion in private and public capital, transforming cities and communities across California. As President of RSG, Jim is helping to shape the next generation of the firm’s legacy - leading RSG’s team of inspired, creative, and insightful consultants that serve over 100 communities each year.

EDUCATION

Jim joined RSG in 1991 and has served as a Principal and shareholder since 2001. He received a BA in Business Administration with a concentration in entrepreneurial management from California State University, Fullerton.

In 2014, Jim was selected as an Advisory Board member of the California Association for Local Economic Development, where he serves as Co-Chair of CALED’s Economic Development, Real Estate and Finance technical committee. Jim is also an Advisory member of the Legislative Committee for the California Association of LAFCOs (CALAFCO), and active in other professional organizations including NAIOP, ICSC, NPH, and SCANPH.

RECENT ENGAGEMENTS

Led the preparation of a MSR for the 28 cities in Riverside County, provided MSR and SOI updates for 13 cities and 12 special districts for Orange County LAFCO, and provided MSR and SOI updates for 4 cities for LA LAFCO.

Prepared the 2020 Municipal Services Review and SOI Update for the Consolidated Fire Protection District of Los Angeles County, the largest special district in California, for LA LAFCO.

Prepared fiscal impact analysis for several annexations proposals within city SOIs, including Martinez, San Carlos, Huntington Beach, and Belmont.

Served as engagement manager for the most recent incorporation comprehensive fiscal analysis (Olympic Valley, Placer County) in which RSG’s work withstood substantial public scrutiny, including DOF review.





MARK SAWICKI

Director

714.316.2194
msawicki@webrsg.com

PROFILE

“I am at my best solving complicated problems, being both logical and creative, as I seek to understand, enhance, and improve programs, policies, systems and organizations for the benefit of California communities.”

OUT & ABOUT

Urban Land Institute (ULI)

San Francisco Planning and Urban Research (SPUR)

Municipal Managers Association of Northern California (MMANC)

Housing California

Non-Profit Housing Association of Northern California (NPH)

Southern California Association of Non-Profit Housing (SCANPH)

California Association of Local Housing Finance Agencies (Cal-ALHFA)

San Diego Housing Federation (SDHF)

California Association of Local Agency Formation Commissions (CALAFCO)

ABOUT MARK

Mark has forged a unique 30+ year career across both the public and private sectors, from real estate asset management and small business startups to economic and community development, which informs his approach to municipal consulting services. His work includes real estate advisory services, developer selection and negotiations, public private partnerships, affordable housing development, fiscal and economic impact analyses, municipal service reviews, and economic development policy analysis.

Mark joined RSG in 2020 after leadership roles in community and economic development, housing, and workforce development with the cities of Oakland, Vallejo, and San Carlos. He was previously a San Francisco Bay Area-based consultant for California cities, counties, and redevelopment agencies. Mark also was appointed and served five years on the Housing Advisory Commission with the City of Berkeley. Earlier in his career he managed a national portfolio of real estate limited partnership investments and co-founded an outsourced financial consulting and accounting firm.

EDUCATION

Mark earned a Masters in Public Policy from the Goldman School at the University of California, Berkeley, and a Bachelor of Science in Finance, cum laude, from New York University, as well as a Certificate in Real Estate Finance and Analysis from NYU.

RECENT ENGAGEMENTS

Conducted a Municipal Services Review and Sphere of Influence update for 25 cities and special districts for Orange County LAFCO.

Conducted a Municipal Services Review and Sphere of Influence update for 28 cities for Riverside County LAFCO.

Evaluated the fiscal and economic impact of development proposals and provided advice on community benefit agreement negotiations for new hotel, commercial, and housing development proposals in the City of San Carlos.

Evaluated the current and projected jobs/housing balance locally and regionally for the City of San Carlos.





BRANDON FENDER

Associate

714.316.2106
bfender@webrsg.com

PROFILE

“I enjoy creating equitable and sustainable urban spaces for communities. I thrive in a challenging environment and seek to provide innovative solutions.”

OUT & ABOUT

Advisory Board member for the CALAFCO Legislative Committee

International Council of Shopping Centers

Housing California

Non-Profit Housing Association of Northern California (NPH)

Southern California Association of Non-Profit Housing (SCANPH)

California Association of Local Housing Finance Agencies (Cal-ALHFA)

San Diego Housing Federation (SDHF)

California Association of Local Agency Formation Commissions (CALAFCO)

ABOUT BRANDON

Brandon specializes in providing support in real estate feasibility, economic and fiscal impact analyses, and housing administration. He is most engaged when his research translates to solutions for local governments and access to healthy and safe environments for their citizens.

In 2014, Brandon became an entrepreneur, starting the Good Beer Company, the first brewery and tasting room in Santa Ana. After five years of success from concept to business plan and fundraising, to opening a warehouse location, Brandon sold the brewery and returned to RSG, with a direct appreciation for the life of the small business owner which he applies to his work at the firm.

EDUCATION

Mr. Fender initially joined RSG in 2009 while attending the University of California, Irvine where he earned a BA in Social Ecology. As a member of numerous project teams, Mr. Fender gained experience in housing administration, economic and market analyses, housing construction and development, municipal finance, and development feasibility.

RECENT ENGAGEMENTS

Developed a methodology for a Municipal Service Review for the Los Angeles Local Agency Formation Commission that sought to inform service and sphere of influence recommendations for a joint sphere of influence between the cities of Whittier and La Mirada.

Assisted Riverside LAFCO with a municipal services review for the 28 cities in Riverside County.

Studied jobs generation, labor income, value added, and economic output, collectively known as economic impacts, for the Big Bear Airport District. RSG’s conclusions identified economic impacts at the airport, in the community as a result of airport operations, and induced consumer and business spending by the airport and its direct employees.

Completed an economic and market analysis for the City of Carlsbad’s comprehensive General Plan update that sought to understand projected changes in job, economic base, retail, shopping, hotel and tourism, and business climate trends over a 30-year period.



SCOPE OF SERVICES

TASK 1: PROJECT INITIATION – KICKOFF MEETING, PRELIMINARY RESEARCH, GIS MAP PREPARATION, SURVEY INSTRUMENT CREATION AND STAKEHOLDER OUTREACH

Prior to the kickoff meeting, RSG will review previous MSR determinations and SOI recommendations for each agency included in the scope of work. During the kickoff meeting, RSG and LAFCO staff will review previous MSR determinations and SOI recommendations, including consolidation options, for status updates and a progress report since the previous MSR. This content would also be reviewed with each agency during the agency interviews.

RSG conducted a preliminary appraisal of previous MSR determinations and SOI recommendations for all 28 agencies and identified the following discussion topics for the kickoff meeting:

- Several agencies experienced financial challenges in the years following the Great Financial Crisis or related to the increasing costs of pension and other post-employment benefit programs. (ACMAD, Livermore Area RPD, Hayward Area RPD, East Bay RPD, City of Alameda, City of Fremont, City of Hayward, City of Livermore, City of Newark, and City of Union City)
- Several agencies expressed that they have infrastructure deficiencies (Five Canyons CSA, Castle Homes CSA, Castlewood CSA, Livermore Area RPD, Hayward Area RPD, East Bay RPD, City of Albany, City of Berkeley, City of Fremont, City of Hayward, and City of Livermore)
- Several agencies were not active and not providing services at the time the previous MSRs were prepared, and the MSRs recommended dissolutions (Public Works Extended Services CSA, Castro Valley Library CSA, Dublin Library CSA, and Estuary Bridges CSA)
- One agency was recommended for a reorganization of services (Vector Control CSA to cede mosquito abatement services in Albany to ACMAD)
- Two potential consolidations were recommended (ACMAD to consolidate with Vector Control CSA, and Livermore Area RPD to consolidate with the City of Livermore)
- Four SOI reductions were recommended (ACMAD, Lead Abatement CSA, Livermore Area RPD, and City of Livermore as requested by a property owner)
- One area was recommended for inclusion in an overlapping SOI between Livermore and Pleasanton

RSG will coordinate a kickoff meeting with LAFCO staff following contract commencement. The kickoff meeting is the opportunity to review and discuss the scope of work, define project objectives and possible outcomes, discuss the scope of the survey instrument, assign roles and responsibilities, define communication frequency and platform, exchange contact information for data collection (such as GIS data providers), and discuss the project schedule. Additional items for discussion during the kickoff meeting include the draft introductory letter and draft survey instrument.

RSG will request GIS files from LAFCO staff or the appropriate County department and compile GIS layers into a mapping tool that will be used during the interview stage to understand and discuss potential consolidation concepts, SOI amendments, or physical and geographic constraints to future consolidations and SOI amendments.

RSG will work with LAFCO staff to develop a survey instrument, which would be distributed to affected agencies prior to the interview process to introduce agencies to interview topics and

guide the interviews towards meaningful discussions around shared services and consolidation, among other topics. RSG anticipates that the survey instrument would include a template of common questions that would be discussed with each agency, augmented by specific questions as identified during the initial data collection process and in response to prior MSR determinations and SOI recommendations. The survey instrument would be accompanied by an introductory letter, signed by LAFCO staff, that would serve to introduce agencies to the MSR process. LAFCO staff may also wish to distribute an introductory letter directly to the affected agencies.

TASK 2: DATA COLLECTION – RESEARCH, SURVEY DISTRIBUTION, INTERVIEWS, DATA ANALYSIS, PRELIMINARY FINDINGS

At an early stage, RSG will begin collection of GIS, demographic, fiscal, and economic data in order to better understand the agencies prior to the stakeholder interviews. RSG would augment the County's GIS data with County auditor controller reports, assessment data, DOF demographic data, and the SCO's most recently available fiscal transactions report data, and other public available information. Agency budgets and audits will be collected, where available. RSG will compile all data in a digital library, prepare agency data profiles, and use summarized data to augment and individualize the survey instrument.

RSG will review, interpret, and analyze relevant data sources to develop an understanding of each agency. If available, engineering reports and financial data will be reviewed for significant findings and discussed with agency staff during the interview process.

RSG will rely on LAFCO's disadvantaged unincorporated communities and island/pocket designations for mapping purposes.

District outreach, survey distribution, stakeholder interviews, special emphasis on understanding needs, opportunities, concerns regarding shared service or consolidation of districts. Survey instrument to include findings from prior MSR determinations and recommendations, preliminary data collection, mapping, and analysis.

RSG would distribute the introductory letter along with the survey instrument to affected agencies and begin contacting agencies directly to schedule Zoom interviews with management. Each interview is expected to take one hour and would likely conclude the majority of RSG's interaction with each agency until the MSR is distributed for public review. Of course, if the interview identifies items that require additional information, RSG would reach out directly to the agency.

Based on RSG's data collection and analysis, and the agency interviews and response to the survey instrument, RSG would compile preliminary findings. The preliminary findings, which generally follow the format of MSR determinations and SOI recommendations, would be distributed to LAFCO staff for review while the administrative draft MSR preparation is underway. RSG would look to LAFCO staff for comments and clarification on any outstanding items identified in the preliminary findings.

TASK 3: ADMINISTRATIVE DRAFT MSR – DRAFT MSR, CLIENT REVIEW, REVISIONS/REDLINE RESPONSE

Building on RSG's data compilation and analysis, and the anecdotal information collected during the interview stage, RSG would develop detailed agency profiles, which represent the body of the MSR. Each agency profile would include, at a minimum, the following:

- Agency data summaries, including population, demographic, and land use summaries, as well as staffing and governance summaries,
- Summary and discussion of services provided, including any extraterritorial services provided,
- General financial information, including historical revenues and expenditures, reserve fund balances and policies, and pension and other post-employment benefit obligations,
- Discussion about the agency's existing boundary, any recent changes, locations of disadvantaged unincorporated communities and islands/pockets, if any, and potential consolidation/reformation opportunities, and sphere of influence amendments,
- A discussion about recent and planned major capital improvements, including relevant findings identified in any engineering reports, and
- Each agency profile would also include MSR determinations and SOI recommendations designed to meet the requisite legal requirements under CKH.

RSG would deliver the administrative draft MSR to the client electronically in both PDF and DOCX format shared via OneDrive to LAFCO staff for review and comment. Following LAFCO staff review, RSG would coordinate a virtual meeting to review and discuss LAFCO staff's comments. RSG would revise the draft MSR by incorporating comments and corrections based on staff comments. The revised administrative draft MSR would then be known as the public review draft MSR.

TASK 4: PUBLIC REVIEW AND PUBLIC HEARING DRAFT MSR – REVISIONS/REDLINE RESPONSE

RSG will distribute the public review draft MSR to affected agencies and interested parties for review and comment. RSG will work with LAFCO staff to determine an appropriate review time period. RSG will parse public review draft MSR comments and work with LAFCO staff, where appropriate, to obtain input in addressing the public review draft MSR comments.

The revised public review draft MSR, reflecting any changes received during the public review period, would then be known as the public hearing draft MSR. RSG anticipates that the public hearing draft MSR would be posted for public review ahead of the Commission public hearing. RSG would work with LAFCO staff to review and prepare to address any comments received prior to the Commission public hearing.

RSG would coordinate with LAFCO staff to prepare a public hearing slide deck, to be provided to LAFCO staff prior to the Commission public hearing (PPT and PDF format shared via OneDrive). RSG and LAFCO staff would also work together to coordinate speaking roles and assignments during the public hearing.

TASK 5: FINAL DRAFT MSR AND COMMISSION MEETING – REVISIONS/REDLINE RESPONSE

RSG will review and compile any comments and revisions received prior to and during the public hearing, and any final comments or corrections by LAFCO staff or the Commission. The revised public hearing draft MSR would then be known as the Final Draft MSR. RSG will provide an electronic PDF copy via OneDrive of the Final Draft MSR to LAFCO staff.

RSG would attend a second public hearing for final draft MSR approval, if necessary.

PROJECT SCHEDULE

Below, RSG has prepared a tentative schedule for completion of the scope of work. If awarded the contract, RSG would update the schedule in consultation with LAFCO and discuss this at the kickoff meeting. The timeline presented below assumes expeditious contract approval and execution by May 11, 2023.

Task	Timeline
Contract Approval / Contract Execution	May 11, 2023
Task 1: Project Initiation	Late May 2023
Task 2: Data Collection	May – September 2023
Task 3: Administrative Draft MSR	July – September 2023
Task 4: Public Review and Public Hearing Draft MSR	October - November 2023
Task 5: Final Draft MSR	December 2023

WORK EXPERIENCES AND REFERENCES

The projects below demonstrate RSG's recent experience comparable to the services requested in this RFP. We encourage you to contact our references or follow up with additional questions.

FOUR CITIES MUNICIPAL SERVICES REVIEW – LA LAFCO

RSG was retained in 2022 by the Local Agency Formation Commission for the County of Los Angeles to provide Municipal Service Review and Sphere of Influence updates for the cities of Bell, Maywood, South El Monte, and Vernon. Our work has also included interviewing the four cities to understand service challenges and opportunities, and analyzing budget and audit data to make determinations about fiscal health. RSG is currently in the process of preparing the MSR for public review.

CONTACT: Paul Novak, Executive Officer
(626) 204-6500 / pnovak@lalafco.org

WEST AND SOUTHWEST REGION MUNICIPAL SERVICES REVIEWS – ORANGE COUNTY LAFCO

RSG was retained in 2022 by the Local Agency Formation Commission for the County of Orange to provide Municipal Service Review and Sphere of Influence updates for thirteen cities and twelve special districts in the west and southwest portions of the County. The MSRs are designed to meet the requirements of the law for LAFCO to conduct periodic MSRs and SOI updates. RSG is currently in the process of preparing the MSRs for public review.

CONTACT: Carolyn Emery, Executive Officer
(714) 640-5100 / cemery@oclafco.org

28 CITIES MUNICIPAL SERVICES REVIEW – RIVERSIDE LAFCO

RSG drafted the municipal services review for the 28 cities in Riverside County, including updating the maps of disadvantaged unincorporated communities using updated Census data released in December 2020. Our work entailed collection and analysis of budget, audit, and operational data, including developing agency profiles by function and service provider/model. The MSR addressed both the basic requirements under state law and also considered various policy focus areas such as several metrics on overall fiscal condition. RSG interviewed the 28 cities and drafted the Administrative Draft MSR which was provided to LAFCO staff for internal review, and RSG completed the public review draft for Commission consideration in 2022.

As part of the MSR, RSG also completed a countywide analysis of the most recent American Community Survey (ACS) 2015-19 data from the Census and developed new maps for LAFCO's 78 disadvantaged unincorporated communities. The analysis included use of current registered voter data, residential values, land use data, as well as Census data using a methodology developed jointly with LAFCO, analyzed in a test area, then implemented countywide.

CONTACT: Crystal Craig, Assistant EO
(951) 369-0631/ ccraig@lafco.org

A copy of this completed analysis is included as an Appendix, as requested in the Proposal Requirements section of the RFP.

PROJECT COST

RSG proposes a total budget not to exceed \$129,695, inclusive of the hours and expenses pursuant to our Billing Rates and Fee Schedule. The assignment would be billed on a time-and-materials basis in accordance with our billing rates and policies set forth below.

- Task 1: Project Initiation \$8,565
- Task 2: Data Collection \$38,760
- Task 3: Administrative Draft MSR \$59,015
- Task 4: Public Review and Public Hearing Draft MSR \$15,400
- Task 5: Final Draft MSR and Commission Meeting \$7,955

BILLING RATES & FEE SCHEDULE

Our Billing Rates are as follows:

Principal / Director	\$ 275
Senior Associate	\$ 200
Associate	\$ 185
Senior Analyst	\$ 150
Analyst	\$ 135
Research Assistant	\$ 125
Technician	\$ 100
Clerical	\$ 60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

APPENDIX – CITY MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR RIVERSIDE LAFCO



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 8

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: **Appointment of Members to the Policy and Budget Committee**

The Alameda Local Agency Formation Commission (LAFCO) will consider the appointment of one Commissioner to the Commission’s Standing Policy and Budget Committee.

Background

Alameda LAFCO established its Policy and Budget Committee in November 2014. Three members are to serve on the committee with currently only Commissioners Johnson and Vonheeder-Leopold appointed. The purpose of the Policy and Budget Committee is to review and recommend policies and outline an annual work plan and operating budget to the Commission.

Discussion

This item is for the Commission to consider the appointment of one additional member of the Commission to serve on the Policy and Budget Committee.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Appoint a Commissioner to the Policy and Budget Committee.

Alternative Two:

Continue consideration of the item.

Alternative Three:

Take no action.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures

This item has been placed on Alameda LAFCO's agenda as part of the business calendar. The following procedures are recommended in consideration of this item:

1. Receive verbal presentation from staff unless waived.
2. Invite any comments from the public.
3. Provide feedback on the item as needed.

Respectfully,



Rachel Jones
Executive Officer

Attachment: none



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 9

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: CALAFCO Annual Conference and Achievement Award Nominations

The Alameda Local Agency Formation Commission (LAFCO) will consider action items relating to the California Association of Local Agency Formation Commissions (CALAFCO) Annual Conference scheduled for October 18th – 20th in Monterey.

Summary

Voting Delegates

CALAFCO requires each member LAFCO to designate a voting delegate to vote on behalf of their Commission. LAFCOs may also designate an alternate voting delegate. Voting delegates may be a commissioner, alternate commissioner, or executive officer. Voting delegate names must be submitted to CALAFCO by Monday, September 18th. Delegates may vote electronically.

Board Nominations

Nominations for the CALAFCO Board of Directors are now being accepted until September 18th. There are eight seats up for election, two from each of the four regions. Alameda LAFCO is a member of the Coastal Region, and the Coastal Region seats include a City Member and Public Member seat. See the nomination packet for details in Attachment 1. CALAFCO Board elections for the Coastal Region’s City and Public Member seats will occur at the Annual Conference on Thursday, October 19th.

If an eligible member indicates interest in serving on the CALAFCO Board of Directors, staff recommends the Commission consider a formal nomination of that member. Staff also recommends authorizing the Chair to make final decisions related to nominations for CALAFCO Board of Directors if a decision cannot be made at this meeting.

Achievement Award Nominations

CALAFCO invites individual LAFCOs to nominate persons or projects for various achievement awards. See the nomination packet for details in Attachment 2.

Administrative Office
Rachel Jones, Executive Officer
224 West Winton Avenue, Suite 110
Hayward, California 94544
T: 510.670.6267
www.alamedalafco.org

Nate Miley, Regular
County of Alameda

David Haubert, Regular
County of Alameda

Lena Tam, Alternate
County of Alameda

Karla Brown, Chair
City of Pleasanton

Melissa Hernandez, Reg
City of Dublin

John Marchand, Alternate
City of Livermore

Ralph Johnson, Regular
Castro Valley Sanitary District

Marellen Faria, Regular
Special District Member

Georgian Vonheeder-Leopold, Alternate
Dublin San Ramon Services District

Sblend Sblendorio, Regular
Public Member

Bob Woerner, Alternate
Public Member

The awards were established in 1997 and currently include eight categories, ranging from “Most Outstanding LAFCO Commissioner” to “Legislator of the Year.” The Commission’s most recent award was in 2017 when Chair Sblendorio received the “Outstanding CALAFCO Member” award. Award winners will be announced during the banquet dinner scheduled for Thursday, October 19th. If the Commission would like to nominate any persons or projects for awards, the deadline to submit nominations to CALAFCO is Friday, August 18th.

If a member of the Commission indicates interest in nominating a person and/or project for any awards, staff recommends the Commission consider a formal nomination of that person and/or project. Staff also recommends authorizing the Chair to make final decisions related to nominations for achievement awards if a decision cannot be made at this meeting.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Appoint a voting delegate and alternate voting delegate for the 2023 CALAFCO Annual Conference; and advise staff or the Chair on any nominations for the CALAFCO Board of Directors or Achievement Awards.

Alternative Two:

Continue consideration of the report to a future meeting and provide direction to staff for additional information as needed ahead of the September 18th deadline.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures

This item has been placed on Alameda LAFCO’s agenda as part of the business calendar. The following procedures are recommended in consideration of this item:

1. Receive verbal presentation from staff unless waived.
2. Invite any comments from the public
3. Provide feedback on the item as needed.

Respectfully,

A handwritten signature in blue ink, appearing to read "Rachel Jones", with a long horizontal flourish extending to the right.

Rachel Jones
Executive Officer

Attachments:

1. CALAFCO Board Nominations
2. CALAFCO Achievement Award Nominations

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May 5, 2023

To: Local Agency Formation Commission
Members and Alternate Members

From: Wendy Root Askew, Committee Chair
CALAFCO Board Election Committee
CALAFCO Board of Directors



RE: Nomination Period Now Open for 2023/2024 CALAFCO Board of Directors

Nominations are now open for the fall elections of the CALAFCO Board of Directors for the following seats:

CENTRAL REGION	COASTAL REGION	NORTHERN REGION	SOUTHERN REGION
City Member	City Member	County Member	County Member
Public Member	Public Member	District Member	District Member

Please inform your Commission that the CALAFCO Election Committee will be accepting nominations for the above-cited seats until:

MONDAY, SEPTEMBER 18, 2023 at 5:00 PM

Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal, and operational issues that affect us all. The Board meets four to five times each year, with half of the meetings currently held virtually and the rest being held at alternate sites around the state.

Board seats span a two-year term, with no term limits, and any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat. Elections are conducted during Regional Caucuses at the CALAFCO Annual Conference prior to the Annual Membership Meeting on Thursday, October 19, 2023 at the Hyatt Regency Hotel in Monterey, California.

Should your Commission nominate a candidate, please return a completed Nomination Form and Candidate's Résumé Form by the deadline.



Please note that completed nomination forms and all materials must be RECEIVED by the CALAFCO Executive Director no later than **Monday, September 18, 2023 at 5:00 p.m.**

Returning the completed nomination and resume forms prior to the deadline ensures your nominee is placed on the ballot. Names will be listed in the order nominations were received.

Electronic filing of nomination forms is **highly encouraged** to facilitate the recruitment process (please email to info@calafco.org). However, hard copy forms and materials may also be mailed to:

CALAFCO Election Committee c/o Executive Director
California Association of Local Agency Formation Commissions
1129 Firehouse Alley
Sacramento, CA 9581

Nominations received by the September 18th deadline will be included in the Election Committee's Report and will be on the ballot. The Report will be distributed to LAFCo members no later than October 5, 2023, with ballots made available to Voting Delegates at the Annual Conference.

Nominations received after the deadline will be returned; however, nominations may be made from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting, an electronic ballot will be made available *if requested in advance*. **Ballot requests must also be received no later than 5:00 pm on Monday, September 18, 2023, with completed absentee ballots returned by 5:00 p.m. on Thursday, October 12, 2023.**

NOMINATION/ELECTION PROCESS DEADLINES AND TIMELINES

- **May 5** – Nomination Announcement and packet sent to LAFCo membership and posted on the CALAFCO website.
- **September 18** – Completed Nomination packet due
- **September 18** – Request for an absentee/electronic ballot due
- **September 18** – Voting delegate name due to CALAFCO
- **October 5** – Distribution of the Election Committee Report (includes all completed/submitted nomination papers)
- **October 5** – Distribution of requested absentee/electronic ballots.
- **October 12** – Absentee ballots due to CALAFCO
- **October 19** - Elections

If you have any questions about the election process, please contact CALAFCO Executive Director René LaRoche at rlaroche@calafco.org or by calling 916-442-6536.

Members of the 2023/2024 CALAFCO Election Committee are:

Wendy Root Askew, Chair
district4@co.monterey.ca.us

Monterey LAFCo (Coastal Region)
831-883-7570

Rodrigo Espinosa
Rodrigo.Espinosa@countyofmerced.com

Merced LAFCo (Central Region)
209-398-4340

Derek McGregor
dmcgregor@dmceng.com

Orange Co. LAFCo (Southern Region)
530-538-6834

Josh Susman
jsusman@calafco.org

Nevada LAFCo (Northern Region)
530-559-1725

Additionally, you will also find attached for your reference a copy of the CALAFCO Board of Directors Nomination and Election Procedures, as well as the current listing of Board Members and corresponding terms of office.

I sincerely hope that you will consider joining us!

Enclosures

Board of Directors Nomination and Election Procedures and Forms

The procedures for nominations and election of the CALAFCO Board of Directors [Board] are designed to assure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in the CALAFCO Annual Conference.

The Board nomination and election procedures shall be:

1. APPOINTMENT OF AN ELECTION COMMITTEE:

- a. Following the Annual Membership Meeting the Board shall appoint an Election Committee of four members of the Board. The Election Committee shall consist of one member from each region whose term is not ending.
- b. The Board Chair shall appoint one of the members of the Election Committee to serve as Committee Chair. The CALAFCO Executive Director shall either serve as staff to the Election Committee or appoint a CALAFCO regional officer to serve as staff in cooperation with the Executive Director.
- c. Each regional officer shall serve as staff liaison to the Election Committee specifically to assist in conducting the election as directed by the Executive Director and Committee.
- d. Goals of the Committee are to encourage and solicit candidates by region who represent member LAFCoS across the spectrum of geography, size, and urban-suburban-rural population, and to provide oversight of the elections process.

2. ANNOUNCEMENT TO ALL MEMBER LAFCoS:

- a. No later than four months prior to the Annual Membership Meeting, the Election Committee Chair shall send an announcement to each LAFCo for distribution to each commissioner and alternate. The announcement shall include the following:
 - i. A statement clearly indicating which offices are subject to the election.
 - ii. A regional map including LAFCoS listed by region.
 - iii. The specific date by which all nominations must be received by the Election Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFCo marked "Received too late for Election Committee action."
 - iv. The names of the Election Committee members and the name of their LAFCo, regional representation, email address and phone number. The name, email address and phone number of the Executive Director shall also be included.
 - v. The email address and physical address to send the nominations forms.
 - vi. A form for a Commission to use to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.
 - vii. The specific date by which all voting delegate names are due.
 - viii. The specific date by which absentee ballots must be requested, the date CALAFCO will

**Key Timeframes for
Nominations Process**

Days*	
120	Nomination announcement
30	Nomination deadline
14	Committee report released

*Days prior to annual membership meeting

distribute the absentee ballots, and the date by which they must be received by the Executive Director.

- b. A copy of these procedures shall be posted on the web site.

3. THE ELECTION COMMITTEE:

- a. The Election Committee and the Executive Director have the responsibility to monitor nominations and help assure that there are adequate nominations from each region for each seat up for election. No later than two weeks prior to the Annual Conference, the Election Committee Chair shall distribute to the members the Committee Report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.
- b. At the close of the nomination period, the Election Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the Annual Conference for the purpose of electing their designated representatives. Caucus elections must be held prior to the annual membership meeting at the Conference. The assigned regional officers along with a member of the Election Committee shall tally ballots at each caucus and provide the Election Committee the names of the elected Board members and any open seats. In the event of a tie, the regional officer and Election Committee member shall immediately conduct a run-off ballot of the tied candidates.
- c. Make available sufficient copies of the Committee Report for each Voting Delegate by the beginning of the Annual Conference. Only the designated Voting Delegate, or the designated Alternate Voting Delegate shall be allowed to pick up the ballot packet at the Annual Conference.
- d. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- e. Advise the Executive Director to provide "CANDIDATE" ribbons to all candidates attending the Annual Conference.
- f. Advise the Executive Director to provide "VOTING DELEGATE" ribbons to all voting delegates attending the Annual Conference.
- g. Post the candidate statements/resumes organized by region on a bulletin board or other easily accessible location near the registration desk.
- h. Regional elections shall be conducted as described in Section 4 below. The representative from the Election Committee shall serve as the Presiding Officer for the purpose of the caucus election and shall be assisted by a regional officer from a region other than their own, as assigned by the Executive Director
- i. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Election Committee Chair shall notify the Chair of the Board of Directors that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.

4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING

Limited to the elections of the Board of Directors

- a. Any LAFCo in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.
- b. LAFCos requesting an electronic ballot shall do so in writing to the Executive Director no later than 30 days prior to the annual meeting.

- c. The Executive Director shall distribute the electronic ballot no later than two weeks prior to the annual meeting.
- d. LAFCo must return the ballot electronically to the Executive Director no later than three working days prior to the annual meeting.
- e. LAFCos voting by electronic ballot may discard their electronic ballot if a representative is able to attend the annual meeting.
- f. LAFCos voting under this provision may only vote for the candidates nominated by the Election Committee as noted on the ballot and may not vote in any run-off elections.

5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING:

- a. The Presiding Officer shall:
 - i. Review the election procedure with the membership of their region.
 - ii. Present the Election Committee Report (previously distributed).
 - iii. Call for nominations from the floor by category for those seats subject to this election:
 - 1. For city member.
 - 2. For county member.
 - 3. For public member.
 - 4. For special district member.
- b. To make a nomination from the floor, a LAFCo, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two minutes in support of the nomination.
- c. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
- d. The Presiding Officer shall conduct a “Candidates Forum”. Each candidate shall be given time to make a brief statement for their candidacy. If a candidate is absent from the regional caucus, they may ask someone in their region to make a brief statement on their behalf.
- e. The Presiding Officer shall then conduct the election:
 - i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:
 - 1. Name the nominees and offices for which they are nominated.
 - 2. Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.
 - ii. For categories where there are more candidates than vacancies, the Presiding Officer shall:
 - 1. Poll the LAFCos in good standing by written ballot.
 - 2. Each LAFCo in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.

3. Any ballots submitted electronically for candidates included in the Election Committee Report shall be added to the tally.
 4. With assistance from the regional officer, tally the votes cast and announce the results.
- iii. Election to the Board shall occur as follows:
1. A majority of the total number of LAFcos in a given region are required for a quorum. Returned absentee ballots shall count towards the total required for a quorum.
 2. The nominee receiving the majority of votes cast is elected.
 3. In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election. Electronic ballots are not included in the tally for any run-off election(s).
 4. In case of tie votes:
 - a. A second run-off election shall be held with the same two nominees.
 - b. If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.

6. ADDITIONAL PROCEDURES

- a. For categories where there are more candidates than vacancies, names shall be listed on the ballot in the order the nomination was received and deemed complete.
- b. The Election Committee Chair shall announce and introduce all Board Members elected during the Regional Caucuses at the annual business meeting.
- c. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFco may be nominated for at-large seats.
- d. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.
- e. As required by the Bylaws, the members of the Board shall meet as soon as possible after election of new Board members for the purpose of electing officers, determining meeting places and times for the coming year, and conducting any other necessary business.

7. LOSS OF ELECTION IN HOME LAFCO

Board Members and candidates who lose elections in their home office shall notify the Executive Director within 15 days of the certification of the election.

8. FILLING BOARD VACANCIES

Vacancies on the Board of Directors may be filled by appointment by the Board for the balance of the unexpired term. Appointees must be from the same category as the vacancy, and should be from the same region.

CALAFCO's Four Regions



The counties in each of the four regions consist of the following:

Northern Region

Butte
Colusa
Del Norte
Glenn
Humboldt
Lake
Lassen
Mendocino
Modoc
Nevada
Plumas
Shasta
Sierra
Siskiyou
Sutter
Tehama
Trinity
Yuba

CONTACT: Steve Lucas
Butte LAFCo
slucas@buttecounty.net

Southern Region

Orange
Los Angeles
Imperial
Riverside
San Bernardino
San Diego

CONTACT: Gary Thompson
Riverside LAFCo
gthompson@lafco.org

Coastal Region

Alameda
Contra Costa
Marin
Monterey
Napa
San Benito
San Francisco
San Luis Obispo
San Mateo
Santa Barbara
Santa Clara
Santa Cruz
Solano
Sonoma
Ventura

CONTACT: Dawn Longoria
Napa LAFCo
dlongori@napa.lafco.ca.gov

Central Region

Alpine
Amador
Calaveras
El Dorado
Fresno
Inyo
Kings
Madera
Mariposa
Merced
Mono
Placer
Sacramento
San Joaquin
Stanislaus
Tulare
Tuolumne
Yolo

CONTACT: José Henriquez
Sacramento LAFCo
henriquezj@saccounty.net

CURRENT BOARD MEMBERS AND TERMS

NAME	REGION	TYPE & TERM
Bill Connelly, Chair	Butte <i>Northern</i>	County (2023)
Rodrigo Espinosa	Merced <i>Central</i>	County (2024)
Blake Inscore	Del Norte <i>North</i>	City (2024)
Gay Jones	Sacramento <i>Central</i>	District (2024)
Michael Kelley	Imperial <i>Southern</i>	County (2023)
Debra Lake	Humboldt <i>Northern</i>	District (2023)
Jo MacKenzie	San Diego <i>Southern</i>	District (2023)
Michael McGill	Contra Costa <i>Coastal</i>	District (2024)
Derek McGregor	Orange <i>Southern</i>	Public (2024)
Margie Mohler, Vice Chair	Napa <i>Coastal</i>	City (2023)
Anita Paque	Calaveras <i>Central</i>	Public (2023)
Daniel Parra	Fresno <i>Central</i>	City (2023)
Wendy Root Askew	Monterey <i>Coastal</i>	County (2024)
Shane Stark	Santa Barbara <i>Coastal</i>	Public (2023)
Josh Susman	Nevada <i>Northern</i>	Public (2024)
Acquanetta Warren, Treasurer	San Bernardino <i>Southern</i>	City (2024)

Date Received

CALIFORNIA ASSOCIATION OF
LOCAL AGENCY FORMATION
COMMISSIONS



Board of Directors

2023/2024 Nomination Form

(Must accompany the Candidate Résumé Form)

Nomination to the CALAFCO Board of Directors

In accordance with the Nominations and Election Procedures of CALAFCO,

_____ LAFCo of the _____ Region

Nominates _____

for the (check one) City County Special District Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual Membership Meeting of the Association.

_____ LAFCo Chair

_____ Date

NOTICE OF DEADLINE

Nomination Packets must be received by **September 18, 2023 at 5:00 p.m.** to be considered by the Election Committee.

Send completed nominations to
info@calafco.org

Or, mail to:

CALAFCO Election Committee
CALAFCO
1129 Firehouse Alley
Sacramento, CA 95814

Date Received

CALIFORNIA ASSOCIATION OF
LOCAL AGENCY FORMATION
COMMISSIONS



Board of Directors
2023/2024 Candidate Résumé Form
(Complete both pages)

Nominated By: _____ LAFCo Date: _____

Region (please check one): Northern Coastal Central Southern

Category (please check one): City County Special District Public

Candidate Name _____

Address _____

Phone Office _____ Mobile _____

e-mail _____

Personal and Professional Background:

LAFCo Experience:

CALAFCO or State-level Experience:

Availability:

Other Related Activities and Comments:

NOTICE OF DEADLINE

Nomination Packets must be received by **September 18, 2023 at 5:00 p.m.** to be considered by the Election Committee.

Send completed nominations to
info@calafco.org

Or, mail to:

CALAFCO Election Committee
CALAFCO
1129 Firehouse Alley
Sacramento, CA 95814



Nominations are now open for the 2023 CALAFCO Achievement Awards

Recognizing those who have gone above and beyond this last year to advance the principles and goals of the Cortese-Knox-Hertzberg Act

NOMINATION CATEGORIES:

- Outstanding CALAFCO Volunteer
- Outstanding CALAFCO Associate Member
- Outstanding Commissioner
- Outstanding LAFCo Professional
- Lifetime Achievement Award
- Legislator Of The Year



Mike Gotch Excellence In Public Service Award

AWARD CATEGORIES:



Protection of agricultural and open space lands and prevention of sprawl



Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services

For nomination and selection criteria and the nomination form, please visit bit.ly/23AAwards. For questions, please contact Steve Lucas at slucas@buttecounty.net.

Nomination deadline: Friday, August 18, 2023 · 5 p.m.

For most categories, nominations may be made by any individual, LAFCo, CALAFCO Associate Member, or any other organization. The Lifetime Achievement Award may only be nominated by a member LAFCo or an Associate Member in good standing with the Association.

Winners will be announced at the CALAFCO Awards Banquet to be held during the Annual Conference on October 19, 2023, at the Hyatt Regency Hotel in Monterey, California.

Date: May 9, 2023

To: CALAFCO Members
LAFCo Commissioners and Staff
Other Interested Organizations

From: Anita Paque, Committee Chair
CALAFCO Achievement Awards Committee
CALAFCO Board of Directors



Subject: 2023 CALAFCO Achievement Award Nominations Period Open

Deadline: 5:00 p.m., Friday, August 18, 2023

On behalf of the Association, I am pleased to announce that the nomination period for the 2023 CALAFCO Achievement Awards is now open!

Each year, CALAFCO is honored to recognize outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at its Annual Conference Achievement Awards Ceremony. This year's ceremony will be held on October 19 at the Hyatt Regency Monterey, during the awards banquet.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who have gone *above and beyond* over the last year to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition based on the criteria outlined.

Before submitting a nomination, *please carefully review the nomination instructions and the criteria for each award as incomplete nominations, and nominations that do not adhere to the submission guidelines, will not be considered by the Committee.*

ACHIEVEMENT AWARDS NOMINATION PROCEDURE:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization.
2. Each nomination must meet the specific award category criteria for consideration. The Committee will not consider any nomination for an award for any category other than the one for which it was submitted. Duplicate nominations *will not be considered by the Committee.*
3. Nominations *must be submitted with a completed nomination form.* Please use a separate form for each nomination. The form is your opportunity to highlight the most important points of your nomination.
4. Nomination *Executive Summaries* must be *limited to no more than 250 words in length.* Nomination *Summaries* must be *limited to no more than 1,000 words or 2 pages in length maximum.* You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount *will not be considered by the Committee.*

5. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. **Limit supporting documentation to no more than 3 pages.** If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount **will not be considered by the Committee.**
6. All nomination materials must be submitted at one time and must be received by the deadline. No late nominations will be accepted – no exceptions. Electronic submittals are required and must be submitted as pdf document, using the fillable pdf document provided.
7. **Nominations and supporting materials must be received no later than 5:00 p.m., Friday, August 18, 2023.** Send nominations via e-mail to:

Stephen Lucas, CALAFCO Executive Officer
slucas@buttecounty.net

You may contact Steve Lucas, CALAFCO Executive Officer, at slucas@buttecounty.net or (530) 538-7784 with any questions.

Members of the 2023 CALAFCO Board of Directors Awards Committee

Board Members:

<i>Anita Paque</i> , Committee Chair (Calaveras LAFCo, Central Region)	apaque@calafco.org
<i>Michael Kelley</i> (Imperial LAFCo, Southern Region)	mkelley@calafco.org
<i>Debra Lake</i> (Humboldt LAFCo, Northern Region)	dlake@calafco.org
<i>Margie Mohler</i> (Napa LAFCo, Coastal Region)	mmohler@calafco.org
<i>Shane Stark</i> (Santa Barbara LAFCo, Coastal Region)	sstark@calafco.org

Regional Officer Members:

<i>Steve Lucas</i> , CALAFCO Executive Officer (Northern Region)	slucas@buttecounty.net
<i>José Henriquez</i> , CALAFCO Deputy Executive Officer (Central Region)	henriquezj@saccounty.net
<i>Dawn Longoria</i> , CALAFCO Deputy Executive Officer (Coastal Region)	dlongoria@napa.lafco.ca.gov
<i>Gary Thompson</i> , CALAFCO Deputy Executive Officer (Southern Region)	gthompson@lafco.org

Attachments:

- 2023 Achievement Award nomination form
- Achievement Award categories, nomination and selection criteria
- Listing of prior Achievement Award recipients



CALAFCO ACHIEVEMENT AWARD CATEGORIES, NOMINATION & SELECTION CRITERIA

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are now open and being accepted until **5:00 p.m., Friday, August 18, 2023** in the following categories:

OUTSTANDING CALAFCO VOLUNTEER

Award Summary:

Recognizes a CALAFCO volunteer who has provided exemplary service during the past year. Exemplary service is service which clearly goes above and beyond that which is asked or expected in the charge of their responsibilities. This category may include a CALAFCO Board member, regional officer, program volunteer, or any other requested volunteer.

Nomination criteria:

1. Nominee must have volunteered for the Association during the year in which the nomination is being made.
2. Nominee does not have to be a CALAFCO member.
3. Volunteer efforts must have demonstrated the individual going above and beyond what was asked/expected with positive and effective results.
4. Nominee can be a CALAFCO Board member, regional officer, program volunteer or any other volunteer.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to each nominee, regardless of their position or role as a volunteer. Only the contributions and outcomes shall be considered, not the individual's position.
3. The extent of the volunteerism and the overall impact to the statewide Association and membership based on that volunteerism shall be considered.
4. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

OUTSTANDING CALAFCO ASSOCIATE MEMBER

Award Summary:

Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCos by consistently producing distinguished work that upholds the mission and goals of LAFCos and has helped elevate the role and mission of LAFCos through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement. Further, the individual or firm has a proven commitment to the Association membership through volunteering time and resources to further the cause of LAFCo and CALAFCO.

Nomination criteria:

1. Nominee must be a CALAFCO Associate Member in good standing with the Association.
2. Nominee shall be an Associate Member for the full year in which the nomination is being made.
3. The Associate Member nominated shall have been an Associate Member in good standing with the Association for at least one year prior to the year for which the nomination is being made.
4. As an Associate Member, the nominee may be an individual, firm or agency.
5. The nominee may be an individual within an Associate Member firm or agency.
6. Nominee shall demonstrate that through their work as an Associate Member, the role and mission of LAFCo has been upheld and furthered.
7. Nominee must have proven cooperative and collaborative approaches to situations and

solutions that affect LAFCo statewide as an Associate Member.

8. Proven commitment to the Association's membership as an Associate Member by volunteering resources to the Association during the year in which the nomination is made.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. The level of volunteering time and resources to the Association shall be a consideration with all other nomination criteria.

OUTSTANDING COMMISSIONER

Award Summary:

Presented to an individual Commissioner for extraordinary service to his or her Commission. Extraordinary service is considered actions above and beyond those required in the course of fulfilling their statutory responsibilities as a Commissioner. It requires consistently demonstrating independent judgment on behalf of the interest of the entire county, developing innovative and collaborative solutions to local issues, and leading the commission and community by example.

Nomination criteria:

1. Nominee must be a Commissioner of a LAFCo in good standing with the Association.
2. Nominee shall be a Commissioner for the full year in which the nomination is being made.
3. Proven demonstration of consistently exercising independent judgment for the greater good of the County is required.
4. Proven leadership of the commission and the community through collaborative, innovative and creative solutions to local issues is required.
5. Proven effective results and outcomes shall be demonstrated in the nomination.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. Representation type (city-county-district-public) shall not be a consideration nor shall be the size or geographic area of the LAFCo on which the Commissioner serves.
4. The overall impact of the leadership of the Commissioner shall be considered.
5. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

OUTSTANDING LAFCo PROFESSIONAL

Award Summary:

Recognizes an Executive Officer, Staff Analyst, Clerk, Legal Counsel or any other LAFCo staff person for exemplary service during the past year. Exemplary service is considered actions which clearly go above and beyond that which is asked, expected, or required in the charge of their LAFCo responsibilities.

Nomination criteria:

1. Nominee must be a staff person of a LAFCo in good standing with the Association.
2. Nominee shall be a staff person for the full year in which the nomination is being made.
3. As a staff person, the nominee can be either an employee of the LAFCo or a contractor providing employee-type services to the LAFCo.
4. Efforts must be demonstrated that the individual has consistently gone above and beyond or outside the scope of their role or job responsibilities, with proven results that otherwise would not have occurred.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. Position within a LAFCo shall not be a consideration, nor shall be the size or geographic area of the LAFCo.

4. The overall impact of the LAFCo professional to their LAFCo and the greater community shall be considered.
5. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

LIFETIME ACHIEVEMENT AWARD

Award Summary:

Recognizes any individual who has made extraordinary contributions to the statewide LAFCo community in terms of longevity of service, exemplary advocacy of LAFCo-related legislation, proven leadership in approaching a particular issue or issues, and demonstrated support in developing and implementing innovative and creative ways to support the goals of LAFCos throughout California. At a minimum, the individual should be involved in the LAFCo community for at least twenty (20) years.

Nomination criteria:

1. Nomination must be received from a member LAFCo or Associate Member in good standing with the Association.
2. A minimum of 20 years direct involvement with the LAFCo community is required for consideration.
3. During that time, nominee shall have a proven positive impact and effect on the support and evolution of LAFCos statewide.
4. This includes advocacy of LAFCos statewide through legislation, developing creative and innovative solutions to LAFCo issues that serve beyond their LAFCo to the greater good, and collaborative stakeholder approaches to issues and opportunities to further the cause and mission of LAFCo.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Preference may be given to nominees who also have proven experience volunteering for CALAFCO through a regional officer role, serving on committees, serving on the CALAFCO Board, or any other method of volunteering for the Association that serves to promote and support the mission and work of LAFCos throughout the state.

LEGISLATOR OF THE YEAR

Award Summary:

Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals that have a statewide effect. The recipient shall have demonstrated clear support and effort to further the cause and ability of LAFCos to fulfill their statutory mission. Selected by CALAFCO Board by super majority.

Nomination criteria:

1. Nominee shall be a California State legislator during the full year in which the nomination was made.
2. Nominee must have demonstrated extraordinary leadership in the Legislature on behalf of LAFCos statewide, with efforts resulting in a positive impact for all LAFCos.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. All Legislator of the Year nominations shall be forwarded by the Achievement Awards Committee to the Board for consideration.
3. Selection of the recipient of this award shall be done with a super majority approval of the Board (present at the time of the vote).

MIKE GOTCH EXCELLENCE IN PUBLIC SERVICE AWARD

Award Summary:

Awarded to an individual, group or agency for actions that rise above expected or common functions or

actions that are LAFCo-related; *and* reduce or eliminate common institutional roadblocks; *and* result in a truly extraordinary public service outcome. Individuals, a LAFCo, or collaborative effort among multiple LAFCos or a LAFCo with other entities are eligible. Other entities shall be decision-making bodies at the local, regional or state level. This award has two distinct categories, each focusing on a specific area:

1. *Protection of agricultural and open space lands and prevention of sprawl*
2. *Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*

Award categories:

• **Protection of agricultural and open space lands and prevention of sprawl**

Includes the development and implementation of programs or other actions associated with agriculture, water, flood control, parks and recreation, habitat conservation plans and public lands. Demonstrates the recipient has identified, encouraged and ensured the preservation of agricultural and open space lands. Proven actions that encourage cities, counties and special districts to direct development away from all types of agricultural lands, including prime agricultural lands and open space lands. Includes demonstrated consideration given in decisions to Regional Transportation Plans, including sustainable communities strategies and other growth plans to ensure reliable services, orderly growth, and sustainable communities.

• **Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services**

Includes the development and implementation of innovate support and systems within internal LAFCo operations in the support of local agencies. Actions produce systemic and sustainable improvements and innovation of local government. Proven facilitation of constructive discussions with local and regional agencies and proactive outreach to local and regional agencies as well as local stakeholders and communities to identify issues and solutions and demonstrated action as a coordinating agency in offering and supporting unique local solutions to meet local challenges. Successful demonstration of development of capacities and abilities of local agencies. Provide tools and resources to local agencies to address aging infrastructure, fiscal challenges and the maintenance of existing services. Demonstrated action to streamline the provision of local services with proven results that services are consistent or have been improved as a result, with little to no increased cost to the consumer. Focused efforts and proven results to ensure delivery of services to all communities, especially disadvantaged communities.

Nomination criteria:

1. Clear demonstration that the actions rise above expected or common functions or actions.
2. The actions reduced or eliminated common institutional roadblocks.
3. The actions clearly proven a truly extraordinary public service outcome that is systemic and sustainable.
4. Identified unique circumstances and factors leading to the solution/project.
5. The innovative steps taken by the LAFCo or entity/entities/individual to solve the problem, overcome the situation, or to take action.
6. Clear description of the results/outcomes of the work and the short- and long-term effects.
7. How this work can be promoted as a LAFCo best practice.
8. Clear demonstration how this nomination meets all criteria.

Selection Criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to each nominee within each category. The size or geographic area of the LAFCo within a given category shall not be a consideration.
3. The overall impact of the actions and outcomes to the greater community being served shall be considered.
4. The level of impact based on the required nomination criteria shall be considered.



PREVIOUS CALAFCO ACHIEVEMENT AWARD RECIPIENTS

2022

Outstanding Commissioner	Don Saylor , Yolo LAFCo
Outstanding LAFCo Professional	Carolyn Emery , Orange LAFCo
Mike Gotch Award - Innovation, Collaboration, And Outreach	Two-Way Tie: Yolo LAFCo , and El Dorado LAFCo & South Fork Consulting, LLC

2020 – 2021 (2 year period due to the pandemic)

Outstanding Associate Member	Planwest Partners
Outstanding Commissioner	Olin Woods , Yolo LAFCo
Outstanding LAFCo Professional	Crystal Craig , Riverside LAFCo
Mike Gotch Protection of Ag and Open Space Lands & Prevention of Urban Sprawl	Napa LAFCo
Mike Gotch Courage & Innovation in Local Government Leadership Award	Yolo LAFCo
Lifetime Achievement Award	Jerry Glabach , Los Angeles LAFCo

2019

Distinguished Service Award	Charley Wilson , Orange LAFCo
Most Effective Commission	Contra Costa LAFCo
Outstanding Commissioner	Jim DeMartini , Stanislaus LAFCo
Outstanding LAFCo Professional	David Church , San Luis Obispo LAFCo
Project of the Year	Orange LAFCo , for <i>San Juan Capistrano Utilities MSR</i>
Government Leadership Award	CA State Water Resources Control Board, Los Angeles County and Los Angeles LAFCo , for <i>Sativa Water District</i>
Mike Gotch Courage & Innovation in Local Government Leadership Award	Butte LAFCo
Legislator of the Year	Assembly Member Mike Gipson
Lifetime Achievement Award	John Benoit , various LAFCos, Jurg Heuberger , Imperial LAFCo

2018

Distinguished Service Award	John Withers , Orange LAFCo
Most Effective Commission	Santa Clara LAFCo
Outstanding Commissioner	Margie Mohler , Napa LAFCo
Outstanding LAFCo Professional	George Williamson , Del Norte LAFCo
Outstanding LAFCo Clerk	Elizabeth Valdez , Riverside LAFCo
Outstanding CALAFCO Associate Member	Best Best & Krieger
Project of the Year	Lake LAFCo , water services consolidation
Government Leadership Award	City of Porterville, County of Tulare, Dept. of Water Resources, State Water Resources Control Board,

<p>Mike Gotch Courage & Innovation in Local Government Leadership Award</p> <p>Legislator of the Year Lifetime Achievement Award</p>	<p>Governor's Office of Emergency Services, Self Help Enterprises, Community Water Center for East Porterville water supply project</p> <p>Mike Ott, San Diego LAFCo</p> <p>Assembly Member Anna Caballero</p> <p>Pat McCormick, Santa Cruz LAFCo, George Spiliotis, Riverside LAFCo</p>
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2017

<p>Most Effective Commission</p> <p>Outstanding CALAFCo Member</p> <p>Outstanding Commissioner</p> <p>Outstanding LAFCo Professional</p> <p>Outstanding LAFCo Clerk</p> <p>Outstanding CALAFCo Associate Member Project of the Year</p> <p>Government Leadership Award Lifetime Achievement Award</p>	<p>Los Angeles LAFCo</p> <p>Sblend Sblendorio, Alameda LAFCo</p> <p>John Marchand, Alameda LAFCo</p> <p>Paul Novak, Los Angeles LAFCo</p> <p>Richelle Beltran, Ventura LAFCo</p> <p>Policy Consulting Associates County Services MSR, Butte LAFCo, and Santa Rosa Annexation, Sonoma LAFCo</p> <p>San Luis Obispo County Public Works Dept. Kathy Rollings McDonald (San Bernardino)</p>
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2016

<p>Distinguished Service Award</p> <p>Most Effective Commission</p> <p>Outstanding CALAFCo Member</p> <p>Outstanding Commissioner</p> <p>Outstanding LAFCo Professional</p> <p>Outstanding LAFCo Clerk</p> <p>Project of the Year</p> <p>Government Leadership Award Lifetime Achievement Award</p>	<p>Peter Brundage, Sacramento LAFCo</p> <p>San Luis Obispo LAFCo</p> <p>John Leopold, Santa Cruz LAFCo</p> <p>Don Tatzin, Contra Costa LAFCo</p> <p>Steve Lucas, Butte LAFCo</p> <p>Cheryl Carter-Benjamin, Orange LAFCo</p> <p>Countywide Water Study, (Marin LAFCo)</p> <p>Southern Region of CALAFCo Bob Braitman (retired Executive Officer)</p>
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2015

<p>Mike Gotch Courage & Innovation in Local Government Leadership Award</p> <p>Distinguished Service Award</p> <p>Most Effective Commission</p> <p>Outstanding CALAFCo Member</p> <p>Outstanding Commissioner</p> <p>Outstanding LAFCo Professional</p> <p>Outstanding LAFCo Clerk</p> <p>Project of the Year</p>	<p>Yuba County Water Agency</p> <p>Mary Jane Griego, Yuba LAFCo</p> <p>Butte LAFCo</p> <p>Marjorie Blom, formerly of Stanislaus LAFCo</p> <p>Matthew Beekman, formerly of Stanislaus LAFCo</p> <p>Sam Martinez, San Bernardino LAFCo</p> <p>Terri Tuck, Yolo LAFCo</p> <p>Formation of the Ventura County Waterworks District No. 38 (Ventura LAFCo) and 2015 San Diego County Health Care Services five-year sphere of influence and service review report (San Diego LAFCo)</p>
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Government Leadership Award

The Cities of Dublin, Pleasanton, Livermore and San Ramon, the Dublin San Ramon Services District and the Zone 7 Water Agency

CALAFCO Associate Member of the Year

Michael Colantuono of Colantuono, Highsmith & Whatley

Legislators of the Year Award

Assembly member Chad Mayes

Lifetime Achievement Award

Jim Chapman (Lassen LAFCo) and **Chris Tooker** (formerly of Sacramento LAFCo)

2014

Mike Gotch Courage & Innovation in Local Government Leadership Award

David Church, San Luis Obispo LAFCo

Distinguished Service Award

Kate McKenna, Monterey LAFCo

Most Effective Commission

Santa Clara LAFCo

Outstanding CALAFCO Member

Stephen Lucas, Butte LAFCo

Outstanding Commissioner

Paul Norsell, Nevada LAFCo

Outstanding LAFCo Professional

Kate McKenna, Monterey LAFCo

Outstanding LAFCo Clerk

Paige Hensley, Yuba LAFCo

Project of the Year

LAFCo Procedures Guide: 50th Year Special Edition, San Diego LAFCo

Government Leadership Award

Orange County Water District, City of Anaheim, Irvine Ranch Water District, and Yorba Linda Water District

Legislators of the Year Award

Assembly member Katcho Achadjian

Lifetime Achievement Award

Susan Wilson, Orange LAFCo

2013

Mike Gotch Courage & Innovation in Local Government Leadership Award

Simón Salinas, Commissioner, Monterey LAFCo

Distinguished Service Award

Roseanne Chamberlain, Amador LAFCo

Most Effective Commission

Stanislaus LAFCo

Outstanding CALAFCO Member

Harry Ehrlich, San Diego LAFCo

Outstanding Commissioner

Jerry Gladbach, Los Angeles LAFCo

Outstanding LAFCo Professional

Lou Ann Texeira, Contra Costa

LAFCo Outstanding LAFCo Clerk

Kate Sibley, Contra Costa LAFCo

Project of the Year

Plan for Agricultural Preservation, Stanislaus LAFCo

Government Leadership Award

Orange County LAFCo Community Islands Taskforce, Orange LAFCo

Legislators of the Year Award

Senators Bill Emerson and Richard Roth

Lifetime Achievement Award

H. Peter Faye, Yolo LAFCo; **Henry Pellissier**, Los Angeles LAFCo; **Carl Leverenz**, Butte LAFCo; **Susan Vicklund-Wilson**, Santa Clara LAFCo.

2012

Mike Gotch Courage & Innovation in Local Government Leadership Award

Bill Chiat, CALAFCO Executive Director

Distinguished Service Award

Marty McClelland, Commissioner, Humboldt LAFCo

Most Effective Commission

Sonoma LAFCo

Outstanding CALAFCO Member

Stephen A. Souza, Commissioner, Yolo LAFCo and CALAFCO Board of Directors

Outstanding Commissioner
LAFCo Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Sherwood Darington, Monterey
Carole Cooper, Sonoma LAFCo
Gwenna MacDonald, Lassen LAFCo
Countywide Service Review & SOI Update, Santa Clara LAFCo
North Orange County Coalition of Cities, Orange LAFCo
P. Scott Browne, Legal Counsel LAFCos

Government Leadership Award
Lifetime Achievement Award

2011

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
LAFCo Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk

Martin Tuttle, Deputy Director for Planning, Caltrans
Mike McKeever, Executive Director, SACOG
Carl Leverenz, Commissioner and Chair, Butte
San Bernardino LAFCo
Keene Simonds, Executive Officer, Napa LAFCo
Louis R. Calcagno, Monterey LAFCo
June Savala, Deputy Executive Officer, Los Angeles LAFCo
Debbie Shubert, Ventura LAFCo

Project of the Year

Cortese-Knox-Hertzberg Definitions Revision
Bob Braitman, Scott Browne, Clark Alsop, Carole Cooper,
and George Spiliotis

Government Leadership Award

Contra Costa Sanitary District
Elsinore Water District and Elsinore Valley Municipal Water District

2010

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award

Helen Thompson, Commissioner, Yolo LAFCo

Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional

Kathleen Rollings-McDonald, Executive Officer, San Bernardino LAFCo
Bob Braitman, Executive Officer, Santa Barbara LAFCo
Tulare LAFCo
Roger Anderson, Ph.D., CALAFCO Chair, Santa Cruz LAFCo
George Lange, Ventura LAFCo
Harry Ehrlich, Government Consultant, San Diego LAFCo

Outstanding LAFCo Clerk

Candie Fleming, Fresno LAFCo

Project of the Year

Butte LAFCo
Sewer Commission - Oroville Region Municipal Service Review

Government Leadership Award

Nipomo Community Services District and the **County of San Luis Obispo**

Special Achievement

Chris Tooker, Sacramento LAFCo and CALAFCO Board of Directors

2009

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Paul Hood, Executive Officer, San Luis Obispo LAFCo

Distinguished Service Award
Most Effective Commission
Outstanding CALAFCO Member

Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year
Government Leadership Award

Legislator of the Year Award

William Zumwalt, Executive Officer, Kings LAFCo
Napa LAFCo

Susan Vicklund Wilson, CALAFCO Vice Chair
Jerry Gladbach, CALAFCO Treasurer
Larry M. Fortune, Fresno LAFCo
Pat McCormick, Santa Cruz LAFCo Executive Officer
Emmanuel Abello, Santa Clara LAFCo

Orange LAFCo Boundary Report
Cities of Amador City, Jackson, Ione, Plymouth & Sutter Creek; Amador County; Amador Water Agency; Pine Grove CSD – Countywide MSR Project
Assembly Member Jim Silva

2008

Distinguished Service Award

Most Effective Commission
Outstanding Commissioner
Outstanding LAFCo Professional

Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award
Legislator of the Year Award

Peter M. Detwiler, Senate Local Government Committee
Chief Consultant

Yuba LAFCo

Dennis Hansberger, San Bernardino LAFCo
Michael Ott, San Diego LAFCo Executive Officer
Martha Poyatos, San Mateo Executive Officer

Wilda Turner, Los Angeles LAFCo

Kings LAFCo

City and Community District MSR and SOI Update

San Bernardino Board of Supervisors

Assembly Member Anna M. Caballero

2007

Outstanding CALAFCO Member
Distinguished Service Award
Counsel Most Effective Commission
Outstanding Commissioner

Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award
Lifetime Achievement

Kathy Long, Board Chair, Ventura LAFCo

William D. Smith, San Diego Legal

Santa Clara LAFCo

Gayle Uilkema, Contra Costa LAFCo

Joyce Crosthwaite, Orange LAFCo Executive Officer

Debby Chamberlin, San Bernardino LAFCo

San Bernardino LAFCo and City of Fontana
Islands Annexation Program

City of Fontana - Islands Annexation Program

John T. "Jack" Knox

2006

Outstanding CALAFCO Member

Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award

Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award

Everett Millais, CALAFCO Executive Officer and Executive
Officer of Ventura LAFCo

Clark Alsop, CALAFCO Legal Counsel

Alameda LAFCo

Ted Grandsen, Ventura LAFCo

Chris Tooker, Sacramento LAFCo

Larry Calemine, Los Angeles LAFCo Executive Officer

Janice Bryson, San Diego LAFCo

Marilyn Flemmer, Sacramento LAFCo

Project of the Year Award	Sacramento Municipal Utility District Sphere of Influence Amendment and Annexation; Sacramento LAFCo
Outstanding Government Leadership Award	Cities of Porterville, Tulare, and Visalia and Tulare LAFCo Island Annexation Program
Legislator of the Year Award	Senator Christine Kehoe

2005

Outstanding CALAFCO Member	Peter Herzog , CALAFCO Board, Orange LAFCo
Distinguished Service Award	Elizabeth Castro Kemper , Yolo LAFCo
Most Effective Commission Award	Ventura LAFCo
Outstanding Commissioner Award	Art Aseltine , Yuba LAFCo Henri Pellissier , Los Angeles LAFCo
Outstanding LAFCo Professional Award	Bruce Baracco , San Joaquin LAFCo
Outstanding LAFCo Clerk Award	Danielle Ball , Orange LAFCo
Project of the Year Award	San Diego LAFCo MSR of Fire Protection and Emergency Medical Services
Outstanding Government Leadership Award	Sacramento Area Council of Governments (SACOG)

2004

Outstanding CALAFCO Member	Scott Harvey , CALAFCO Executive Director
Distinguished Service Award	Julie Howard , Shasta LAFCo
Most Effective Commission Award	San Diego LAFCo
Outstanding Commissioner Award	Edith Johnsen , Monterey LAFCo
Outstanding LAFCo Professional Award	David Kindig , Santa Cruz LAFCo
Project of the Year Award	San Luis Obispo LAFCo Nipomo CSD SOI Update, MSR, and EIR

2003

Outstanding CALAFCO Member	Michael P. Ryan , CALAFCO Board Member
Distinguished Service Award	Henri F. Pellissier , Los Angeles LAFCo
Most Effective Commission Award	San Luis Obispo LAFCo
Outstanding Commissioner Award	Bob Salazar , El Dorado LAFCo
Outstanding LAFCo Professional Award	Shirley Anderson , San Diego LAFCo
Outstanding LAFCo Clerk Award	Lori Fleck , Siskiyou LAFCo
Project of the Year Award	Napa LAFCo Comprehensive Water Service Study
Special Achievement Award	James M. Roddy

2002

Outstanding CALAFCO Member	Ken Lee , CALAFCo Legislative Committee Chair
Most Effective Commission Award	San Diego LAFCo Outstanding
Commissioner Award	Ed Snively , Imperial LAFCo
Outstanding LAFCo Professional Award	Paul Hood , San Luis Obispo LAFCo
Outstanding LAFCo Clerk Award	Danielle Ball , Orange LAFCo
Project of the Year Award	San Luis Obispo LAFCo
Outstanding Government Leadership Award	Napa LAFCo, Napa County Farm Bureau, Napa Valley Vintners Association, Napa Valley Housing Authority, Napa County Agricultural Commissioner's Office, Napa County Counsel Office, and Assembly Member Patricia Wiggins

2001

Outstanding CALAFCO Member	SR Jones , CALAFCO Executive Officer
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Distinguished Service Award	David Martin , Tax Area Services Section, State Board of Equalization
Outstanding Commissioner Award	H. Peter Faye , Yolo LAFCo
Outstanding LAFCo Professional Award	Ingrid Hansen , San Diego LAFCo
Project of the Year Award	Santa Barbara LAFCo
Outstanding Government Leadership Award	Alameda County Board of Supervisors, Livermore City Council, Pleasanton City Council
Legislator of the Year Award	Senator Jack O'Connell

2000

Outstanding CALAFCO Member	Ron Wootton , CALAFCO Board Chair
Distinguished Service Award	Ben Williams , Commission on Local Governance for the 21st Century
Most Effective Commission Award	Yolo LAFCo
Outstanding Commissioner	Rich Gordon , San Mateo LAFCo
Outstanding LAFCo Professional Award	Annamaria Perrella , Contra Costa LAFCo
Outstanding LAFCo Clerk Award	Susan Stahmann , El Dorado LAFCo
Project of the Year Award	San Diego LAFCo
Legislator of the Year Award	Robert Hertzberg , Assembly Member

1999

Distinguished Service Award	Marilyn Ann Flemmer-Rodgers , Sacramento LAFCo
Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	Don Graff , Alameda LAFCo
Outstanding LAFCo Clerk Award	Dory Adams , Marin LAFCo
Most Creative Solution to a Multi-Jurisdictional Problem	San Diego LAFCo
Outstanding Government Leadership Award	Assembly Member John Longville
Legislator of the Year Award	Assembly Member Robert Hertzberg

1998

Outstanding CALAFCO Member	Dana Smith , Orange LAFCo
Distinguished Service Award	Marvin Panter , Fresno LAFCo
Most Effective Commission Award	San Diego LAFCo
Outstanding Executive Officer Award	George Spiliotis , Riverside LAFCo
Outstanding Staff Analysis	Joe Convery , San Diego LAFCo Joyce Crosthwaite , Orange LAFCo
Outstanding Government Leadership Award	Santa Clara County Planning Department

1997

Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	George Finney , Tulare LAFCo
Outstanding Staff Analysis	Annamaria Perrella , Contra Costa LAFCo
Outstanding Government Leadership Award	South County Issues Discussion Group
Most Creative Solution to a Multi-Jurisdictional Problem	Alameda LAFCo and Contra Costa LAFCo
Legislator of the Year Award	Assembly Member Tom Torlakson





Achievement Award Nomination Form

NOMINEE - Person or Agency Being Nominated

Name: _____

Organization: _____

Address: _____

Phone: _____

E-mail: _____

NOMINATION CATEGORY (check one – see category criteria on attached sheet)

- Outstanding CALAFCO Volunteer
- Outstanding CALAFCO Associate Member
- Outstanding Commissioner
- Outstanding LAFCo Professional

Mike Gotch Excellence in Public Service (choose one category below)

- Protection of agricultural and open space lands and prevention of sprawl*
- Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*
- Legislator of the Year (must be approved by the full CALAFCO Board)
- Lifetime Achievement Award

NOMINATION SUBMITTED BY:

Name: _____

Organization: _____

Address: _____

Phone: _____

E-mail: _____



**2023 Achievement Award Nominations
Due by Friday, August 18, 2023 at 5:00 p.m.**

EXECUTIVE SUMMARY

In no more than 250 words, summarize why this recipient is the most deserving of this award.



**2023 Achievement Award Nominations
Due by Friday, August 18, 2023 at 5:00 p.m.**

NOMINATION SUMMARY

Please indicate the reasons why this person or agency deserves to be recognized (this section must be no more than 1,000 words or 2 pages maximum).



LAFCO

Alameda Local Agency Formation Commission

AGENDA REPORT

July 13, 2023

Item No. 12a

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: **Current and Pending Proposals**

The Commission will receive a report identifying active proposals on file with the Alameda Local Agency Formation Commission (LAFCO) as required under statute. The report also identifies pending local agency proposals to help telegraph future workload. The report is being presented to the Commission for information only.

Information / Discussion

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) delegates LAFCOs with regulatory and planning duties to coordinate the formation and development of local government agencies and their municipal services. This includes approving or disapproving boundary changes involving the formation, expansion, merger, and dissolution of cities, towns, and special districts, as well as sphere of influence amendments. It also includes overseeing outside service extensions. Proposals involving jurisdictional changes filed by landowners or registered voters must be put on the agenda as information items before any action may be considered by LAFCO at a subsequent meeting.

Current Proposals | Approved and Awaiting Term Completions

Alameda LAFCO currently has no proposals on file that were previously approved and awaiting term completions. CKH provides applicants one calendar year to complete approval terms or receive extension approvals before the proposals are automatically terminated.

Current Proposals | Under Review and Awaiting Hearing

There are currently no active proposals on file with the Commission that remain under administrative review and await a hearing as to the date of this report.

Pending Proposals

There are currently two new potential proposals at the moment that staff believes may be submitted to the Commission from local agencies based on ongoing discussions with proponents.

- **Annexation of West Jack London Boulevard | City of Livermore**

The City of Livermore plans to annex two parcels on West Jack London Boulevard that total 71 acres within the unincorporated area of Alameda County. The purpose of the annexation is to facilitate the Oaks Business Park for the development of offices, research institutions, warehousing, manufacturing, and limited business supporting commercial uses.

- **Reorganization of Appian Way/Louis Ranch Property | ACWD and USD**

The Alameda County Water District (ACWD) and Union Sanitary District (USD) plan to annex one parcel totaling approximately 30 acres within the City of Union City. The purpose of the annexation is to develop 325 single-family residential units on nine parcels totaling 98.6 acres.

Alternatives for Action

This item is for informational purposes only. No formal action will be taken as part of this item.

Attachments: none