

CALENDAR FOR THE BOARD OF SUPERVISORS  
**CONTRA COSTA COUNTY**  
AND FOR SPECIAL DISTRICTS, AGENCIES, AND AUTHORITIES GOVERNED BY THE BOARD  
**BOARD CHAMBERS ROOM 107, ADMINISTRATION BUILDING, 651 PINE STREET  
MARTINEZ, CALIFORNIA 94553-1229**

**FEDERAL D. GLOVER**, *CHAIR*, 5TH DISTRICT  
**KAREN MITCHOFF**, *VICE CHAIR*, 4TH DISTRICT  
**JOHN GIOIA**, 1ST DISTRICT  
**CANDACE ANDERSEN**, 2ND DISTRICT  
**DIANE BURGIS**, 3RD DISTRICT

**DAVID J. TWA**, CLERK OF THE BOARD AND COUNTY ADMINISTRATOR, (925) 335-1900

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO TWO (2) MINUTES.

The Board Chair may reduce the amount of time allotted per speaker at the beginning of each item or public comment period depending on the number of speakers and the business of the day. Your patience is appreciated.

A lunch break or closed session may be called at the discretion of the Board Chair.

Staff reports related to open session items on the agenda are also accessible on line at [www.co.contra-costa.ca.us](http://www.co.contra-costa.ca.us).

**AGENDA**  
**March 28, 2017**

**9:00 A.M. Convene, Call to order and opening ceremonies.**

Inspirational Thought- *"Real education should consist of drawing the goodness and the best out of our own students. What better books can there be than the book of humanity?" ~ Cesar Chavez*

**CONSIDER CONSENT ITEMS** (Items listed as C.1 through C.99 on the following agenda) – Items are subject to removal from Consent Calendar by request of any Supervisor or on request for discussion by a member of the public. **Items removed from the Consent Calendar will be considered with the Discussion Items.**

**PRESENTATIONS (5 Minutes Each)**

- PR.1** PRESENTATION proclaiming April 2-8, 2017 as National Crime Victims Rights Week in promotion of victims rights and to recognize crime victims and those who advocate on their behalf. (Mark Peterson, District Attorney)

**DISCUSSION ITEMS**

- D.1** WORKSHOP on Community Choice Energy, including presentation of the Final Technical Study for Community Choice Energy prepared by the firm MRW & Associates and program presentations by MCE and East Bay Community Energy, as recommended by the Conservation and Development Director. (Jason Crapo, Conservation and Development Department; Mark Fulmer, Principal with MRW & Associates)

D. 2 CONSIDER Consent Items previously removed.

D. 3 PUBLIC COMMENT (2 Minutes/Speaker)

D. 4 CONSIDER reports of Board members.

**Closed Session**

A. CONFERENCE WITH LABOR NEGOTIATORS

1. Agency Negotiators: David Twa and Bruce Heid.

Employee Organizations: Contra Costa County Employees' Assn., Local No. 1; Am. Fed., State, County, & Mun. Empl., Locals 512 and 2700; Calif. Nurses Assn.; Service Empl. Int'l Union, Local 1021; District Attorney's Investigators Assn.; Deputy Sheriffs Assn.; United Prof. Firefighters, Local 1230; Physicians' & Dentists' Org. of Contra Costa; Western Council of Engineers; United Chief Officers Assn.; Service Employees International Union Local 2015; Contra Costa County Defenders Assn.; Probation Peace Officers Assn. of Contra Costa County; Contra Costa County Deputy District Attorneys' Assn.; and Prof. & Tech. Engineers, Local 21, AFL-CIO; Teamsters Local 856.

2. Agency Negotiators: David Twa.

Unrepresented Employees: All unrepresented employees.

B. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Gov. Code, § 54956.9(d)(1))

1. *Pleasant Hill Recreation and Park District v. County of Contra Costa, et al.*, Contra Costa County Superior Court Case No. N16-0477

C. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Gov. Code, § 54956.9(d)(2): two potential cases

D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: 1700 and 1750 Oak Park Boulevard, Pleasant Hill

Agency Negotiator: Karen Laws, Principal Real Property Agent

Negotiating Parties: Contra Costa County and Pleasant Hill Recreation & Park District

Under negotiation: Price and payment terms

**11:00 a.m.**

**24th Annual Cesar E. Chavez Commemorative Celebration**

*The Board intends to start the celebration at the scheduled time. Agenda items that are not heard before 11:00 a.m. may be continued to later in the day at the discretion of the Board Chair.*

**D.5 PROGRAM**

***ADJOURN***

**CONSENT ITEMS**

**Road and Transportation**

- C. 1** AWARD and AUTHORIZE the Public Works Director, or designee, to execute On-Call Concrete Services Contracts with Kerex Engineering, Inc., and Sposeto Engineering, Inc., in the amount of \$150,000 each, for various road and flood control maintenance work projects, Countywide. (100% Local Road and Flood Control Funds)

**Engineering Services**

- C. 2** ADOPT Resolution No. 2017/100 approving the third extension of the subdivision agreement for subdivision SD04-08918, for a project being developed by Thomas/DeNova, LLC, as recommended by the Public Works Director, Bay Point area. (No fiscal impact)
- C. 3** ACCEPT the 2016 Annual Report for the Iron Horse Corridor Committee, as recommended by the Public Works Director, Concord, Pleasant Hill, Walnut Creek, Alamo, Danville, and San Ramon (Dougherty Valley) areas. (No fiscal impact)
- C. 4** ADOPT Resolution No. 2017/104 approving the Stormwater Management Facilities Operation and Maintenance Agreement for subdivision SD14-09367, for a project being developed by Michael McGhee, as recommended by the Public Works Director, Rodeo area. (No fiscal impact)

**Special Districts & County Airports**

- C. 5** ADOPT Resolution No. 2017/107 of Initiation ordering the preparation of an Engineer's Report and related proceedings for levy and collection of assessments for Countywide Landscaping District AD 1979-3 (LL-2) Fiscal Year 2017/2018, as recommended by the Public Works Director, Countywide. (100% Countywide Landscaping District AD 1979-3 (LL-2) Funds)
- C. 6** APPROVE and AUTHORIZE the Director of Airports, or designee, to execute a long-term lease with Conco Aviation Center, LLC, guaranteed for 20 years by Gonsalves & Santucci, Inc., for the lease of the County-owned hangar located at 700 Sally Ride Drive, Concord, for an initial payment of \$250,000, and monthly rent of between \$12,000 and \$20,949. (100% Airport Enterprise Fund)

### **Claims, Collections & Litigation**

- C. 7** RECEIVE report concerning the final settlement of James Lee vs. Contra Costa County; and AUTHORIZE payment from the Workers' Compensation Internal Service Fund in an amount not to exceed \$75,000, as recommended by the Risk Manager. (100% Workers' Compensation Internal Service Fund)
- C. 8** DENY claims filed by David Gaines, Robin Gaines, Victor Gutierrez, Kelly Moriarty, Reed Robertson, Adam Vancil, et al., Nicholas Ventimiglio, and Darnell Washington. DENY amended claims filed by Viking Insurance a subrogee of Brian Farley and Reed Robertson. DENY late claims filed by Tadeusz Wyrzykowski (2), and Ron Kooyman.

### **Honors & Proclamations**

- C. 9** ADOPT Resolution No. 2017/99 proclaiming April 2-8, 2017 as National Crime Victims Rights Week in promotion of victims rights and to recognize crime victims and those who advocate on their behalf, as recommended by the District Attorney.
- C. 10** ADOPT Resolution No. 2017/64 recognizing the 2017 Youth Hall of Fame honorees of the 24rd Annual Cesar E. Chavez Commemorative Celebration, as recommended by the Cesar Chavez Committee.
- C. 11** ADOPT Resolution No. 2017/105 recognizing the City of San Ramon, the San Ramon Library Foundation and the Contra Costa County Library upon the reopening of the newly renovated San Ramon Library, as recommended by Supervisor Andersen.
- C. 12** ADOPT Resolution No. 2017/114 recognizing the East Contra Costa County Fire Protection District Chief Hugh Henderson upon his retirement for his 38 years of public service to Contra Costa County, as recommended by Supervisor Diane Burgis.

## Ordinances

- C. 13** INTRODUCE Ordinance No. 2017-04 amending the County Ordinance Code to exclude from the merit system the new classification of Sheriff's Chief of Management Services-Exempt, WAIVE READING, and FIX April 25, 2017 for adoption. (No Fiscal Impact) (Continued from March 21, 2017)

## Appointments & Resignations

- C. 14** APPOINT Kevin Van Buskirk to the District IV seat on the Contra Costa County Planning Commission, as recommended by Supervisor Mitchoff.
- C. 15** APPOINT Andrew Chahrour to the Appointee Seat III on the El Sobrante Municipal Advisory Council, as recommended by Supervisor Gioia.
- C. 16** ACCEPT the resignation of Robert Saydah, DECLARE a vacancy in the Appointee 3 seat on the County Service Area P-5 Citizens Advisory Committee, and DIRECT the Clerk of the Board to post the vacancy, as recommended by Supervisor Andersen.
- C. 17** ACCEPT the resignation of Wade Harper, DECLARE a vacancy in City #1 Alternate seat on the Hazardous Materials Commission, and DIRECT the Clerk of the Board to post the vacancy, as recommended by the Health Services Director.
- C. 18** APPOINT Charles Davidson to the District V Representative seat and Mark Thomson to the District V Alternate seat on the Contra Costa County Sustainability Commission, as recommended by Supervisor Glover.

## Appropriation Adjustments

- C. 19** Health Services (0451) / Fleet ISF (0064): APPROVE Appropriation and Revenue Adjustment No. 5055 authorizing the transfer of appropriations in the amount of \$27,309 from Behavioral Health Services Division – Conservator/Public Guardian to General Services – ISF Fleet Services for the purchase of a vehicle for client transportation and support in the Conservator/Public Guardian Office. (100% General Fund)
- C. 20** Health Services (0460) / Fleet ISF (0064): APPROVE Appropriation and Revenue Adjustment No. 5061 authorizing the transfer of appropriations in the amount of \$26,000 from Public Health Senior Nutrition Program to General Services – ISF Fleet Services for the purchase of a replacement vehicle for the Senior Nutrition Program. (100% Local)

## **Intergovernmental Relations**

- C. 21** AUTHORIZE staff to send a letter to the State Superintendent of Public Instruction regarding the reform of school siting practices, as recommended by the Legislation Committee.
- C. 22** ADOPT a position of "Support" on the following five bills: AB 210 (Santiago): Homeless Multidisciplinary Personnel Team, a bill that authorizes counties to establish a multidisciplinary team to facilitate the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services and to allow provider agencies to share information for the purpose of coordinating services; AB 211 (Bigelow): State Responsibility Area Fire Prevention Fees, a bill that reinstates annual reporting requirements regarding the expenditure of state responsibility area (SRA) fire fees; AB 236 (Maienschein): CalWORKs: Housing Assistance, a bill that adopts changes to CalWORKs housing assistance for temporary shelter to remove the requirement that the assistance only be available for a consecutive period of time, increase the daily assistance amount, and make the assistance available to certain families receiving reunification services through the child welfare services system; AB 435 (Thurmond): Child Care Subsidy Plans: County of Contra Costa, a bill that authorizes the County of Contra Costa to develop and submit an individualized county child care subsidy plan; and SB 222 (Hernandez): Inmates: Health Care Enrollment, a bill that requires the suspension of Medi-Cal benefits to end on the date a person is no longer an inmate of a public institution or is no longer otherwise eligible for benefits under the Medi-Cal program, as recommended by the Legislation Committee.

## **Personnel Actions**

- C. 23** ADOPT Position Adjustment Resolution No. 21841 to establish the following classifications and allocate them to the Salary Schedule: Airport Safety Officer I (represented), and reclassify one Airport Operations Technician (represented) position to Airport Safety Officer I; Airport Safety Officer II (represented), and reclassify one Airport Operations Specialist (represented) position to Airport Safety Officer II; Airport Safety Officer III (represented), and reclassify five Airport Operations Specialist (represented) positions and the incumbents to Airport Safety Officer III; Airport Safety Officer IV (represented), and reclassify three Lead Airport Operations Specialist (represented) positions and the incumbents to Airport Safety Officer IV, all in the Public Works Department. (100% Airport Enterprise Fund)
- C. 24** ADOPT Position Adjustment Resolution No. 22043 to increase hours of one part time (24/40) Patient Financial Services Specialist position (represented) to full time in the Health Services Department. (85% TB grant; 15% General Fund)

- C. 25 ADOPT Position Adjustment Resolution No. 22044 to cancel one Clerk - Experienced Level position (represented) and add one Account Clerk – Experienced Level position (represented) in the Health Services Department. (100% Mental Health Services Act)
- C. 26 ADOPT Position Adjustment Resolution No. 22045 to add one Health Services Information Technology Manager position (represented) and cancel one Information Systems Manager I position (represented) in the Health Services Department. (100% Hospital Enterprise Fund I)
- C. 27 ADOPT Position Adjustment Resolution No. 22048 to add one Mental Health Community Support Worker II position (represented) in the Health Services Department. (100% Mental Health Services Act)
- C. 28 ADOPT Position Adjustment Resolution No. 22049 to cancel one Development Center Director position (represented) and add one Health Services Administrator – Level C position (represented) in the Health Services Department. (100% Whole Person Care program revenues)

### Leases

- C. 29 APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease with RIO Properties I, LLC, for 14,041 square feet of rentable office space for the Health Services Department – Information Technology Division, at 2380 Bisso Lane, Suite B in Concord, at an initial annual rent of \$264,528, for the first year with an annual increase thereafter, for a term of 12 years with one ten-year renewal term under the terms and conditions set forth in the lease. (100% General Fund)

### Grants & Contracts

**APPROVE and AUTHORIZE execution of agreements between the County and the following agencies for receipt of fund and/or services:**

- C. 30 APPROVE and AUTHORIZE the County Librarian, or designee, to apply for and accept a grant in the amount of \$5,000 from East Bay Community Foundation for Rodeo Library services, pursuant to the local refinery Good Neighbor Agreement, for the period July 1 through December 31, 2017. (No Library Fund match)
- C. 31 APPROVE and AUTHORIZE the County Administrator, or designee, to apply for and accept funding in an amount up to \$10,000 from the California State Arts Council for the Veterans Initiative in the Arts program for the period July 1, 2017 through June 30, 2018. (50% in-kind, 50% cash match)

- C. 32** APPROVE and AUTHORIZE the County Veterans Service Officer, or designee, to apply for and execute a contract to accept grant funding from the California Department of Veterans Affairs in an amount not to exceed \$45,000, to provide mental health outreach and support services through the Veterans Voices television production for the period July 1, 2017 through June 30, 2018. (No County match)
- C. 33** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a subcontract agreement, including modified indemnification language, with the Association of Bay Area Governments to accept grant funding in an amount not to exceed \$152,093 from the California Public Utilities Commission (CPUC) to support marketing, education, and outreach for energy efficiency programs, for the period January 1 through December 31, 2017. (100% CPUC Grant Funds, No County match)
- C. 34** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment with the State of California, Department of Health Care Services, effective December 31, 2016, to extend the term through December 31, 2020 with no change in the original payment limit of \$1,594,000, to allow the County to continue providing local health initiative program services. (No County match)
- C. 35** APPROVE and AUTHORIZE the Health Services Director, or designee, to accept, a grant from John Muir Health, to pay the County an amount not to exceed \$50,000 for respite care services for homeless adults at the Philip Dorn Respite Center, for the period January 1 through December 31, 2017. (No County match)
- C. 36** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute an interagency agreement with West Contra Costa Unified School District, to pay County an amount not to exceed \$539,005 to provide school-based mobile clinic services, for the period December 19, 2016 through August 31, 2020. (No County match)
- C. 37** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute, a contract with the California Department of Public Health, to pay the County an amount not to exceed \$551,117 for the County Public Health HIV/AIDS Surveillance Project, for the period July 1, 2016 through June 30, 2019. (No County match)
- C. 38** APPROVE and AUTHORIZE the County Administrator, or designee, to apply for and accept a grant in an amount not to exceed \$1,000 from the California Arts Council for Arts Commission to provide professional development activities for the period June 1, 2017 through January 1, 2018. (No County match)

- C. 39** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment, effective January 1, 2017, with the California Department of Education, to increase the payment limit by \$500,000 to a new payment limit of \$3,134,386 for general childcare and development program services, with no change to the original term of July 1, 2016 through June 30, 2017. (No County match)
- C. 40** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment, effective January 1, 2017, with the California Department of Education, to decrease the payment limit by \$500,000 to a new payment limit of \$9,091,851 to provide State preschool services, with no change to the original term of July 1, 2016 through June 30, 2017. (No County match)
- C. 41** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract with the Catholic Council for the Spanish Speaking of the Diocese of Stockton, to pay the County an amount not to exceed \$28,000 to provide food services to the childcare program at El Concilio Preschool, for the period May 1, 2017 through April 30, 2018. (No County match)
- C. 42** APPROVE and AUTHORIZE the Sheriff-Coroner, or designee, to execute contracts with various agencies, including modified indemnification language, for use of the Sheriff's Range Facility for the period July 1, 2017 through June 30, 2020. (100% User Fee revenue)

**APPROVE and AUTHORIZE execution of agreement between the County and the following parties as noted for the purchase of equipment and/or services:**

- C. 43** APPROVE and AUTHORIZE the Purchasing Agent or designee to execute, on behalf of the Public Works Director, a purchase order amendment with Royal Wholesale Electric Co., to increase the payment limit by \$100,000 to a new payment limit of \$190,000 for will-call electrical parts and supplies for the period May 1, 2016 through April 30, 2019, Countywide. (100% General Fund)
- C. 44** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment with Child's Best Interest, to extend the term from August 31 through November 30, 2017 and increase the payment limit by \$43,125 to a new payment limit of \$199,375, for increased ombudsman services. (10% County, 45% State, 45% Federal)
- C. 45** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment, effective March 1, 2017, with STAND! For Families Free of Violence, to increase the payment limit by \$15,000 to a new payment limit of \$218,470 for additional shelter-based services to domestic violence victims and their families for the period July 1, 2016 through June 30, 2017. (38% General Fund; 62% local revenues)

- C. 46** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective May 1, 2017, with George Lee, M.D., to increase the payment limit by \$250,000 to a new payment limit of \$1,735,000 for additional hours of anesthesiology services at Contra Costa Regional Medical Center and Health Centers, with no change in the original term of August 1, 2015 through July 31, 2018. (100% Hospital Enterprise Fund I)
- C. 47** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract with University of California San Francisco in an amount not to exceed \$306,218 to provide local evaluation services of the Domestic Violence Homicide Prevention Demonstration Initiative / Lethality Assessment Program for the period March 1, 2017 through February 28, 2018. (100% Federal)
- C. 48** APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a contract amendment with Carey & Co., effective March 28, 2017, to extend the term through December 1, 2017 and increase the payment limit by \$49,000 to a new payment limit of \$879,000, for additional construction administration services for the Exterior Renovations at 625 Court Street, Martinez Project. (100% General Fund)
- C. 49** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Iraj Babae (dba Advanced Hearing Systems) in an amount not to exceed \$150,000 to provide audiology/hearing aid services for Contra Costa Health Plan members for the period May 1, 2017 through April 30, 2019. (100% Contra Costa Health Plan Enterprise Fund II)
- C. 50** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment, effective March 1, 2017, with Seneca Family of Agencies, to increase the payment limit by \$461,372 to a new payment limit of \$1,261,919 for additional services to increase placement stability of children, for the period August 1, 2016 through July 31, 2017. (39% County, 49% State, 12% Federal)
- C. 51** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Dialysis Access Center, Inc., in an amount not to exceed \$400,000 to provide dialysis services for Contra Costa Health Plan members for the period April 1, 2017 through March 31, 2019. (100% Contra Costa Health Plan Enterprise Fund II)
- C. 52** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Touchstone Counseling in an amount not to exceed \$300,000 to provide outpatient psychotherapy services to Contra Costa Health Plan members for the period April 1, 2017 through March 31, 2019. (100% Contra Costa Health Plan Enterprise Fund II)

- C. 53** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract containing modified indemnification language with Apheresis Care Group, Inc., in an amount not to exceed \$400,000 to provide therapeutic apheresis (collection of specific blood components) services at Contra Costa Regional Medical Center and Health Centers, for the period April 1, 2017 through June 30, 2020. (100% Hospital Enterprise I Fund)
- C. 54** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract containing modified indemnification language with Jackson & Coker Locum Tenens, LLC, in an amount not to exceed \$200,000, to provide temporary help physicians at Contra Costa Regional Medical Center and Health Centers and the County's Martinez Detention Facility for the period January 1 through December 31, 2017. (100% Hospital Enterprise Fund I)
- C. 55** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a contract amendment with Montague DeRose & Associates, LLC, to extend the term from June 30, 2016 through June 30, 2018 with no change to the payment limit of \$85,000, for continuing independent registered municipal financial advisor services. (Bond Transaction Proceeds and Redevelopment Property Tax Trust Funds)
- C. 56** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute an amendment with Infectious Disease Doctors Medical Group, Inc., effective March 1, 2017, to increase the payment limit by \$10,000 to a new payment limit of \$260,000 to provide additional hours of infectious disease consulting services at Contra Costa Regional Medical Center and Health Centers, with no change in the original term of May 1, 2016 through April 30, 2017. (100% Hospital Enterprise Fund I)
- C. 57** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective April 1, 2017, with Nicole C. Hickey, M.D., to increase the payment limit by \$46,000 to a new payment limit of \$421,000 to provide additional hours of pulmonary services at Contra Costa Regional Medical Center and Health Centers, with no change in the original term of May 15, 2016 through May 14, 2017. (100% Hospital Enterprise Fund I)
- C. 58** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with God's Grace Caring Home, Inc., in an amount not to exceed \$352,000 to provide residential board and care services for Contra Costa Regional Medical Center patients in the Patch Program, for the period April 1, 2017 through March 31, 2018. (100% County)
- C. 59** APPROVE and AUTHORIZE the County Probation Officer, or designee, to execute a contract amendment with Justice Benefits Incorporated, Ltd. to extend the term from May 31, 2017 to May 31, 2018, with no change to the original payment limit of \$300,000, for continued training and Title IV-E claiming assistance. (100% Commission Fees)

- C. 60** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Infectious Disease Doctors Medical Group, APC, in an amount not to exceed \$260,000 to provide infectious disease consulting and training at Contra Costa Regional Medical Center and Health Centers, for the period May 1, 2017 through April 30, 2018. (100% Hospital Enterprise Fund I)
- C. 61** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective April 1, 2017, with Regents of the University of California, on behalf of its University of California, San Francisco School of Medicine, to increase the payment limit by \$105,000 to a new payment limit of \$210,000 to expand the residency training program in family medicine at Contra Costa Regional Medical and Health Centers, with no change in the original term of May 1, 2013 through June 30, 2019. (100% Hospital Enterprise Fund I)
- C. 62** APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Employment and Human Services Director, a purchase order with OmniPro Systems, Inc. of San Francisco in an amount not to exceed \$653,530 to procure 500 personal computers over the period March 15 through June 30, 2017. (10% County; 48% State; 42% Federal)
- C. 63** APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Employment and Human Services Director, a purchase order with OmniPro Systems, Inc. of San Francisco in an amount not to exceed \$179,170 to procure 700 computer drives and power supplies for upgrading desktop personal computers over the period March 15 through June 30, 2017. (10% County; 48% State; 42% Federal)
- C. 64** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective March 1, 2017, with Aspiranet, to increase the payment limit by \$73,870 to a new payment limit of \$250,000 with no change in the original term of July 1, 2016 through June 30, 2017, to provide additional therapeutic behavioral services; and to increase the automatic extension payment limit by \$36,935 to a new payment limit of \$125,000, with no change in the term of the automatic extension through December 31, 2017. (50% Mental Health Realignment; 50% Federal funds)
- C. 65** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective March 1, 2017, with Anka Behavioral Health, Inc., to increase the payment limit by \$961,107 to a new payment limit of \$4,214,592, with no change in the original term of July 1, 2016 through June 30, 2017, to provide additional mental health services; and to increase the automatic extension payment limit by \$480,554 to a new payment limit of \$2,107,296, through December 31, 2017. (35% Federal Financial Participation; 65% Mental Health Realignment)

- C. 66** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective April 1, 2017, with Community Options for Families and Youth, Inc., to increase the payment limit by \$200,000 to a new payment limit of \$2,353,912 with no change in the original term of July 1, 2016 through June 30, 2017, to provide additional therapeutic behavioral services; and to increase the automatic extension payment limit by \$100,000 to a new payment limit of \$1,176,956, through December 31, 2017. (43% Federal EPSDT; 29% County Realignment; 28% Mental Health Services Act)
- C. 67** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective April 1, 2017, with Performance Logic, Inc., to increase the payment limit by \$93,500 to a new payment limit of \$183,370 with no change in the original term of September 1, 2015 through August 31, 2018, to provide additional software consulting and maintenance services to the Health Services Information Systems Unit. (100% Hospital Enterprise Fund I)
- C. 68** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective April 1, 2017, with API Healthcare Corporation, to increase the payment limit by \$203,508 to a new payment limit of \$691,008 with no change in the original term of June 30, 2016 through June 29, 2019, to provide additional software consulting and maintenance services for the Department's Patient Classification and Staffing and Scheduling Systems. (100% Hospital Enterprise Fund I)
- C. 69** APPROVE and AUTHORIZE the Auditor-Controller, or designee, to pay the San Ramon Valley Fire Protection District \$33,000 for Emergency Medical Services (EMS) Fire First Responder medical equipment, medical supplies and EMS training to the San Ramon Valley Fire Protection District for Fiscal Year 2016-17. (100% Measure H Funds, CSA EM-1, Zone A)
- C. 70** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract containing modified indemnification language with Global Healthcare Exchange in an amount not to exceed \$70,000 for a contract management system to assist with purchase order payments and pricing at Contra Costa Regional Medical Center, for the period March 28, 2017 through March 27, 2018. (100% Hospital Enterprise Fund I)
- C. 71** APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Health Services Director, a purchase order amendment with Direct Systems Support, to increase the payment limit by \$169,000 to a new payment limit of \$355,000 to provide support services for IBM and Lenovo servers for the period March 21, 2016 through December 28, 2018. (100% Hospital Enterprise Fund I)

- C. 72** AUTHORIZE the Purchasing Agent to purchase, on behalf of the Health Services Department, 500 Safeway gift cards in the amount of \$15 each for a total payment limit of \$7,500 to use as incentives for consumer participation as allowed under Proposition 63, the Mental Health Services Act. (100% Mental Health Services Act)
- C. 73** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective March 1, 2017, with Isaac Burns, MFT, to increase the payment limit by \$78,000 to a new payment limit of \$108,000 with no change in the original term of July 1, 2016 through June 30, 2018, to provide additional specialty mental health services. (50% Federal, 50% State)
- C. 74** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment, effective March 1, 2017, with Paul Kramer, MFT, to increase the payment limit by \$185,000 to a new payment limit of \$225,000 with no change in the original term of July 1, 2016 through June 30, 2018, to provide additional specialty mental health services. (50% Federal, 50% State)
- C. 75** APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Health Services Director, a purchase order amendment with West Interactive, to increase the payment limit by \$70,000 to a new payment limit of \$150,000 with no change in the original term of July 1, 2016 through June 30, 2017, for TeleVox client appointment reminder software. (100% Hospital Enterprise Fund I)
- C. 76** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract containing modified indemnification language with Staff Care, Inc., in an amount not to exceed \$5,469,000, to provide temporary locum tenens physician services for Contra Costa Regional Medical Center and Health Centers, for the period from January 1, 2017 through December 31, 2019. (100% Hospital Enterprise Fund I)
- C. 77** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract containing modified indemnification language with Vista Staffing Solutions, Inc. in an amount not to exceed \$1,575,000, to provide temporary locum tenens physicians at Contra Costa Regional Medical Center and Health Centers for the period December 1, 2016 through November 30, 2019. (100% Hospital Enterprise Fund I)
- C. 78** APPROVE and AUTHORIZE the County Administrator, or designee, to execute a contract amendment with the Contra Costa County Bar Association to increase the payment limit by \$1,300,000 to a new payment limit of \$4,950,000 with no change to the term of July 1, 2016 through June 30, 2017, for the continued provision of criminal conflict defense services. (100% General Fund) (Continued from March 21, 2017)

- C. 79** APPROVE and AUTHORIZE the Sheriff-Coroner, or designee, to execute a contract with John Murdock and Associates, LLC, in an amount not to exceed \$231,000 to provide specialized forensic services for the period May 1, 2017 through April 30, 2019. (100% Agency User fees)
- C. 80** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a contract amendment with Superior Mechanical Services, Inc., to increase the payment limit by \$50,000 to a new payment limit of \$140,000 with no change to the term of August 1, 2015 through July 31, 2017, to provide home weatherization equipment and services to low income residents throughout Contra Costa County. (100% State and Federal Weatherization Program funds)
- C. 81** Acting as the Governing Board of the Contra Costa County Fire Protection District, APPROVE and AUTHORIZE the Fire Chief, or designee, to execute a contract amendment with American Medical Response West, effective April 1, 2017, to update Ambulance Unit Hour Rates for emergency ambulance services, pursuant to provisions in the service plan, with no change to original term or payment limit. (Cost Neutral)

### **Other Actions**

- C. 82** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute an amendment to the ground lease and an amendment to the revocable grant agreement and related documents between the County and SHELTER, Inc. of Contra Costa County to allow a change in the use of the Lyle Morris Center in Antioch from transition to permanent affordable housing. (100% Federal funds)
- C. 83** ACCEPT the Contra Costa County 2016 General Plan Annual Progress Report and DIRECT staff to forward the report to the Governor's Office of Planning and Research and the California Department of Housing and Community Development, as recommended by the Conservation and Development Director.
- C. 84** ACCEPT the 2016 Annual Housing Element Progress Report, as recommended by the Conservation and Development Director.
- C. 85** ADOPT Resolution No. 2017/26 rescinding existing Land Conservation Contract AP20-70, approving and authorizing the Chair of the Board of Supervisors to execute new Land Conservation Contract AP16-0005 for the Property identified as Assessor's Parcel No. 006-190-009 in the Tassajara Valley area, and authorizing related actions under the California Environmental Quality Act, as recommended by the Conservation and Development Director. (Donald and Wendy Cooper, Owner) (100% Applicant Fees)

- C. 86** ADOPT Resolution No. 2017/25 rescinding existing Land Conservation Contract AP20-70, approving and authorizing the Chair of the Board of Supervisors to execute new Land Conservation Contract AP16-0004, for the Property identified as Assessor's Parcel No. 006-190-010 in the Tassajara Valley area, and authorizing related actions under the California Environmental Quality Act, as recommended by the Conservation and Development Director. (Jeff and Angie Pedersen, Owners) (100% Applicant Fees)
- C. 87** ACCEPT the Fiscal Year 2016-2017 Community Facilities District Tax Administration Report on County of Contra Costa Community Facilities District No. 2007-1 (Stormwater Management Facilities), as required by the California Government Code, as recommended by the Public Works Director, Countywide. (100% Community Facilities District No. 2007-1 Funds)
- C. 88** APPROVE and AUTHORIZE the Substantial Amendment to the County's FY 2016/17 Community Development Block Grant Program Action Plan by changing the scope of work for the improvements to the Ambrose Recreation & Park District Community Center located at 3105 Willow Pass Road, Bay Point area, as recommended by the Conservation and Development Director. (100% Federal funds)
- C. 89** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to Issue Request for Proposals in an amount not to exceed \$175,000 for ombudsman services for the period December 1, 2017 through December 31, 2018. (10% County, 48% State, 42% Federal)
- C. 90** APPROVE and AUTHORIZE the Auditor-Controller, or designee, to pay In-Home Supportive Services Public Authority Advisory Committee members \$24 per meeting, not to exceed 3 meetings per month for a total cost of \$5,976 in stipends to defray meeting attendance costs for the period July 1, 2017 through June 30, 2018, as recommended by the Employment and Human Services Director. (50% Federal, 50% State)
- C. 91** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Diablo Medical Training, to provide its phlebotomy students supervised field instruction at Contra Costa Regional Medical Center and Health Centers, for the period May 1, 2017 through April 30, 2020. (Non-financial agreement)
- C. 92** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with San Jose State University to provide supervised field instruction to its dietitian, occupational therapy and speech pathology students at Contra Costa Regional Medical Center and Health Centers, for the period July 1, 2017 through June 30, 2019. (Non-financial agreement)

- C. 93** DECLARE as surplus and AUTHORIZE the Purchasing Agent, or designee, to dispose of fully depreciated vehicles and equipment no longer needed for public use, as recommended by the Public Works Director, Countywide (No fiscal impact)
- C. 94** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute an interagency agreement with Planned Parenthood Shasta Diablo, Inc. dba Planned Parenthood Northern California, to provide training at their site for County's Family Medicine Residency Program, for the period July 1, 2016 through July 1, 2021. (Non-financial agreement)
- C. 95** REFER to the Finance Committee the an evaluation of policy options for reviewing Master Compensation Agreements submitted for approval by Successor Agencies of former Redevelopment Agencies throughout the County, as recommended by the County Administrator. (No fiscal impact)
- C. 96** APPROVE Resolution No. 2017/115 designating Public Works Department positions authorized to sign applications and file with the California Emergency Management Agency for obtaining federal financial assistance, Countywide. (100% California Emergency Management Agency Funds)
- C. 97** CONTINUE the emergency action originally taken by the Board of Supervisors on November 16, 1999, and most recently approved by the Board on March 7, 2017, regarding the issue of homelessness in Contra Costa County, as recommended by the Health Services Director. (No fiscal impact)
- C. 98** CONTINUE the emergency actions originally taken by the Board of Supervisors on January 26 and February 14, 2017, and most recently continued by the Board on March 14, 2017, regarding the hazardous conditions caused by a series of severe rainstorms in Contra Costa County, as recommended by the County Administrator.
- C. 99** APPROVE and AUTHORIZE the County Administrator, or designee, to execute the Maintenance of Effort Certification Form for Fiscal Year 2016/17 as required by Chapter 886, Statutes of 1994 to receive Proposition 172 (public safety sales tax increment) funds, and to submit the Certificate to the County Auditor-Controller, as recommended by the County Administrator. (100% State Proposition 172 Funds)

### **GENERAL INFORMATION**

The Board meets in all its capacities pursuant to Ordinance Code Section 24-2.402, including as the Housing Authority and the Successor Agency to the Redevelopment Agency. Persons who wish to address the Board should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

Any disclosable public records related to an open session item on a regular meeting agenda and

distributed by the Clerk of the Board to a majority of the members of the Board of Supervisors less than 96 hours prior to that meeting are available for public inspection at 651 Pine Street, First Floor, Room 106, Martinez, CA 94553, during normal business hours.

All matters listed under CONSENT ITEMS are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Board votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board. Comments on matters listed on the agenda or otherwise within the purview of the Board of Supervisors can be submitted to the office of the Clerk of the Board via mail: Board of Supervisors, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913.

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106.

Copies of recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Forms are available to anyone desiring to submit an inspirational thought nomination for inclusion on the Board Agenda. Forms may be obtained at the Office of the County Administrator or Office of the Clerk of the Board, 651 Pine Street, Martinez, California.

Subscribe to receive to the weekly Board Agenda by calling the Office of the Clerk of the Board, (925) 335-1900 or using the County's on line subscription feature at the County's Internet Web Page, where agendas and supporting information may also be viewed:

[www.co.contra-costa.ca.us](http://www.co.contra-costa.ca.us)

## STANDING COMMITTEES

The **Airport Committee** (Supervisors Karen Mitchoff and Diane Burgis) meets on the fourth Wednesday of the month at 1:30 p.m. at the Director of Airports Office, 550 Sally Ride Drive, Concord.

The **Family and Human Services Committee** (Supervisors John Gioia and Candace Andersen) meets on the fourth Monday of the month at 10:30 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Finance Committee** (Supervisors Karen Mitchoff and John Gioia) meets on the fourth Monday of the month at 9:00 a.m. in Room 101, County Administration Building, 651 Pine Street,

Martinez.

The **Hiring Outreach Oversight Committee** (Supervisors Federal D. Glover and Candace Andersen) meets on the first Monday of every other month at 1:00 p.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Internal Operations Committee** (Supervisors Candace Andersen and Diane Burgis) meets on the second Monday of the month at 1:00 p.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Legislation Committee** (Supervisors Diane Burgis and Karen Mitchoff) meets on the second Monday of the month at 10:30 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Public Protection Committee** (Supervisors Federal D. Glover and John Gioia) meets on the first Monday of the month at 10:30 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Transportation, Water & Infrastructure Committee** (Supervisors Diane Burgis and Karen Mitchoff) meets on the second Monday of the month at 9:00 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

Airports Committee	April 26, 2017	1:30 p.m.	See above
Family & Human Services Committee	April 24, 2017	10:30 a.m.	See above
Finance Committee	April 24, 2017	9:00 a.m.	See above
Hiring Outreach Oversight Committee	April 3, 2017	1:00 p.m.	See above
Internal Operations Committee	April 10, 2017	1:00 p.m.	See above
Legislation Committee	April 10, 2017	10:30 a.m.	See above
Public Protection Committee	April 3, 2017	10:30 a.m.	See above
Transportation, Water & Infrastructure Committee	April 10, 2017	9:00 a.m.	See above

**AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.**

### **Glossary of Acronyms, Abbreviations, and other Terms (in alphabetical order):**

Contra Costa County has a policy of making limited use of acronyms, abbreviations, and industry-specific language in its Board of Supervisors meetings and written materials. Following is a list of commonly used language that may appear in oral presentations and written materials

associated with Board meetings:

**AB** Assembly Bill

**ABAG** Association of Bay Area Governments

**ACA** Assembly Constitutional Amendment

**ADA** Americans with Disabilities Act of 1990

**AFSCME** American Federation of State County and Municipal Employees

**AICP** American Institute of Certified Planners

**AIDS** Acquired Immunodeficiency Deficiency Syndrome

**ALUC** Airport Land Use Commission

**AOD** Alcohol and Other Drugs

**ARRA** American Recovery & Reinvestment Act of 2009

**BAAQMD** Bay Area Air Quality Management District

**BART** Bay Area Rapid Transit District

**BayRICS** Bay Area Regional Interoperable Communications System

**BCDC** Bay Conservation & Development Commission

**BGO** Better Government Ordinance

**BOS** Board of Supervisors

**CALTRANS** California Department of Transportation

**CalWIN** California Works Information Network

**CalWORKS** California Work Opportunity and Responsibility to Kids

**CAER** Community Awareness Emergency Response

**CAO** County Administrative Officer or Office

**CCE** Community Choice Energy

**CCCFPD (ConFire)** Contra Costa County Fire Protection District

**CCHP** Contra Costa Health Plan

**CCTA** Contra Costa Transportation Authority

**CCRMC** Contra Costa Regional Medical Center

**CCWD** Contra Costa Water District

**CDBG** Community Development Block Grant

**CFDA** Catalog of Federal Domestic Assistance

**CEQA** California Environmental Quality Act

**CIO** Chief Information Officer

**COLA** Cost of living adjustment

**ConFire (CCCFPD)** Contra Costa County Fire Protection District

**CPA** Certified Public Accountant

**CPI** Consumer Price Index

**CSA** County Service Area

**CSAC** California State Association of Counties

**CTC** California Transportation Commission

**dba** doing business as

**DSRIP** Delivery System Reform Incentive Program

**EBMUD** East Bay Municipal Utility District

**ECCFPD** East Contra Costa Fire Protection District

**EIR** Environmental Impact Report

**EIS** Environmental Impact Statement

**EMCC** Emergency Medical Care Committee

**EMS** Emergency Medical Services

**EPSDT** Early State Periodic Screening, Diagnosis and Treatment Program (Mental Health)  
**et al.** et alii (and others)  
**FAA** Federal Aviation Administration  
**FEMA** Federal Emergency Management Agency  
**F&HS** Family and Human Services Committee  
**First 5** First Five Children and Families Commission (Proposition 10)  
**FTE** Full Time Equivalent  
**FY** Fiscal Year  
**GHAD** Geologic Hazard Abatement District  
**GIS** Geographic Information System  
**HCD** (State Dept of) Housing & Community Development  
**HHS** (State Dept of) Health and Human Services  
**HIPAA** Health Insurance Portability and Accountability Act  
**HIV** Human Immunodeficiency Virus  
**HOME** Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households  
**HOPWA** Housing Opportunities for Persons with AIDS Program  
**HOV** High Occupancy Vehicle  
**HR** Human Resources  
**HUD** United States Department of Housing and Urban Development  
**IHSS** In-Home Supportive Services  
**Inc.** Incorporated  
**IOC** Internal Operations Committee  
**ISO** Industrial Safety Ordinance  
**JPA** Joint (exercise of) Powers Authority or Agreement  
**Lamorinda** Lafayette-Moraga-Orinda Area  
**LAFCo** Local Agency Formation Commission  
**LLC** Limited Liability Company  
**LLP** Limited Liability Partnership  
**Local 1** Public Employees Union Local 1  
**LVN** Licensed Vocational Nurse  
**MAC** Municipal Advisory Council  
**MBE** Minority Business Enterprise  
**M.D.** Medical Doctor  
**M.F.T.** Marriage and Family Therapist  
**MIS** Management Information System  
**MOE** Maintenance of Effort  
**MOU** Memorandum of Understanding  
**MTC** Metropolitan Transportation Commission  
**NACo** National Association of Counties  
**NEPA** National Environmental Policy Act  
**OB-GYN** Obstetrics and Gynecology  
**O.D.** Doctor of Optometry  
**OES-EOC** Office of Emergency Services-Emergency Operations Center  
**OPEB** Other Post Employment Benefits  
**OSHA** Occupational Safety and Health Administration  
**PACE** Property Assessed Clean Energy  
**PARS** Public Agencies Retirement Services

**PEPRA** Public Employees Pension Reform Act  
**Psy.D.** Doctor of Psychology  
**RDA** Redevelopment Agency  
**RFI** Request For Information  
**RFP** Request For Proposal  
**RFQ** Request For Qualifications  
**RN** Registered Nurse  
**SB** Senate Bill  
**SBE** Small Business Enterprise  
**SEIU** Service Employees International Union  
**SUASI** Super Urban Area Security Initiative  
**SWAT** Southwest Area Transportation Committee  
**TRANSPAC** Transportation Partnership & Cooperation (Central)  
**TRANSPLAN** Transportation Planning Committee (East County)  
**TRE** or **TTE** Trustee  
**TWIC** Transportation, Water and Infrastructure Committee  
**UASI** Urban Area Security Initiative  
**VA** Department of Veterans Affairs  
**vs.** versus (against)  
**WAN** Wide Area Network  
**WBE** Women Business Enterprise  
**WCCTAC** West Contra Costa Transportation Advisory Committee



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Community Choice Energy Workshop

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**RECOMMENDATION(S):**

1. RECEIVE presentation on the Final Technical Study for Community Choice Energy (Technical Study) (Attachment A) prepared by the firm MRW & Associates;
2. RECEIVE presentations from MCE and East Bay Community Energy (EBCE) concerning their Community Choice Energy programs;
3. Set May 2, 2017, to CONTINUE discussion of this item and provide direction to staff.

**FISCAL IMPACT:**

MCE, EBCE and PG&E Options

The options of joining MCE or East Bay Community Energy (EBCE), or remaining with existing PG&E service will involve no direct costs to the County or cities within the County that decide to implement one of these options. However, under these options it is unlikely the County and Contra Costa cities will be reimbursed for any of the consulting expense and County staff costs already incurred to evaluate Community Choice Energy (CCE) options, which so far total approximately \$400,000.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Jason Crapo,  
925-674-7722

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## FISCAL IMPACT: (CONT'D)

### Contra Costa JPA Option

Creating a new Joint Powers Authority (JPA) of the County and cities solely within Contra Costa County for the purpose of CCE would require the County and participating cities to identify a funding source to support approximately \$2 million in additional start-up costs and secure a source of credit, or "working capital," on the order of \$20 million to bridge the new JPA to the point where it generates sufficient revenue from customer electricity accounts to become self-supporting. Out-of-pocket expenses incurred by these jurisdictions would be reimbursable by the newly created JPA.

The most likely source of funding for the estimated \$2 million in additional start-up costs for a Contra Costa JPA option would be a loan from the County to the JPA, which could be repaid to the County by the JPA, potentially with interest, within the first few years after the JPA is established.

The County and/or the other member jurisdictions of the JPA would also likely be required to provide a credit guarantee for all or a portion of the "working capital" line of credit (estimated at \$20 million) which would be used to secure power purchase contracts and other necessary expenses prior to the JPA becoming financially self-sufficient.

A budget for the various start-up activities associated with implementing a new Contra Costa JPA for the purpose of CCE are outlined in more detail in Attachment B to this report, which was prepared by the County's CCE consultant LEAN Energy, based on LEAN's direct experience with start-up costs for recently created CCE JPAs in neighboring Bay Area counties.

## BACKGROUND:

### **Introduction**

On January 17, 2017, County staff and consultants presented the Draft Technical Study of Community Choice Energy (Draft Technical Study) to the Board of Supervisors (Board) for consideration. At that meeting, the Board directed County staff as follows:

- Provide presentations to interested Contra Costa cities on the Draft Technical Study
- Request that the CCE program initiated in Alameda County, East Bay Community Energy (EBCE), provide additional information to the County to clarify the membership process for Contra Costa jurisdictions interested in seeking membership in EBCE
- Accept public comments on the Draft Technical Study through the comment period ending January 31, 2017, and then work with MRW & Associates to finalize the Technical Study for presentation to the Board and Contra Costa city councils during the months of March and April 2017

At its January 17, 2017 meeting, the Board also indicated to staff that, among the CCE options evaluated in the Technical Study, the Board has a strong preference for the options that involve joining an existing CCE program (either MCE or EBCE) compared to the option of creating a new joint powers authority for this purpose within Contra Costa County.

This report begins by providing general background on the development of CCE in California and prior Board action to initiate the Technical Study in partnership with 14 cities in Contra Costa County, and then provides an update on actions taken by County staff following direction given by the Board at its meeting on January 17, 2017.

### **Community Choice Energy in California**

Community Choice Energy (CCE) is described in State law as Community Choice Aggregation. CCE involves cities, counties, or a joint powers authority (JPA) comprised of cities and/or counties, pooling ("aggregating") retail electricity customers for the purpose of procuring and selling electricity. Under a CCE program, the CCE entity would become the default electricity provider to all electricity customers within the service area. Customers would have the ability to opt out of service from the CCE program and continue to receive service from the

incumbent electrical utility. Customers may also switch back later, though a nominal fee may be charged. In Contra Costa County, the incumbent electrical utility is Pacific Gas and Electric (PG&E). The incumbent utility retains responsibility for operating and maintaining the electrical transmission and distribution infrastructure.

Following the launch of CCE programs in Marin County in 2010 and Sonoma County in 2014, most other counties in the Bay Area and many counties throughout California are now in the process of studying or implementing CCE programs. Napa County joined the CCE program initiated in Marin County, MCE, in early 2016. The City and County of San Francisco launched a CCE program in May 2016, and San Mateo County launched its program in October 2016. Alameda County and Santa Clara County have both established JPAs for this purpose, with the intent to launch programs in the coming months.

### **Prior Board Action to Initiate CCE Technical Study**

On March 15, 2016, the Contra Costa County Board of Supervisors (Board) directed County staff to work with interested cities in Contra Costa County to conduct the Technical Study of Community Choice Energy. The Board directed staff to request that each participating city contribute financially towards the cost of the Technical Study in an amount proportional to the size of that city's population.

During the spring of 2016, County staff negotiated a memorandum of understanding (MOU) with the 14 cities within the County that are currently not members of a CCE program (five cities within the County are members of the CCE program initiated in Marin County known as MCE). The MOU was approved by the Board of Supervisors on June 21, 2016, and has been executed by 13 of the 14 cities named in the MOU (the city of Orinda did not execute the MOU).

Nine of the cities that are parties to the MOU are designated in the MOU as Funding Cities and have agreed to contribute financially towards the cost of the Technical Study in an amount proportionate to their population size. As described in the MOU, the Funding Cities will reimburse the County for their share of costs following completion of the Technical Study. The nine cities contributing financially towards the cost of the Technical Study are Brentwood, Clayton, Concord, Danville, Martinez, Moraga, Pittsburg, Pleasant Hill, and San Ramon. The five cities that contributed data but decided not to contribute funding for the Technical Study are Antioch, Hercules, Oakley, Orinda and Pinole.

MRW & Associates (MRW) was selected as the consultant to perform the Technical Study through a competitive process following the release of a Request for Proposals (RFP) that was administered by the County Department of Conservation and Development and the County's Purchasing Division in the Public Works Department. As specified in the MOU, responses to the RFP were reviewed by an Evaluation Committee comprised of representatives from the County Department of Conservation and Development, the County Administrator's Office, and the cities of Brentwood, Danville, and Pittsburg. The Evaluation Committee was unanimous in its selection of MRW as the most qualified of the responsive firms to perform the Technical Study.

Following the selection of MRW by the Evaluation Committee, the County negotiated a contract with MRW to perform the Technical Study. This contract was approved by the Board of Supervisors on August 16, 2016.

### **Scope of Technical Study**

Consistent with direction County staff received from the Board of Supervisors when the Board authorized the Technical Study on March 15, 2016, the scope of the Technical Study includes a comparison of three different CCE program alternatives that could be implemented by participating jurisdictions in Contra Costa County to the fourth option of remaining with existing service from PG&E. The three CCE alternatives considered in the study are:

1. Form a new joint powers authority (JPA) of the County and interested cities within Contra Costa County for the purpose of implementing CCE;
2. Join the existing program known as MCE by seeking membership in its JPA;
3. Join the new JPA established for the purpose of CCE in Alameda County known as East Bay Community

Energy (EBCE).

The technical study analyzes electrical load data that the County has requested and obtained from PG&E for the unincorporated area and the 14 participating cities. The technical study projects the electricity rates that might be charged by a new CCE program in Contra Costa County to its customers under several energy procurement scenarios and compares these projected rates to PG&E's projected rates. The study assesses the potential for a CCE program to lower greenhouse gas emissions generated from energy use within the participating jurisdictions compared to current PG&E service, and the extent to which a CCE program could stimulate economic activity within the County through reduced electricity rates and construction of local renewable energy generation facilities. Finally, the study includes a comparison among the three CCE program alternatives considered and the option of continuing with existing PG&E service, and presents the tradeoffs associated with each of these four options.

### **Main Findings of the Technical Study**

The main findings of the Technical Study (found in its Executive Summary) are as follows:

1. Jurisdictions in Contra Costa County participating in the Technical Study have several options for implementing a Community Choice Energy (CCE) program that would likely result in lower GHG emissions, increased local renewable energy generation, and increased local job creation compared to remaining with current electricity service from the Pacific Gas & Electric Company (PG&E).
2. The electricity rates charged under various CCE scenarios available to the jurisdictions covered in the Technical Study would likely be similar to or less than the rates charged by PG&E for comparable service. The degree to which CCE rates are reduced below comparable PG&E rates depends in large part on the extent to which the CCE pursues policy objectives other than rate minimization in its energy procurement practices. Competing policy objectives may include increasing the supply of locally generated renewable energy, promoting energy efficiency, and maximizing local employment generated from a CCE program.
3. Contra Costa County contains enough technically feasible locations to meet a significant proportion of electricity demand for the area studied through locally generated renewable energy. Forty percent of the technically feasible sites fall within the Northern Waterfront Economic Development Initiative area.
4. The implementation of a CCE program within the studied area is projected to create roughly 500 to 700 new jobs within Contra Costa County and the surrounding region compared to remaining with current PG&E service, depending on the CCE option implemented.

The Technical Study compares three CCE program alternatives to current PG&E service and identifies the tradeoffs associated with these four alternatives. The decision of which program alternative to implement will require policy makers to balance costs and potential risks and benefits of each option.

### **Public Comments and Changes to the Final Technical Study**

The Draft Technical Study was released to interested parties and the general public and posted on the County website on December 1, 2016. The County received public comments on the Draft Technical Study during a comment period that extended from December 1, 2016 to January 31, 2017. During this time, several organizations and individuals submitted written comments. All of the written comments on the Draft Technical Study are provided as attachments to this staff report.

In addition, during the months of December 2016 and January 2017, the County and several cities posted an on-line survey regarding CCE on their websites. Over 300 residents and businesses within the County responded to the survey. A report of the survey results can be found as Attachment K to this staff report.

In addition to answering the survey questions, over 100 survey respondents submitted narrative remarks on the Draft Technical Study and CCE generally. These comments can be found in Attachment L.

Given the large number of comments submitted on the Draft Technical Study, staff prepared a Comment Summary (Attachment M) to help organize this information, and to provide responses to several categories of questions and comments that were raised by survey respondents and other commenters.

Several of the comments on the Draft Technical Study submitted to the County resulted in MRW making changes to the Final Technical Study. These changes include:

- Responding to comments from MCE, MRW reevaluated its assumptions regarding the cost of building local renewable generating facilities, resulting in an increase in the assumed cost for such projects;
- Also responding to comments from MCE, MRW revised the discussion of governance and voting representation on MCE's Board of Directors;
- Responding to comments from the International Brotherhood of Electrical Workers (IBEW), MRW added additional information to substantiate the potential for a new CCE program in Contra Costa County to procure sufficient amounts of electricity from large hydroelectric generators to meet the GHG reduction levels projected in the Study.

### **Next Steps**

At its meeting on January 17, 2017, the Board indicated a strong preference for joining either MCE or EBCE compared to the option of creating a new joint powers authority within Contra Costa County for the purpose of CCE. Should the Board wish to implement a CCE program within the County, the next step would be to decide if the County should begin the process of seeking membership in either MCE or EBCE, and to give direction to County staff to take the required steps to seek membership in one of these programs.

As described in the Technical Study, MRW finds that both MCE and EBCE have the potential to provide jurisdictions in Contra Costa County the commonly held objectives of a CCE program: provide electricity that is derived from renewable sources to a greater degree than current PG&E service at a competitive price, and stimulate local economic development through build-out of local renewable energy generating facilities.

The distinctions between MCE and EBCE are primarily related to organizational and governance issues. MCE is a mature organization with experienced staff, and has a track record of successful CCE program operation since 2010. However, because MCE is a well-established program and many important formative program decisions have already been made.

EBCE, by contrast, is a very new program that has not yet hired staff or begun providing electrical service to customers, and therefore has no record of performance to evaluate. However, the fact that EBCE is in its initial stages of development offers Contra Costa jurisdictions an opportunity to get in on the ground floor of creating a new CCE program.

Both MCE and EBCE would require Contra Costa jurisdictions to share governance with a large number of jurisdictions outside the County. Tradeoffs between MCE and EBCE are further discussed at length in Chapter 7 of the Technical Study.

MCE and EBCE have both provided written guidance for Contra Costa jurisdictions interested in seeking membership in their programs (Attachments N and O). Both programs are offering membership to Contra Costa jurisdictions at no charge. Both programs require jurisdictions seeking membership to complete a number of procedural steps, which include adoption of a resolution and ordinance, no later than June 30, 2017 (MCE's inclusion period deadline is May 31, 2017, but MCE staff has indicated that MCE will consider requests from Contra Costa jurisdictions to extend its deadline to June 30, 2017) and staff recommends that this extension be requested at this time.

County staff estimates it would take roughly 6 weeks to complete the required procedural steps following direction from the Board to move forward with seeking membership in either MCE or EBCE. The Board's last meeting in June 2017 is on June 20. Therefore, should the Board decide to move forward with seeking membership in either MCE or EBCE during 2017, staff recommends the Board provide such direction to staff at its meeting on May 2, 2017.

## ATTACHMENTS

- Attachment A - Final Technical Study
- Attachment B - Budget Estimate for CCE Program Start Up
- Attachment C - MCE Comments 1
- Attachment D - MCE Comments 2
- Attachment E - IBEW Comments
- Attachment F - Jim Moita Comments
- Attachment G - Carol Weed et al Comments
- Attachment H - Sierra Club Comments
- Attachment I - El Sobrante Comments
- Attachment J - Scott Rafferty Comments
- Attachment K - CCE Survey Final Results
- Attachment L - Survey Comments
- Attachment M - Comment Summary Table
- Attachment N - MCE Inclusion Letter
- Attachment O - EBCE Inclusion Letter
- Attachment P - County Staff PowerPoint Presentation
- Attachment Q - EBCE PowerPoint Presentation
- Attachment R - MCE Powerpoint Presentation

# Technical Study for Community Choice Energy Program in Contra Costa County

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March, 2017

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### List of Acronyms

AAEE	Additional Achievable Energy Efficiency
CAISO	California Independent System Operator
CBA	Collective Bargaining Agreement
CCA	Community Choice Aggregation
CCE	Community Choice Energy
CEC	California Energy Commission
CPUC	California Public Utilities Commission
EE	Energy Efficiency
EBCE	East Bay Community Energy
ESPs	Energy Service Providers
FY	Fiscal Year
GHG	Greenhouse Gas
GRP	Gross Regional Product
GWh	Gigawatt-hour (= 1,000 MWhs)
IOU	Investor-Owned Utility
I/T	Information Technology
JEDI	Jobs and Economic Impact (model)
JPA	Joint Powers Authority
kWh	Kilowatt-hour
MW	Megawatt
MWh	Megawatt-hour
NREL	National Renewable Energy Laboratory
PCIA	Power Charge Indifference Adjustment
PEIR	Programmatic Environmental Impact Report
PG&E	Pacific Gas & Electric
REC	Renewable Energy Credit
REMI	Regional Economic Modeling Inc
RPS	Renewable Portfolio Standard
SB 350	Senate Bill 350
TURN	The Utility Reform Network

## Executive Summary

### Main Findings

1. This study finds that the jurisdictions in Contra Costa County studied<sup>1</sup> in this report have several options for implementing a Community Choice Energy (CCE) program that would likely result in lower greenhouse gas (GHG) emissions, increased local renewable energy generation, and increased local job creation compared to remaining with current electricity service from the Pacific Gas and Electric Company (PG&E).
2. The electricity rates charged under various CCE scenarios available to the jurisdictions covered in this study would likely be similar or less than the rates charged by PG&E for comparable service. The degree to which CCE rates are reduced below comparable PG&E rates depends in large part on the extent to which the CCE pursues policy objectives other than rate minimization in its energy procurement practices. Competing policy objectives may include increasing the supply of locally generated renewable energy, promoting energy efficiency, and maximizing local employment generated from a CCE program.
3. This study finds that Contra Costa County includes enough technically feasible locations to meet a significant proportion of electricity demand for the area studied through locally generated renewable energy. Forty percent of the technically feasible sites fall within the Northern Waterfront Economic Development Initiative area.
4. The implementation of a CCE program within the studied area is projected to create between 500 and 700 new jobs within Contra Costa County compared to remaining with current PG&E service, depending on the CCE option implemented.
5. This study compares three CCE program alternatives to current PG&E service and identifies the tradeoffs associated with these four alternatives. The decision of which program alternative to implement will require policy makers to balance costs and potential risks and benefits of each option, which are described in detail.

### Purpose of this Study

Community Choice Energy is described in State law as “Community Choice Aggregation.” California Assembly Bill 117, passed in 2002, established Community Choice Aggregation in California to provide the opportunity for local governments or special jurisdictions to procure or provide electric power for their residents and businesses. On March 15, 2016, the Contra Costa County (County) Board of Supervisors directed County staff to work with cities within the County to obtain electrical load data from PG&E for conducting a technical study of options for

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<sup>1</sup> The communities constituting the “Contra Costa CCE” throughout the report are Antioch, Brentwood, Clayton, Concord, Danville, Hercules, Martinez, Moraga, Oakley, Orinda, Pinole, Pittsburg, Pleasant Hill, San Ramon, and unincorporated County. They do not include those communities already being served by the Community Choice Aggregator, MCE (El Cerrito, Lafayette, Richmond, San Pablo, and Walnut Creek).

implementing CCE within the County’s unincorporated area and the 14 cities within the County not currently participating in a CCE program. The Board of Supervisors further directed the CCE technical study to compare alternatives for implementing CCE (i.e., establishing a Contra Costa County-Only CCE or joining one of the neighboring CCEs – MCE, formerly Marin Clean Energy, or East Bay Community Energy) to the option of remaining with PG&E.

To assess whether a stand-alone CCE is “feasible” in Contra Costa County, the local objectives must be laid out and understood. Based on the specifications of the initial request for proposals and input from the County, this study:

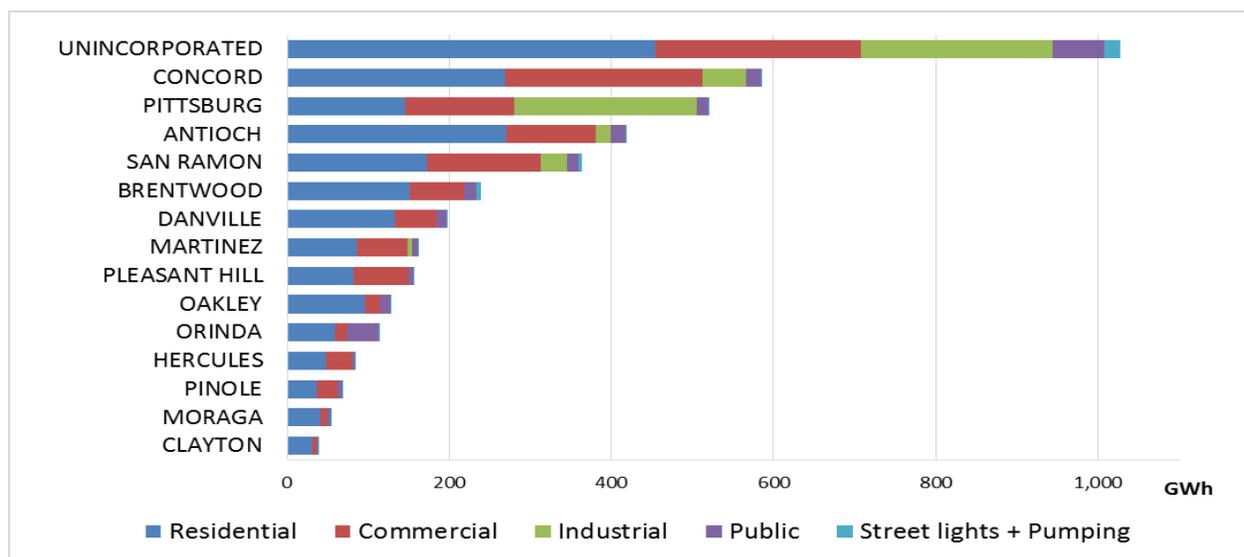
- Quantifies the electric loads that a Contra Costa County CCE would serve;
- Includes analysis of in-county renewable generation;
- Compares the rates that could be offered by the CCE to PG&E’s rates;
- Calculates the macroeconomic development and employment benefits of CCE formation; and
- Compares the benefits and risks of forming a CCE or joining a neighboring CCE versus remaining on PG&E bundled service.

## Loads and Forecast

Figure ES-1 provides a snapshot of Contra Costa County bundled electric load in 2015 by city and by rate class.<sup>2</sup> As the figure shows, total bundled electricity load in 2014 from Contra Costa County was approximately 4,000 GWh. The unincorporated areas of the County represented 25% of County load, and the cities of Concord and Pittsburg were together responsible for another 25%. Residential and commercial customers made up most the County load, with smaller contributions from the industrial and public sectors.

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<sup>2</sup> “Bundled” load includes only load for which PG&E supplies the power; it excludes load from Direct Access customers, load in the jurisdiction of another CCE provider, and load met by customer self-generation. This excludes load originating in the cities of El Cerrito, Lafayette, Richmond, San Pablo, and Walnut Creek, which are served by MCE.

**Figure ES-1. PG&E's 2015 Bundled Load in Contra Costa County**

## CCE Power Supplies

The CCE's primary function is to procure supplies to meet the electrical loads of its customers. By law, the CCE must also supply a certain portion of its sales to customers from eligible renewable resources. This Renewable Portfolio Standard (RPS) requires 33% renewable energy supply by 2020, increasing to 50% by 2030. The CCE may additionally choose to source a greater share of its supply from renewable sources than the minimum requirements, or may seek to otherwise reduce the environmental impact of its supply portfolio. The CCE may also use its procurement function to meet other objectives, such as sourcing a portion of its supply from local projects to promote economic development in the County. The four supply scenarios considered in this analysis are summarized in Table ES-1.

**Table ES-1: Four Scenarios Modeled<sup>3</sup>**

Scenario:	1	2	3	4
% RPS-Eligible in 2020	33%	50%	33%	50%
% RPS-Eligible in 2030	50%	80%	50%	80%
Share of RPS-Eligible from Local Resources	0%	0%	50%	50%

<sup>3</sup> Customer-sited solar is not considered RPS-eligible in California and is not included in the RPS procurement in these scenarios. Customer-sited solar is incorporated in this analysis as a reduction to the CCE's load.

## Local Renewable Development

The CCE may choose to contract with or develop renewable projects within Contra Costa County to promote economic development or reap other benefits. This study found 1,395 parcels that met the established criteria and 1,875 individual sites within the identified parcels where either a solar shade structure, large rooftop, or ground mounted system could be developed. Table ES-2 shows the total solar PV generation capacity within the County based on the methodology and assumptions in Chapter 3.

**Table ES-2. Total PV Solar Generation Potential and Build Cost**

	Ground Mount	Shade Structure	Roof Mounted	Total
<b>PV Capacity (MW)</b>	1,891	1,320	144	3,355
<b>PV Production (GWh)</b>	3,025	2,113	230	5,369
<b>Build Cost (\$ Millions)</b>	\$3,417	\$3,977	\$371	\$7,660
<b>Build Cost (\$/Watt)</b>	\$1.99	\$3.10	\$2.62	\$2.56
<b>No of PV Systems</b>	845	886	144	1,875

## CCE Rate Analysis Results

### Scenarios 1 and 3 (Simple Renewable Compliance)

In Scenario 1, the CCE meets the mandated 33% RPS requirement in 2020 and the 50% RPS requirement in 2030, plus the 55% proposed target between 2030 and 2038. Annual GHG emissions are 50% lower on average than PG&E's forecasted annual GHG emissions by assuming a fraction of the non-RPS power is provided by large hydroelectric resources.

Figure ES-2 summarizes the results of Scenario 1. The figure shows the total average cost of the Contra Costa County CCE to serve its customers (vertical bars) and the comparable PG&E generation rate (line).<sup>4</sup> Of the CCE cost elements, the greatest cost is for non-renewable generation (including large hydroelectric), followed by the cost for renewable generation, which increases over the years per the RPS requirements. Another important CCE customer cost is the Power Charge Indifference Adjustment (PCIA), which is the mandated charge that State regulators require PG&E to impose on all CCE customers.<sup>5</sup>

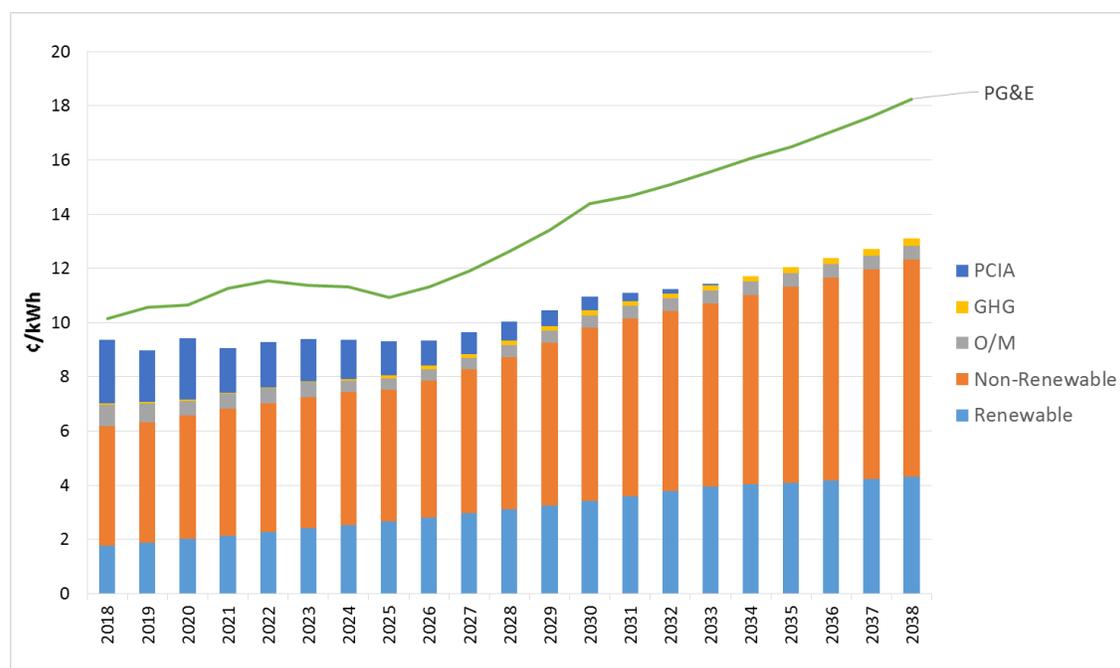
<sup>4</sup> All rates are in nominal dollars. Note that these are NOT the full rates shown on PG&E bills. They are only the generation portion of the rates. Other parts of the rate, such as transmission and distribution, are not included, as customers pay the same charges for these components regardless of who is providing their power.

<sup>5</sup> Per current regulations, the PCIA fee is expected to decrease in most years beginning in 2019 and to have less of an impact on CCE customer rates over time as resources expire from PCIA eligibility for CCE customers. However, given that PCIA regulations are subject to change, the possibility that PCIA rates may not decrease as expected is considered in the High PCIA scenario.

Under Scenario 1, the differential between PG&E generation rates and the average cost for the Contra Costa County CCE to serve its customers (*aka* the CCE rates) is positive in each year (i.e., CCE rates are lower than PG&E rates). As a result, Contra Costa County CCE customers' average generation rate (including contributions to the CCE's reserve fund) can be set at a level that is lower than PG&E's average customer generation rate in each year.

Scenario 3 is the same as Scenario 1 except that by 2028 one-half of the renewable power is provided by local resources. The differential between PG&E generation rates and Contra Costa County CCE customer rates in Scenario 3 is lower than in Scenario 1; the expected Contra Costa County CCE rates continue to be lower than the forecast PG&E generation rates for all years from 2018 to 2038.

**Figure ES-2. Scenario 1 Forecast Average CCE Cost and PG&E Rates, 2018-2038**



### Scenarios 2 and 4 (Accelerated RPS)

Under Scenario 2, the Contra Costa County CCE starts with 50% of its load being served by renewable sources in 2017, and increases this at a quick pace to 80% renewable energy content by 2030. Scenario 4 is the same as Scenario 2 except that by 2027 one-half of the renewable power is provided by local resources.

The differential between PG&E generation rates and Contra Costa County CCE customer rates in Scenarios 2<sup>6</sup> and 4 is narrower than in Scenarios 1 and 3. Still, the expected Contra Costa County CCE rates continue to be lower on average than the forecast PG&E generation rates for all years from 2018 to 2038. However, for Scenario 4—very high local renewable penetration—

<sup>6</sup> After 2033, the Contra Costa County CCE rates are lower for Scenario 2 than Scenario 1.

the modeling suggests that the CCE might not be able to beat PG&E rates in the 2025-2030 timeframe. (See Chapter 3 for details).

### Greenhouse Gas Emissions

Under Scenarios 1 and 3, we include enough GHG-free hydroelectric power so that the Contra Costa County CCE's GHG emissions rate is about half of PG&E's GHG emissions rate. This requires using large hydroelectric power for 35% of the CCE's generation portfolio, on average, from 2018 to 2038. Though this large hydroelectric power would not qualify for RPS requirements, it is considered a non-GHG emitting resource.<sup>7</sup> Under Scenarios 2 and 4 these additions of large hydro power are not needed once the high renewable targets are met. The result is a portfolio that averages 20% large hydro from 2018 to 2038.

Tables ES-4 shows GHG emissions from 2018-2038 for the Contra Costa County CCE in each Scenario and what PG&E's emissions would be for the same load if no CCE were formed. Overall, the CCE is projected to reduce GHG emissions from the County by about half. This result is due in large part to not only the assumed renewable generation, but also the hydroelectric power assumed to be part of the CCE's supply mix.

Note that the analysis assumes "normal" hydroelectric output for PG&E. During the drought years, PG&E's hydro output has been at about 50% of normal, and the utility has made up these lost megawatt-hours through additional gas generation. This means that the "normal" PG&E emissions shown here are lower than the "current" emissions. If, as is expected by many experts, the recent drought conditions are closer to the "new normal", then PG&E's GHG emissions in the first 8 years would be approximately 30% higher. Depending on whether the CCE were similarly affected by limited hydroelectric supply, the CCE's emissions may increase as well.

**Table ES-4. Comparative GHG total emissions for PG&E and Contra Costa CCE**

GHG emissions	PG&E (KTonnes) <sup>8</sup>	Contra Costa CCE (KTonnes)	Savings (%)
<b>Scenario 1</b>	5,882	2,957	50%
<b>Scenario 2</b>	5,882	2,693	54%
<b>Scenario 3</b>	5,882	2,957	50%
<b>Scenario 4</b>	5,882	2,693	54%

<sup>7</sup> While there is a limited supply of uncontracted large hydroelectric power, other operating CCEs have been successful in procuring this resource. To account for the limited supply, we added a 10% premium to the cost of this power.

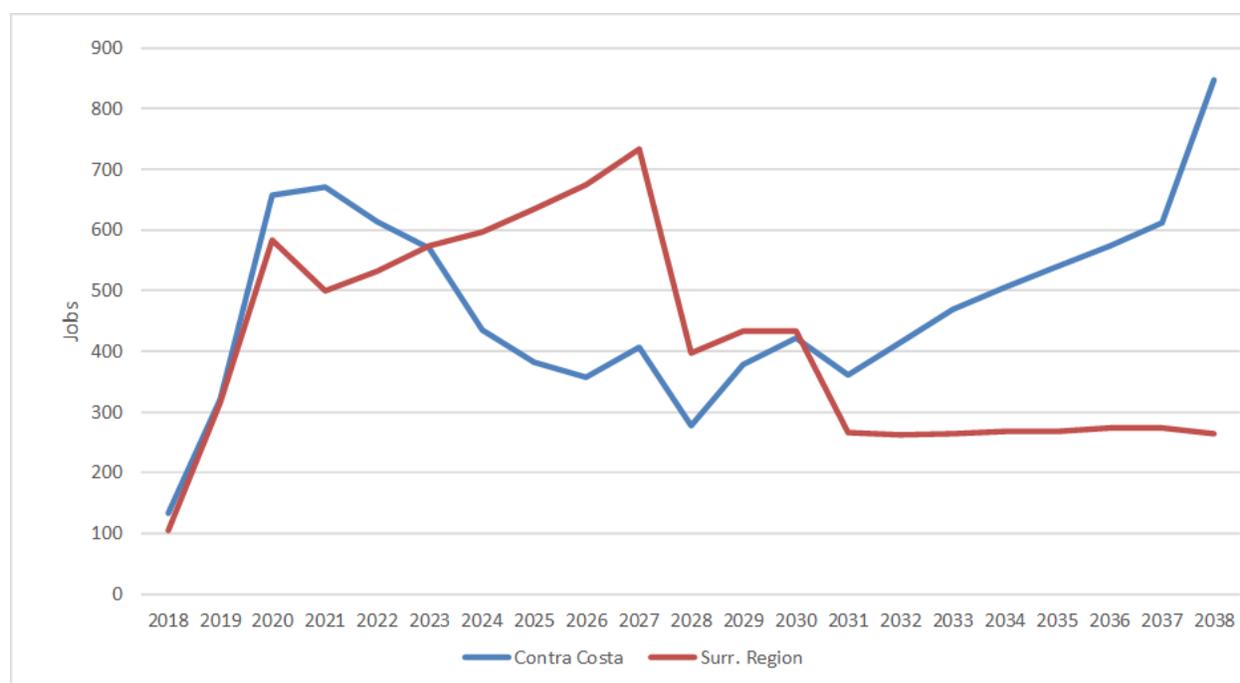
<sup>8</sup> Thousands of metric tons.

## Macroeconomic and Job Impacts

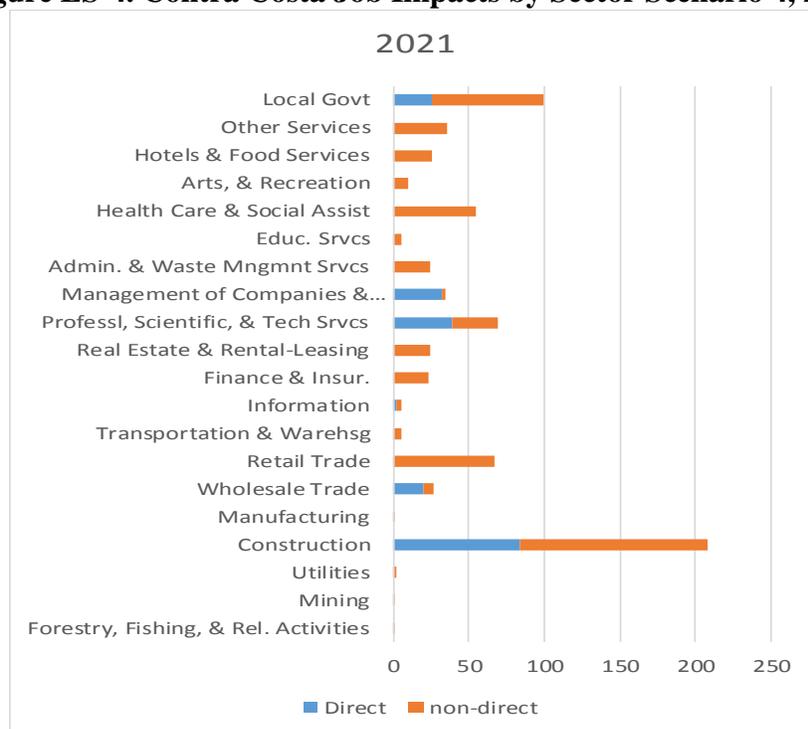
The local economic development and jobs impacts for the four scenarios were analyzed using the dynamic input-output macroeconomic model developed by Regional Economic Models, Inc. (REMI). The model accounts for not only the impact of direct CCE activities (e.g., local project installations for two of the four scenarios, program administration), but also how the rate savings that County households and businesses might experience with a CCE ripple through the local economy, creating more jobs and regional economic growth.

A CCE can also offer positive economic development and employment benefits to the County. The CCE could create approximately 500 to 700 additional annual jobs on average in the County plus an additional 50 to 400 jobs in the neighboring counties, depending on the scenario. The job impacts include not just the stimulus from program-related effects but jobs resulting from *multiplier effects* and *competitiveness effects*. Scenario 4 – with the smallest of *net* rate savings for the County’s electric customers contains the largest investment for small solar across the local economy. Figure ES-3 illustrates this through high-level results expressed as annual job changes for the Scenario 4.

**Figure ES-3. Scenario 4 Regional Annual Jobs Impacts, 2018 to 2038**



The economic activity generated by the CCE results in incremental employment in a variety of sectors. Figure ES-4 shows the estimated job impacts (direct and indirect) by sector for Scenario 4 in 2021 (the year in which the CCE’s assumed solar investment is maximum).

**Figure ES-4. Contra Costa Job Impacts by Sector Scenario 4, 2021**

## Comparative Analysis of CCE Options

Having the County and cities within the County form their own Joint Powers Authority (JPA) and CCE Program is not the only possibility for CCE participation. First, the County and/or its cities may join MCE (formerly Marin Clean Energy). In fact, five cities in the County—El Cerrito, Lafayette, Richmond, San Pablo, and Walnut Creek—are already members of MCE. These cities joined between 2012 and 2016, and have full standing on MCE’s board of directors. Second, the County and/or its cities could join East Bay Community Energy (Alameda County, EBCE). While this CCE has just been formed—the JPA board met for the first time in January 2017—it intends to begin delivery of power in early 2018. Furthermore, the County and each city need not join one or the other CCE *en masse*, but instead can join one or the other CCEs individually (or neither).

Table ES-5 below provides a qualitative summary of the differences and similarities among these options. While a quantitative comparison would appear to provide more rigor, in this case it would provide only false precision. First and foremost, two of the potential CCE options are with entities which, while potentially viable, do not yet exist. Without power contracts, portfolios, or procurement guidelines and policies, it would be unwise to claim that EBCE or a potential Contra Costa-only CCE would have rates or greenhouse gas emissions higher or lower than the other. Comparisons against MCE can be somewhat more reasonably asserted; however, MCE’s stated goals—greater renewable energy content, lower greenhouse gas emissions, local generation, and comparable rates—are nearly identical to those stated by EBCE, making long-range rate and emissions distinctions immaterial. Thus, the qualitative comparisons provided in

the table do not provide sharp distinctions between the CCE options.<sup>9</sup> All these options are expected to provide similar rates and GHG emissions, with differences arising from variations in the priorities and procurement decisions of the individual governance boards. What truly distinguishes these options are primarily governance options (i.e., in-county only versus shared with other entities) and the amount of risk assumed (i.e., developing or signing on with a new CCE versus joining one with a record of satisfactory performance).

**Table ES-5. Comparison of Contra Costa CCE Options**

Criterion	Form CCCo JPA	Join MCE	Join EBCE	Stay with PG&E
<b>Rates</b>	Likely lower	Likely Lower	Likely Lower	Base
<b>GHG Reduction Potential Over Forecast Period</b>	Some	Some	Some	Base
<b>Local Control/Governance</b>	Greatest	Some	Some	None
<b>Local Economic Benefit Potential</b>	Greatest	Some	Some	Minimal
<b>Start Up Costs/Cost to Join</b>	Low, but greater risk <sup>10</sup>	None	None	None
<b>Level of Effort</b>	Greatest	Minimal	Greater	None
<b>Program Risks</b>	Greatest	Minimal	Some	Base
<b>Timing (earliest)</b>	Late-2018	Late-2017	Mid-2018	N/A

<sup>9</sup> Differences between the CCE options and the option to stay with PG&E are more marked and better quantifiable, given that information on PG&E's power portfolios, procurement plans, and costs are at least partially available through various filings and applications PG&E has made before the CPUC. The comparisons provided above between the CCE's rates and PG&E's rates takes advantage of this information and market data on power procurement costs to develop quantitative comparisons between the CCE and PG&E options.

<sup>10</sup> Start-up costs incurred by the County or others are likely to be reimbursed by the JPA.

## Conclusions

Overall, a CCE in Contra Costa County appears feasible. Given current and expected market and regulatory conditions, a Contra Costa County CCE should be able to offer its residents and businesses electric rates that are less than those available from PG&E.

Sensitivity analyses suggest that these results are relatively robust. Only when very high amounts of local renewable energy are assumed in the CCE portfolio, combined with other negative factors such as higher PCIA rates, higher prices for local renewable power, or lower PG&E costs, do PG&E's rates become consistently more favorable than the CCE's.

A Contra Costa County CCE would also be well positioned to help facilitate greater amounts of renewable generation to be installed in the County. Because the CCE would have a much greater interest in developing local solar than PG&E, it is much more likely that such development would occur with a CCE in the County than without it.

The CCE can also reduce the amount of greenhouse gases emitted in the County if the CCE prioritizes this goal. Because PG&E's supply portfolio has significant carbon-free generation (from large hydroelectric and nuclear generators), the CCE would need to contract for significant amounts of hydroelectric or other carbon-free power above and beyond the required qualifying renewables to reduce the County's GHG footprint from electricity use. This analysis assumes that the CCE procures enough GHG-free generation to halve PG&E's GHG emissions rate, subject to constraints on the minimum share of market supplies in the CCE portfolio.

A CCE can also offer positive economic development and employment benefits to the County. At the peak, the CCE could create approximately 500 to 700 new jobs in the County plus additional jobs in neighboring counties. What may be surprising is that many of the economic benefits can come from reduced rates: residents and, more importantly, businesses can spend and reinvest their bill savings, and thus generate greater economic impacts.

While the analytical focus of this report has been on a stand-alone Contra Costa County CCE, that is not the only choice for Contra Costa communities (not already in MCE). Overall, there is insufficient data to suggest that a stand-alone Contra Costa CCE would offer lower rates or greater GHG savings than joining MCE or EBCE. Either forming or joining a CCE would likely offer modestly lower rates, more local economic development, and similar or lower GHG emissions than remaining with PG&E. Joining MCE would likely result in the quickest and least risky path to CCE implementation, however at a loss of local input into CCE policy formation. Because it has yet to be formed, joining with EBCE would take longer than joining the already-established MCE, but would offer greater input into the CCE's policies and formation.

Although all the CCE program options available to the jurisdictions studied would likely provide both environmental and economic benefits compared to PG&E, continuing service from PG&E remains an option for not only a community but also for any individual or business whose community has selected CCE service. PG&E is an experienced power provider and is regulated by the State. Furthermore, remaining with PG&E does not require the jurisdiction to take any action. Lastly, simply because a Contra Costa community does not join a CCE in 2017 or 2018 does not necessarily preclude it from doing so in the future, although waiting may result in an "entry fee" or perhaps a higher PCIA rate.

## Chapter 1: Introduction

On March 15, 2016, the Contra Costa County (County) Board of Supervisors directed County staff to work with cities within the County to obtain electrical load data from the Pacific Gas and Electric Company (PG&E) for the purpose of conducting a technical study of options for implementing Community Choice Energy (CCE) within the County's unincorporated area and the 14 cities within the County not currently participating in a CCE program. The Board of Supervisors further directed the CCE technical study to compare the following alternatives for implementing CCE to the option of remaining with current electrical service from PG&E:

1. Form a new Joint Powers Authority (JPA) of the County and interested cities within Contra Costa County for the purpose of CCE;
2. Form a new JPA in partnership with Alameda County and interested cities in both counties; and
3. Join the existing CCE program initiated in Marin County, known as Marin Clean Energy (MCE).

The County and the 14 Contra Costa cities not currently participating in a CCE program all authorized the collection of load data from PG&E for this technical study. In addition, the County and the cities of Brentwood, Clayton, Concord, Martinez, Pleasant Hill, Pittsburg, and San Ramon, and the Towns of Danville and Moraga, contributed funding for the completion of this study.

### What is a CCE?

California Assembly Bill 117, passed in 2002, established Community Choice Aggregation (also known as Community Choice Energy or "CCE") in California, for the purpose of providing the opportunity for local governments or special jurisdictions to procure or provide electric power for their residents and businesses.

Under existing rules administered by the California Public Utilities Commission (CPUC), PG&E must use its transmission and distribution system to deliver the electricity supplied by a CCE in a non-discriminatory manner. That is, it must provide these delivery services at the same price and at the same level of reliability to customers taking their power from a CCE as it does for its own full-service customers. By state law, PG&E also must provide all metering and billing services such that customers receive a single electric bill each month from PG&E, which would differentiate the charges for generation services provided by the CCE from the charges for PG&E delivery services. Money collected by PG&E on behalf of the CCE must be remitted in a timely fashion (e.g., within 3 business days).

As a power provider, the CCE must abide by the rules and regulations placed on it by the State and its regulating agencies, such as maintaining demonstrably reliable supplies, fully cooperating with the State's power grid operator, and meeting renewable procurement requirements. However, the State has no rate-setting authority over the CCE; the CCE may set rates as it sees fit so as to best serve its constituent customers.

Per California law, when a CCE is formed all the electric customers within its boundaries will be placed, by default, onto CCE service. However, customers retain the right to return to PG&E service at will, subject to whatever administrative fees the CCE may choose to impose.

California currently has five active CCE Programs: MCE, serving Marin County and selected neighboring jurisdictions, including five cities in Contra Costa County; Sonoma Clean Power, serving Sonoma County; CleanPowerSF, serving San Francisco City and County; Peninsula Clean Energy, serving San Mateo County; and Lancaster Choice Energy, serving the City of Lancaster (Los Angeles County). Numerous other local governments are also investigating CCE formation, including Alameda County; Los Angeles County; Monterey Bay region; Santa Barbara, San Luis Obispo and Ventura Counties; ; the City of Davis and Yolo County; and Humboldt County to name a few.

### **Assessing CCE Feasibility**

In order to assess whether a CCE is “feasible” in Contra Costa County, the local objectives must be laid out and understood. Based on the specifications of the initial request for proposals and input from the County, this study:

- Quantifies the electric loads that a Contra Costa County CCE would serve;
- Estimates the costs to start-up and operate the CCE;
- Considers four scenarios with differing assumptions concerning the amount of GHG-free power and local renewable power being supplied to the CCE so as to assess the costs, greenhouse gas emissions reductions, and local economic development opportunities possible with the CCE;
- Includes analysis of in-county renewable generation;
- Compares the rates that could be offered by the CCE to PG&E’s rates;
- Quantitatively explores the rate competitiveness of the four scenarios to key input variables, such as the cost of natural gas;
- Calculates the macroeconomic development and employment benefits of CCE formation; and
- Compares the benefits and risks of forming a CCE or joining a neighboring CCE versus remaining on PG&E bundled service.

For comparison, the differences in the results between this study and that conducted for Alameda County will be described and underlying reasons explained.

The communities constituting the “Contra Costa CCE” in this study are: Antioch, Brentwood, Clayton, Concord, Danville, Hercules, Martinez, Moraga, Oakley, Orinda, Pinole, Pittsburg, Pleasant Hill, San Ramon, and unincorporated County. They do not include the communities already being served by the Community Choice Energy provider MCE (El Cerrito, Lafayette, San Pablo, Richmond and Walnut Creek).

This study was conducted by MRW & Associates, LLC (MRW). MRW was assisted by Sage Renewables, which conducted the local renewable energy potential study, and by Economic Development Research Group, which conducted the macroeconomic and jobs analysis contained in the study.

This study is based on the best information available at the time of its preparation, using publicly available sources for all assumptions to provide an objective assessment regarding the prospects of CCE operation in the County. It is important to keep in mind that the findings and recommendations reflected herein are substantially influenced by current market conditions within the electric utility industry, which are subject to sudden and significant changes.

## Chapter 2: Economic Study Methodology and Key Inputs

This Chapter summarizes the key inputs and methodologies used to evaluate the cost-effectiveness and cost-competitiveness of a Contra Costa CCE relative to PG&E under different scenarios.<sup>11</sup> It considers the regulatory requirements that a Contra Costa County CCE would need to meet (e.g., compliance with renewable portfolio standard (RPS) requirements), the resources that the County has available or could obtain to meet these requirements, and the PG&E rates against which the CCE would compete. It also describes the pro forma analysis methodology that is used to evaluate the financial feasibility of the CCE.

The load and rate forecasts go out twenty years—through 2038. While all forecasting contains an element of uncertainty, the years beyond 2030 are particularly uncertain and should be seen as broadly indicative and not predictive.

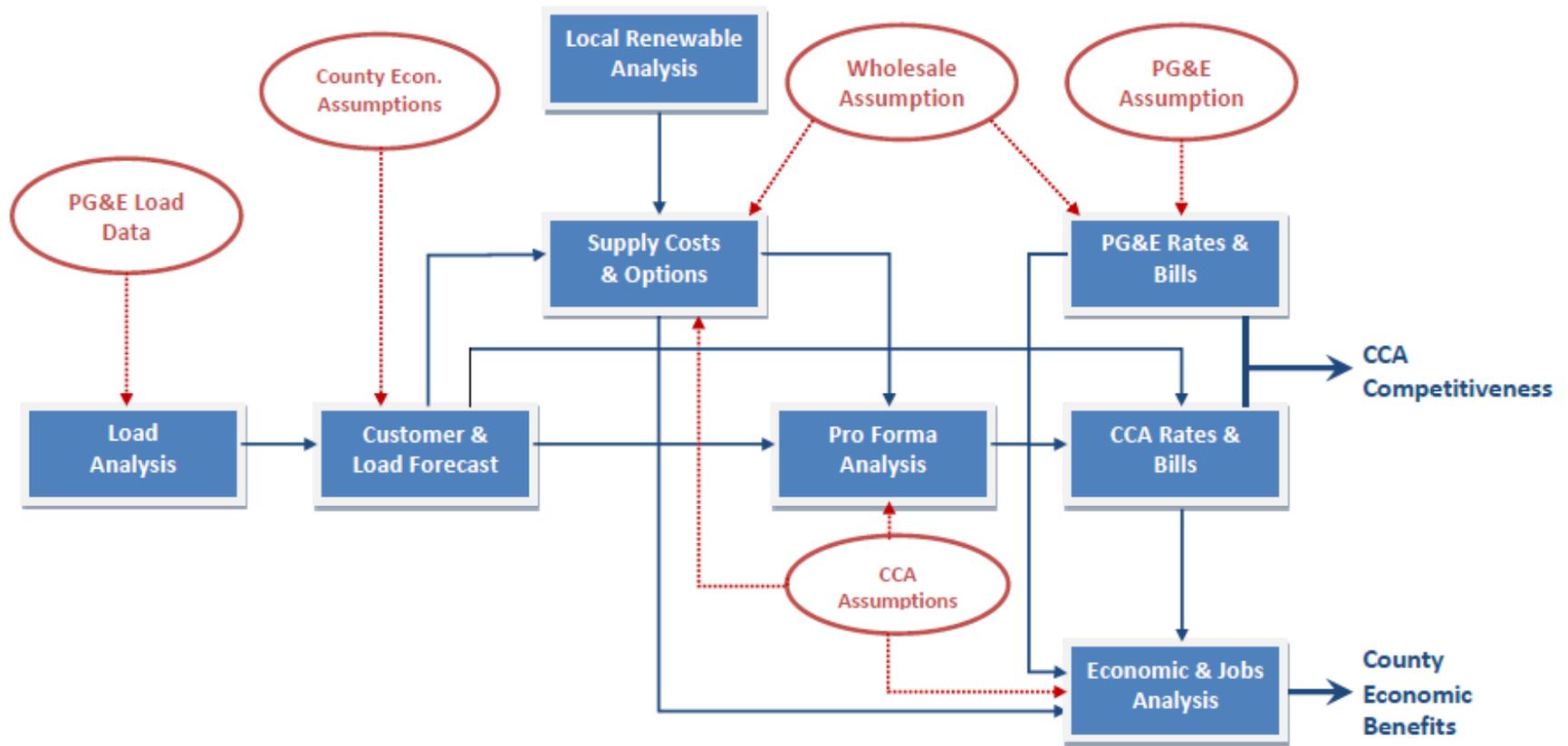
Understanding the interrelationships of all the tasks and using consistent and coherent assumptions throughout are critical to developing a meaningful analysis. Figure 1 shows the analysis elements (blue boxes) and major assumptions (red ovals) and how they relate to each other. As the figure illustrates, there are numerous interrelationships between the tasks. For example, the load forecast is a function of not only the load analysis, but also of projections of economic activity in the County.

Two important points are highlighted in this figure. First, it is critical that wholesale power market assumptions are consistent between the CCE and PG&E. While there are reasons that one might have lower or higher costs than the other for a particular product (e.g., CCEs can use tax-free debt to finance generation projects while PG&E cannot), both will participate in the wider Western U.S. gas and power markets and therefore will be subject to the same underlying market forces. Applying different power cost assumptions to the CCE than to PG&E, such as simply escalating PG&E rates while deriving the CCE rates using a bottom-up approach, would produce erroneous results. Second, virtually all elements of the analysis feed into the economic and jobs assessment. As is described in detail in Chapter 5, this Study uses a state-of-the-art macroeconomic model that can account for numerous activities in the economy, which allows for a much more comprehensive—and accurate—assessment than a simple input-output model.

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<sup>11</sup> The relative costs and merits of joining CCEs in neighboring counties are addressed in Chapter 7.)

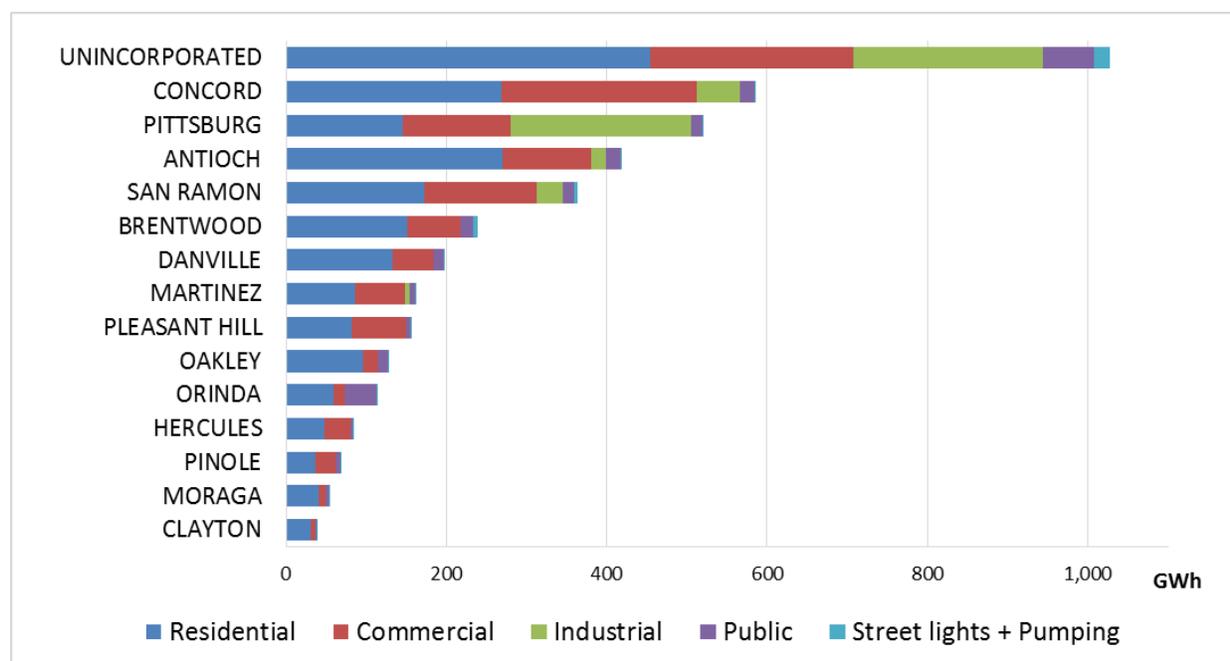
**Figure 1. Task Map**



## Contra Costa County Loads and CCE Load Forecasts

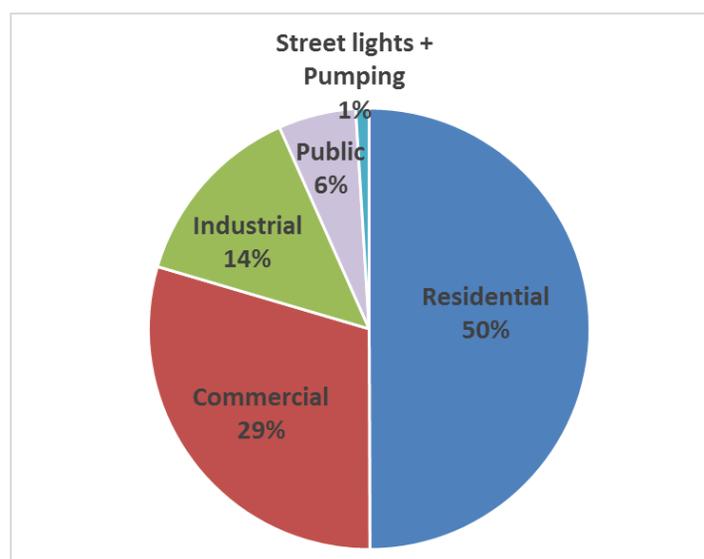
MRW used PG&E bills from 2015 for all PG&E bundled service customers within the Contra Costa County region as the starting point for developing electrical load and peak demand forecasts for the Contra Costa County CCE program.<sup>12</sup> Figure 2 provides a snapshot of Contra Costa County bundled load in 2015 by city and by rate class. PG&E's total electricity load in 2015 from these customers was approximately 4,000 GWh.<sup>13</sup> The unincorporated areas of the County represented 25% of County load, and the cities of Concord and Pittsburg were together responsible for another 25%. Residential and commercial customers made up most of the County load, with smaller contributions from the industrial and public sectors (Figure 3). This same sector-level distribution of load is also apparent at the jurisdictional level for most cities (Figure 2), except for the City of Pittsburg, which has a significant industrial-sector footprint.

**Figure 2. PG&E's 2015 Bundled Load in Contra Costa County by Jurisdiction and Rate Class**



<sup>12</sup> Detailed monthly usage data provided by PG&E to Contra Costa County. "Bundled" load includes only load for which PG&E supplies the power; it excludes load from Direct Access customers, load in the jurisdiction of another CCE provider, and load met by customer self-generation. This excludes load originating in the cities of El Cerrito, Lafayette, Richmond, San Pablo, and Walnut Creek, which are served by MCE.

<sup>13</sup> As determined from bill data provided by PG&E.

**Figure 3. PG&E's 2015 Bundled Load in Contra Costa County by Rate Class**

To estimate CCE loads from PG&E's 2015 bundled loads, MRW assumed a CCE participation rate of 85% (i.e., 15% of customers opt to stay with PG&E) and a three-year phase in period from 2018 to 2020, with 33% of potential CCE load included in the CCE in 2018, 67% in 2019, and 100% in 2020. To forecast CCE loads through 2038, MRW used a 0.4% annual average growth rate, consistent with the California Energy Commission's most recent electricity demand forecast for PG&E's planning area.<sup>14</sup> The CCE load forecast is summarized in Figure 4, which shows annual projected CCE loads by class.

To estimate the CCE's peak demand in 2015,<sup>15</sup> MRW multiplied the load forecast for each customer class by PG&E's 2015 hourly ratio of peak demand to load for that customer class.<sup>16</sup> MRW extended the peak demand forecast to 2038 using the same growth rates used for the load forecast. The peak demand forecast is summarized in Figure 5.

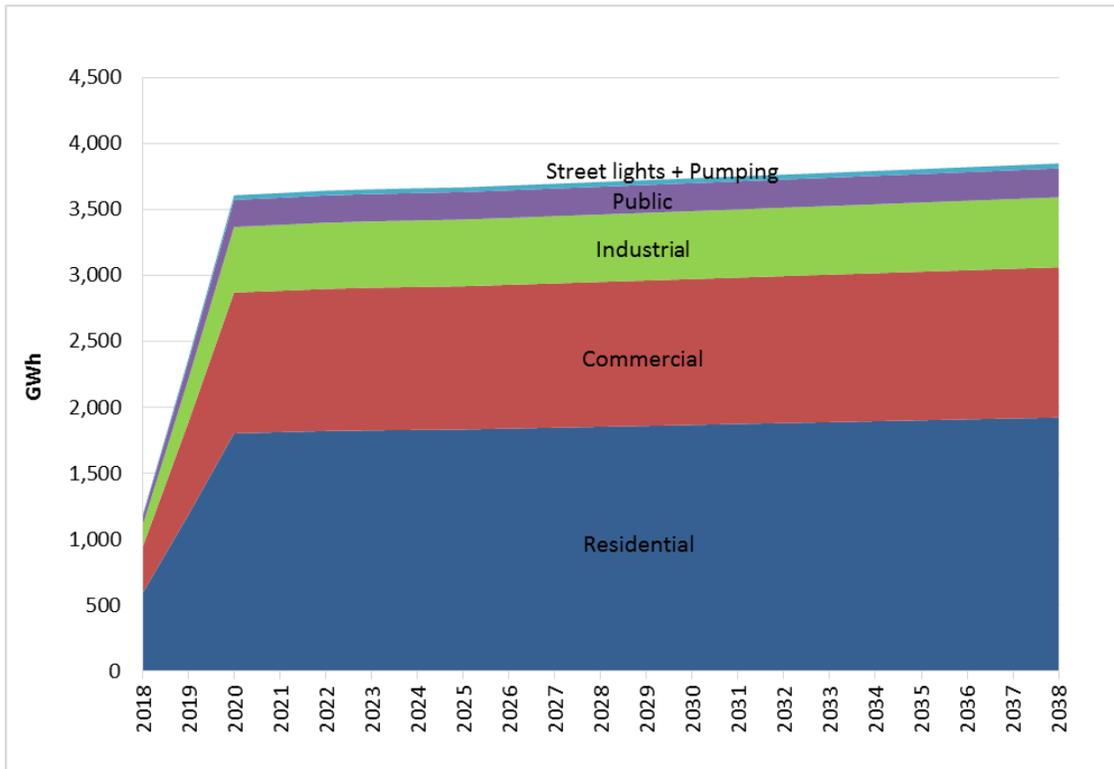
<sup>14</sup> California Energy Commission. Form 1.1c California Energy Demand Updated Forecast, 2015 - 2025, Mid Demand Baseline Case, Mid AAEE Savings. January 20, 2015

[http://www.energy.ca.gov/2014\\_energypolicy/documents/demand\\_forecast\\_cmf/LSE\\_and\\_BA/](http://www.energy.ca.gov/2014_energypolicy/documents/demand_forecast_cmf/LSE_and_BA/)

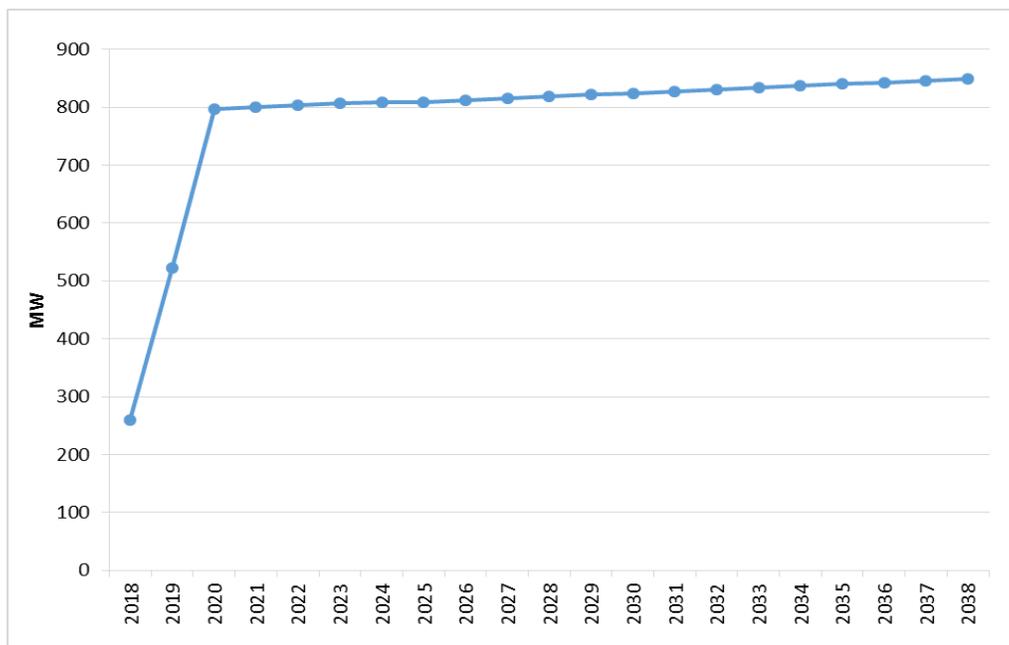
<sup>15</sup> Peak demand is the maximum amount of power the CCE would use at any time during the year. It is measured in megawatts (MW). The CCE must have enough power plants on (or contracted with) at all times to meet 115% of the expected peak demand.

<sup>16</sup> Data obtained from PG&E's dynamic load profiles for Public, Industrial, Commercial, and Residential customers ([https://www.pge.com/nots/rates/tariffs/energy\\_use\\_prices.shtml](https://www.pge.com/nots/rates/tariffs/energy_use_prices.shtml)) and static load profiles for Pumping and Streetlight customers ([https://www.pge.com/nots/rates/2016\\_static.shtml#topic2](https://www.pge.com/nots/rates/2016_static.shtml#topic2)).

**Figure 4: CCE Load Forecast by Class, 2018-2038<sup>17</sup>**



**Figure 5. CCE Peak Demand Forecast, 2017-2038**



<sup>17</sup> Load forecasted assumes 85% participation and three-year phase-in.

## CCE Supplies

The CCE's primary function is to procure supplies to meet the electrical loads of its customers. This requires balancing energy supply and demand on an hourly basis. It also requires procuring generating capacity (i.e., the ability to provide energy when needed) to ensure that customer loads can be met reliably.<sup>18</sup> In addition to meeting the energy and capacity needs of its customers, the CCE must meet other procurement objectives. By law, the CCE must supply a certain portion of its sales to customers from eligible renewable resources. This Renewable Portfolio Standard (RPS) requires 33% renewable energy supply by 2020, increasing incrementally to 50% by 2030. According to PG&E's Diablo Canyon nuclear plant retirement application, PG&E may commit to purchasing additional renewable supply, targeting up to 55% of the total generation between 2030 and 2038, which the CCE would presumably at least match. The CCE may additionally choose to source a greater share of its supply from renewable sources than the minimum requirements, or may seek to otherwise reduce the environmental impact of its supply portfolio. The CCE may also use its procurement function to meet other objectives, such as sourcing a portion of its supply from local projects to promote economic development in the County.

The Contra Costa County CCE would be taking over these procurement responsibilities from PG&E for those customers who do not opt out of the CCE to remain bundled customers of PG&E. To retain customers, the CCE's offerings and rates must compete favorably with those of PG&E.

The CCE's specific procurement objectives, and its strategy for meeting those objectives, will be determined by the CCE through an implementation plan, startup activities, and ongoing management of the CCE. A primary purpose of this portion of the study is to assess the feasibility of establishing a CCE to serve Contra Costa County based on a forecast of costs and benefits. This forecast requires making certain assumptions about how the CCE will operate and the objectives it will pursue. To address the uncertainty associated with these assumptions, we have evaluated four different supply scenarios and have generally made conservative assumptions about the ways in which the CCE would meet the objectives discussed above. In no way does this study prescribe actions to be taken by the CCE should one be established.

The four supply scenarios that we considered in this analysis are summarized in Table 1 and are described as follows:

1. **Minimum RPS Compliance:** The CCE meets the mandated 33% RPS requirement in 2020 and the 50% RPS requirement in 2030, plus the 55% RPS target after 2030. Annual GHG emissions from the CCE portfolio are halved relative to PG&E's bundled portfolio

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<sup>18</sup> The California Public Utilities Commission requires that CCEs and other load serving entities demonstrate that they have procured resource adequacy capacity to meet at least 115% of their expected peak load. Because Contra Costa County falls within the Greater Bay Area Local Reliability Area, the Contra Costa County CCE must also meet its share of local resource adequacy requirements.

through the addition of large hydroelectric power purchases, subject to a constraint that 5% of the CCE supply come from non-renewable market sources.<sup>19,20</sup>

2. **Accelerated RPS:** The CCE's supply portfolio is set at 50% RPS in the first year and increases to 80% RPS by 2030. As in Scenario 1, the remaining supply is a mix of hydroelectric power and market purchases aimed at halving PG&E's annual emissions subject to a 5% minimum supply from market purchases.
3. **Minimum RPS Compliance plus Local:** The CCE meets the mandated 33% RPS requirement in 2020 and the 50% RPS requirement in 2030, plus the 55% RPS target after 2030. In addition, 50% of the total RPS generation is provided by local resources by 2030. Large hydroelectric and market supplies, and thus GHG emissions, are the same as in Scenario 1.
4. **Accelerated RPS plus Local:** The CCE's supply portfolio is set at 50% RPS in the first year and increases to 80% RPS by 2030. In addition, 50% of the total RPS generation is provided by local resources by 2030. Large hydroelectric and market supplies, and thus GHG emissions, are the same as in Scenario 2.

**Table 1: RPS-Eligible Procurement and GHG Emissions in Each Scenario<sup>21</sup>**

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Percent RPS-Eligible in 2020</b>	33%	50%	33%	50%
<b>Percent RPS-Eligible in 2030</b>	50%	80%	50%	80%
<b>Share of RPS-Eligible from Local Resources</b>	0%	0%	50%	50%
<b>GHG Emissions compared to PG&amp;E</b>	50% Lower	54% Lower	50% Lower	54% Lower

<sup>19</sup> For all scenarios we assume a minimum 5% non-renewable market supply to reflect operating constraints that require flexible, dispatchable generation on the system and in local areas. The CCE may be able to reduce emissions further through the use of energy storage or other measures to reduce the need for non-renewable power supplies, likely at additional cost.

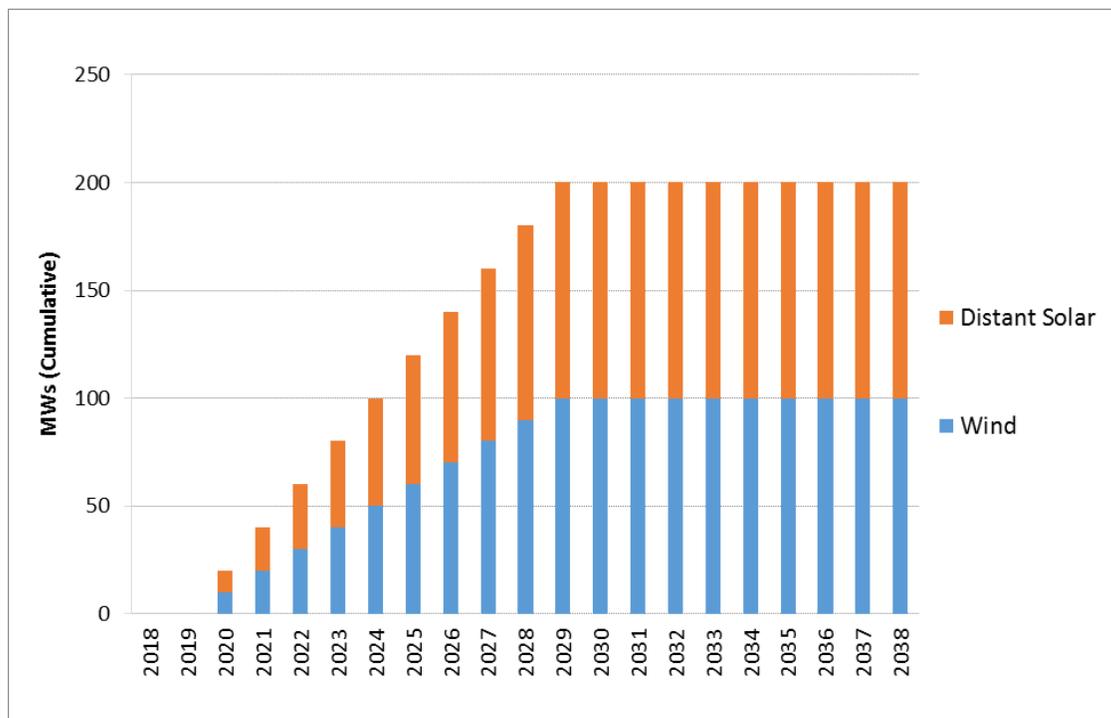
<sup>20</sup> The availability and cost risks of large hydropower are discussed in Chapter 6, Impact of High CCE Penetration on Low-Carbon (Hydro) Resources.

<sup>21</sup> Customer-sited solar is not considered RPS-eligible in California and is not included in the RPS procurement in these scenarios. Customer-sited solar is incorporated in this analysis as a reduction to the CCE's load.

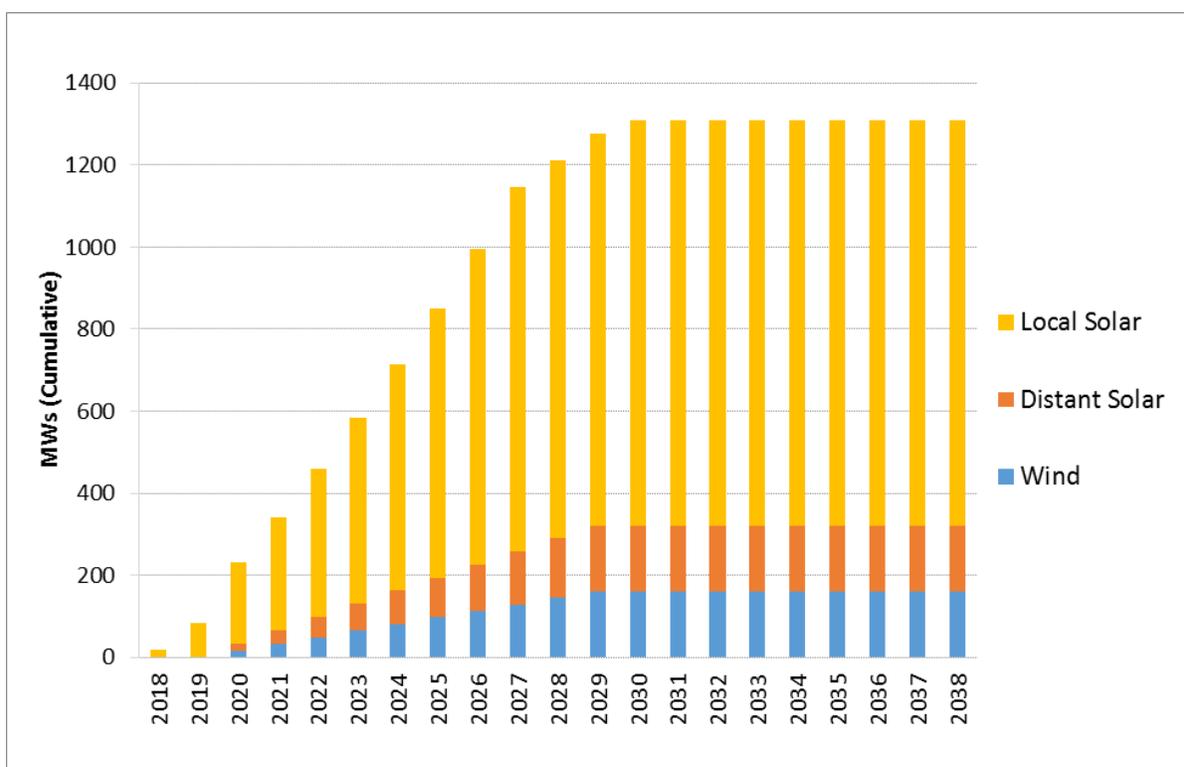
To evaluate these scenarios, we assumed a simple portfolio consisting of RPS-eligible resources and additional GHG-free resources in an amount dictated by the particular scenario, with the balance of supply provided by non-renewable wholesale market purchases. In each case, we assumed that the RPS portfolio was predominately supplied with solar and wind resources, which are currently the low-cost sources of renewable energy. We assumed that solar and wind each contribute 45% of the renewable energy supply on an annual basis. To provide resource diversity and partly address the need for supply at times when solar and wind production are low, we assumed the remaining 10% of renewable supply would be provided by higher-cost baseload renewable resources, such as geothermal or biomass.

In the early years, the CCE would have to purchase its required renewable power from the market and existing resources. However, the study assumes that the CCE would contract with new renewable resources, such that by 2030 most of its renewable power would come from new resources. Figures 6 and 7 show the assumed build-out of these new resources under the first (Minimum RPS Compliance) and the fourth (Accelerated RPS plus Local) scenarios described above.

**Figure 6. Scenario 1 CCE Build-Out**



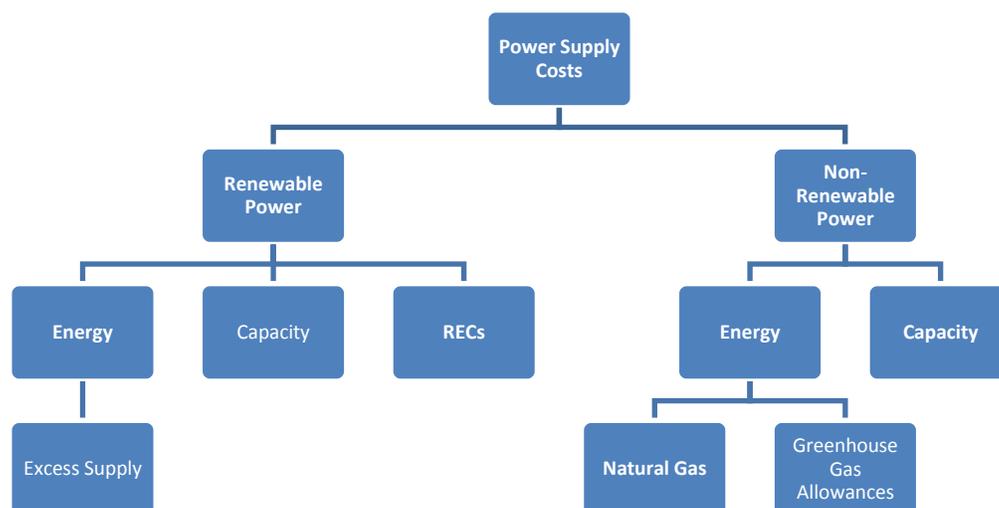
**Figure 7. Scenario 4 CCE Build-Out**



**Power Supply Cost Assumptions**

As discussed above, the CCE would procure a portfolio of resources to meet its customers’ needs, which would consist of a mix of renewable and non-renewable (i.e., wholesale market) resources. As shown in Figure 8, the products to be purchased by the CCE consist generally of energy, capacity, and renewable attributes (which for counting purposes take the form of renewable energy credits, or Category 1 RECs).<sup>22</sup>

<sup>22</sup> RECs are typically bundled with energy deliveries from renewable energy projects, with each REC representing 1 MWh of renewable energy. A limited number of unbundled RECs may be used to meet RPS requirements. For the purpose of this study we have not considered unbundled RECs and have rather estimated costs based on renewable energy contracts where the RECs are bundled.

**Figure 8. Power Supply Cost Elements**

The CCE will procure supplies from the same competitive market for resources as PG&E. Thus, we assume that the costs for renewable and non-renewable energy and for resource adequacy (RA) capacity for the CCE are the same as for new purchases made by PG&E (discussed further in our forecast of PG&E rates). Wholesale market prices for electricity in California are largely driven by the cost of operating natural gas power plants, as these plants typically have the highest operating costs and are the marginal units. Market prices are a function of the efficiency of the marginal generators, the price of natural gas, and the cost of GHG allowances. MRW developed forecasts of these elements to derive a power price forecast to determine costs for the CCE and PG&E. Large hydroelectric power prices are based on the market price forecast with a 10% premium to reflect the value of GHG benefits, flexibility, and increasing demand from load serving entities seeking clean power like the CCE. Capacity prices are based on prices for RA contracts reported by the CPUC and on the cost to build a new combustion turbine power plant.

MRW developed a forecast of non-local utility scale renewable generation prices starting from an assessment of the current market price for renewable power. For the current market price, MRW relied on wind and solar contract prices reported by California municipal utilities and CCEs in 2015 and early 2016, finding an average price of \$49/MWh for the solar contracts, \$55/MWh for wind power and \$80/MWh for geothermal.<sup>23</sup> We used these prices as the starting point for our forecast of CCE renewable energy procurement costs. For geothermal, which is a

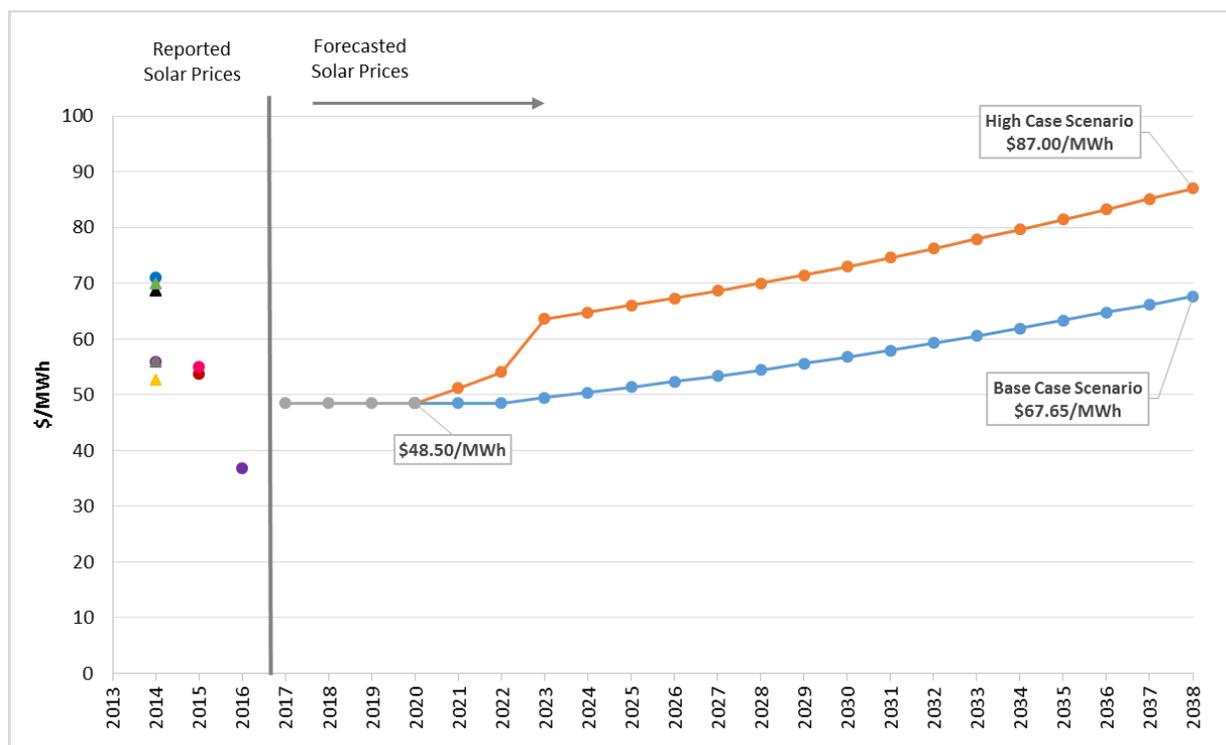
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<sup>23</sup> MRW relied exclusively on prices from municipal utilities and CCEs because investor-owned utility contract prices from this period are not yet public. We included all reported wind and solar power purchase agreements, excluding local builds (which generally come at a price premium), as reported in *California Energy Markets*, an independent news service from Energy Newsdata, from January 2015-January 2016 (see issues dated July 31, August 14, October 16, October 30, 2015, and January 15, 2016).

relatively mature technology, we assumed that new contract prices would simply escalate with inflation.

Solar and wind prices are a function of technology costs, which have generally been declining over time; financing costs, which have been very low in recent years; and tax incentives, which significantly reduce project costs, but phase out over time. In the near-term we would not expect prices to increase as technology costs and continued tax incentives provide downward pressure and likely offset any increase in financing costs or other competitive pressure from an increasing demand for renewable energy in California. For utility scale wind prices, we relied on an expert elicitation survey<sup>24</sup> developed by Lawrence Berkeley National Laboratory (LBNL). According to this survey, wind prices will decrease 24% by 2030 and 35% by 2050.<sup>25</sup> For solar, we held prices constant in nominal dollars through 2020. Beyond 2020, with increasing competitive pressure due to the drive to a 50% RPS and the anticipated phase-out of federal tax incentives (offset in part by declining technology costs), we would expect prices to increase somewhat and have assumed they escalate at the rate of inflation. In addition, we also considered a high solar cost scenario based on work performed by LBNL on the value of tax incentives. In the high scenario, we assume that costs increase with the phase-out of federal tax incentives, without being offset by declining technology costs. Figure 9 shows the resulting solar price forecasts for the two scenarios.

**Figure 9. Large-Scale Non-Local Solar Price Forecast**



<sup>24</sup> “Expert Elicitation Survey of Future Wind and Energy Costs,” *Nature Energy*, September 12, 2016.

<sup>25</sup> Relative to the 2014 wind prices. MRW also added the annual inflation increase.

## Local Solar Analysis

Pivotal to the evaluation of the local economic impacts of a Contra Costa CCE is an understanding of how much renewable energy can be developed within the County. This assessment focused on identifying local solar photovoltaic (PV) siting potential. Wind and biomass energy were also evaluated, but were determined to be less feasible for Contra Costa County.

The solar PV assessment is based on a comprehensive desktop review of countywide parcel data, geographic features, and solar energy potential. Table 2 shows the total solar PV generation capacity within the County based on the methodology and assumptions described below.

**Table 2. Total PV Solar Generation Potential and Build Cost**

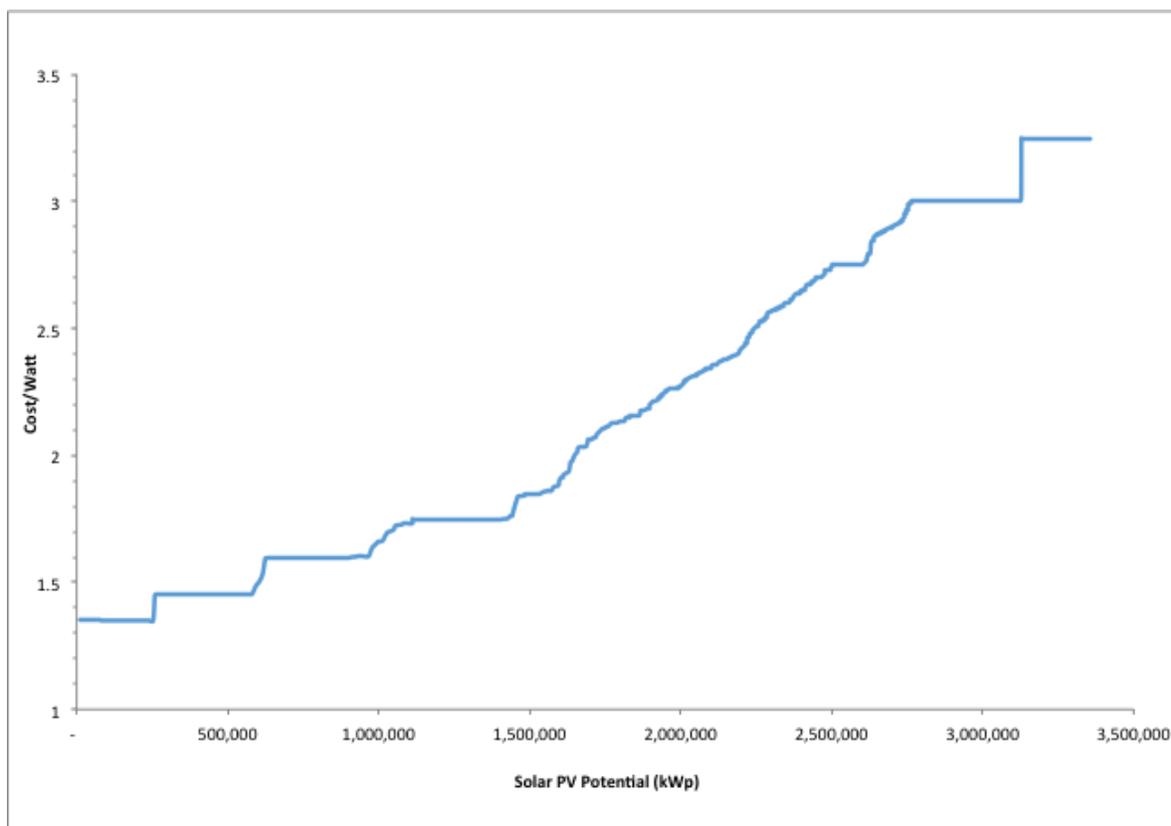
	Ground Mount	Shade Structure	Roof Mounted	Total
<b>PV Capacity (MW<sup>26</sup>)</b>	1,891	1,320	144	3,355
<b>PV Production (GWh)</b>	3,025	2,113	230	5,369
<b>Build Cost (\$ Millions)</b>	\$3,417	\$3,977	\$371	\$7,660
<b>Build Cost (\$/Watt)</b>	\$1.99	\$3.10	\$2.62	\$2.56
<b>No. of PV Systems</b>	845	886	144	1,875

Generation capacity was determined for the three types of possible solar PV installations: Ground-Mount, Shade Structure/Carport, and Roof Mount. The findings show that the County has a solar PV generation capacity of 3,355 MW and annual solar electricity production potential of 5,369 GWh. Figure 10 shows the aggregate Solar PV supply curve for all County jurisdictions.

Note that the costs shown in Table 2 and Figure 10 are “build costs.” Additional soft costs, particularly the acquisition or opportunity cost of the land upon which the ground-mount solar is located, are highly site-specific and not included in these values. These can add up to 50% to the cost of local solar projects, and are accounted for in the CCE scenario modeling.

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<sup>26</sup> Local solar PV capacity measured at the panel (i.e., pre-inverter).

**Figure 10. Aggregate Solar PV Supply Build Cost Curve, All County*****Siting Analysis***

To assess the potential locations in Contra Costa County where solar PV could be developed, this study utilized a Geographic Information System (GIS)-based desktop review, incorporating aerial imagery and land-based data. The collected data was analyzed and potential solar PV development sites were identified from criteria established through industry knowledge and input from County stakeholders.

The agreed upon criteria are as follows:

- The minimum acceptable parcel size is three acres. Smaller parcels will not be able to hold an economically viable project. If a potential solar PV system size is below 500 kW it was excluded from the list of potentially feasible sites and overall solar energy capacity.<sup>27</sup> Again, this measure ensures only realistic and economically feasible sites are identified.
- Based on input from the County, only specific tax codes and zoning areas were evaluated. For example, areas such as Open Space or Parks have sufficient land area for solar PV

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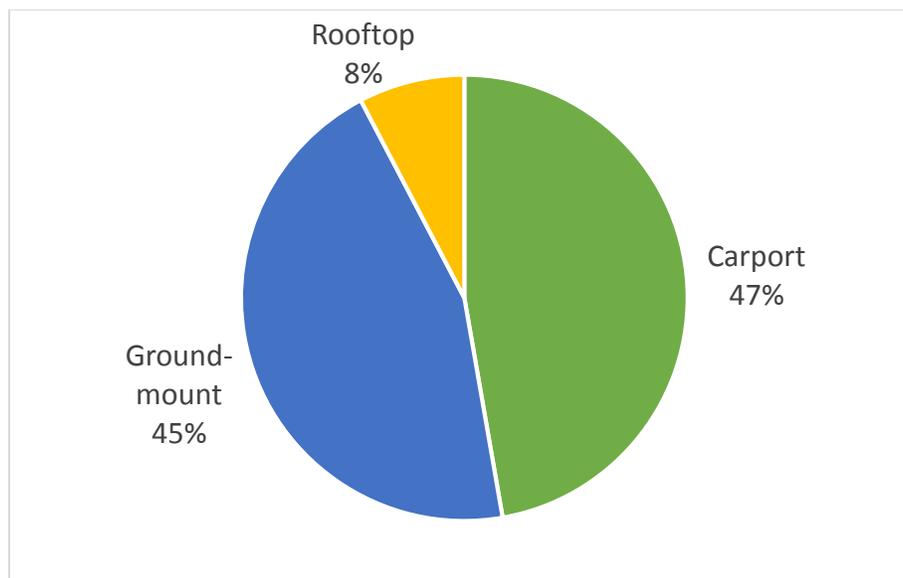
<sup>27</sup> Residential and other small rooftop solar are accounted for in the California Energy Commission sales forecast used to develop the CCE's demand forecast.

projects, but zoning restrictions would not allow for the development of these projects, and these areas were removed from the approved scope.

- In addition to size and tax/zoning code designations, areas with poor ground quality (marshland), excessive tree density, or excessive sloping would prohibit cost-effective solar PV development and were removed from the analysis.
- Lastly, sites with existing solar were removed from the pool of potential parcels/sites.

Within each identified parcel is the potential for three different types of solar PV development. On impervious land, such as a parking lot, it was assumed that solar PV carports would be installed. On grassland or bare land areas, this analysis assumed a ground-mounted solar PV system would be installed. Lastly, roof-mounted solar PV was assumed for any buildings found in the parcel data that matched the approved criteria. Countywide, 92% of potential installation sites were found to be either carport or ground-mount sites, with only 8% of the sites amenable to roof-mounted PV (Figure 11). The size of the estimated solar PV system was found by analyzing the total land area against the needed land required for solar PV development.

**Figure 11. Potential Solar PV Sites by Installation Type**



This study found 1,395 parcels that met the established criteria and 1,875 individual sites within the identified parcels where either a solar shade structure, rooftop, or ground-mounted system could be developed. Table 3 shows the individual sites organized by type of solar PV system for each jurisdiction in Contra Costa County.<sup>28</sup>

This assessment also calculated the amount of solar energy production for each of the potential sites identified. The amount of energy production was found by multiplying the estimated system size by an average solar yield. The average solar energy yield was created by designing sample projects that matched the estimated system size in the solar software platform Helioscope. Because Contra Costa County has a variety of solar exposure, multiple sites across the County were designed/tested to find an average yield. Based on our testing, the average yield for Contra Costa County is 1,600 (kWh/kW). The resulting amount of potential PV production per jurisdiction is also provided in Table 3.

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<sup>28</sup> For maps, please see

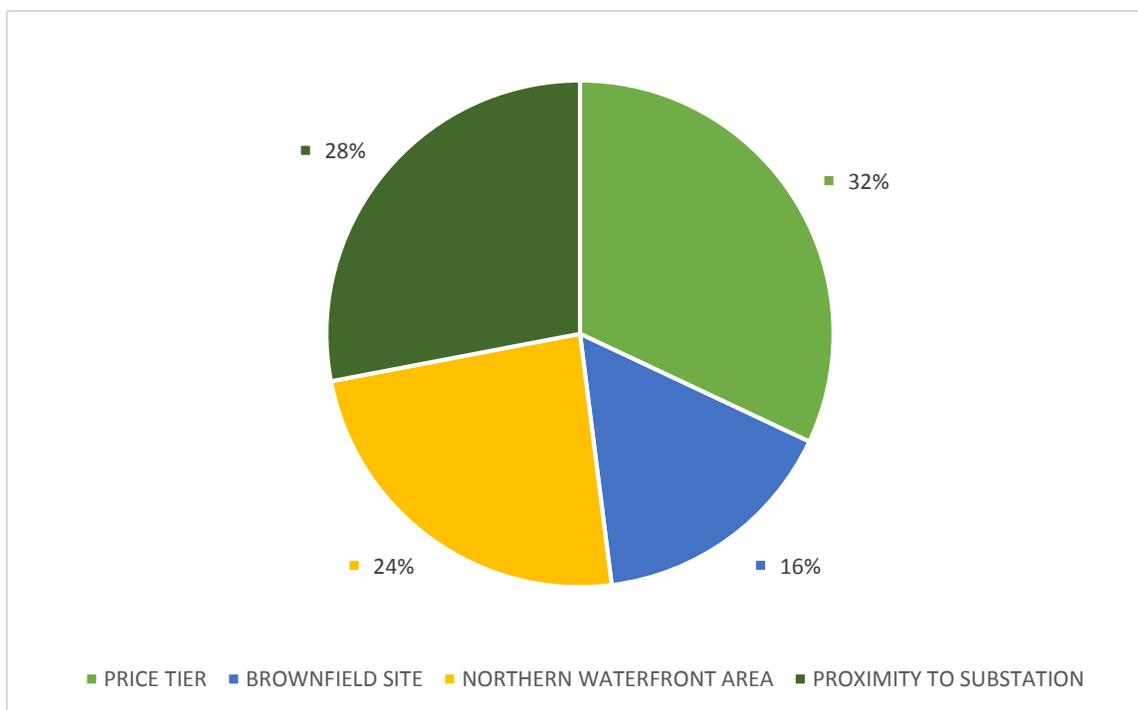
<https://www.dropbox.com/s/cb3rig66shny68j/Contra%20Costa%20CCE%20Solar%20Siting%20DRAFT%20Report%20SA%202016-11-15%20Reduced%20Size.pdf?dl=0>.

**Table 3. Potential PV Production and Build Cost by Location**

Jurisdiction	PV Potential (MW)	PV Production (GWh)	Build Cost (\$ Millions)
Alamo	14	23	\$30,779,000
Antioch	462	739	\$1,010,374,000
Brentwood	287	460	\$599,685,000
Clayton	38	62	\$71,171,000
Concord	370	593	\$900,603,000
Crockett	58	93	\$125,187,000
Danville	80	129	\$177,801,000
El Cerrito	29	48	\$73,161,000
El Sobrante	19	31	\$42,020,000
Hercules	90	144	\$200,511,000
Lafayette	8	13	\$23,641,000
Martinez	313	502	\$654,701,000
Moraga	24	39	\$55,957,000
Oakley	121	194	\$285,786,000
Orinda	22	36	\$43,554,000
Pinole	47	77	\$126,870,000
Pittsburg	314	502	\$705,202,000
Pleasant Hill	60	96	\$164,364,000
Port Costa	8	13	\$13,501,000
Richmond	502	804	\$1,261,541,000
Rodeo	35	57	\$85,874,000
San Pablo	191	307	\$459,784,000
San Ramon	158	254	\$384,634,000
Walnut Creek	95	152	\$269,795,000
<b>Grand Total</b>	<b>3,355</b>	<b>5,369</b>	<b>\$7,766,496,000</b>

**Ranking**

After the feasible solar sites and the corresponding solar PV capacity were identified, each site was ranked. The ranking was weighted based on how important it was to the actual feasibility of developing the site for solar PV and based on input from County stakeholders. The ranking consisted of the following measures as shown in the figure below.

**Figure 12. Weighted Ranking Categories**

An overall ranking score was then applied to each individual site to illustrate the best and worst sites for solar PV development. Sites were then grouped in tiers one through five, with one being the best. In addition to the ranking score, industry knowledge indicates the best sites to develop a feasible solar PV project will be larger than 1 MW, located on government land, and will be a ground-mounted solar array, the most cost-effective installation type. The table below shows the key characteristics of the ranking analysis.

**Table 4. Ranking Values for All Sites**

Ranking Tier	Sum of PV Production (GWh)	Sum of Total Price	Average Build Price per Watt
1	1,309	\$1,591,810,000	\$2.13
2	1,167	\$1,578,770,000	\$2.37
3	1,105	\$1,622,236,000	\$2.57
4	868	\$1,251,547,000	\$2.56
5	919	\$1,722,142,000	\$3.07

### Local Solar Modeled in the CCE Scenarios

To estimate the contribution of local solar to a Contra Costa CCE's supply costs, we used the supply curve shown in Figure 10. To translate the \$/kW costs in the figure to \$/MWh generation costs, we used the pro forma model contained in the CPUC's RPS Calculator and the cost and performance assumptions provided by Sage for the County. For example, the lowest-cost projects at \$1,350/kW were estimated to have a generation cost of \$98/MWh (\$68/MWh for build costs and \$30/MWh for soft and land acquisition/opportunity costs).

The generation cost was assumed to scale with installed cost. Because it is unlikely that all the identified sites would be developed in order of their increasing cost (and some sites may never be developed regardless of economics), we assumed that 50% of the capacity identified in the cost curve would be developed for the purpose of conservatively estimating average costs at each level of local solar penetration. We calculated the average price for the cumulative developed capacity forecast for each year (again, counting only 50% of the capacity of each developed project towards the cumulative total). For Scenarios 3 and 4, we assumed that 50% of the CCA's RPS supply would be provided by local solar by 2027, adding 620 MW of local solar under Scenario 3 and 990 MW under Scenario 4 by 2030. (Scenarios 1 and 2 do not include any local solar.)

### Greenhouse Gas Costs

MRW estimated that the price of GHG allowances would equal the auction floor price stipulated by the California Air Resources Board's cap-and-trade regulations, consistent with recent auction outcomes.<sup>29</sup>

**Table 5. GHG Allowances price<sup>30</sup>**

	2017	2018	2019	2025	2030	2035	2038
<b>\$/tonne</b>	13.2	14.7	15.9	24.4	34.7	49.8	61.8

Total GHG costs were calculated by multiplying the allowance price by the amount of carbon emitted per megawatt-hour for each assumed resource. For "system" purchases, MRW assumed that the GHG emissions corresponded to a natural gas generator operating at the market heat rate. This worked out to be, on average over 2018-2038, approximately \$1.5/MWh delivered.<sup>31</sup>

### Other CCE Supply Costs

The CCE is expected to incur additional costs associated with its procurement function. For example, if the CCE relies on a third-party energy marketing company to manage its portfolio it will likely incur broker fees or other expenses equal to roughly 5% of the forecasted contract costs. The CCE would also incur costs charged by the California Independent System Operator

<sup>29</sup> California Code of Regulations, Title 17, Article 5, Section 95911. Auction results available at [http://www.arb.ca.gov/cc/capandtrade/auction/results\\_summary.pdf](http://www.arb.ca.gov/cc/capandtrade/auction/results_summary.pdf).

<sup>30</sup> For 2017, the amount listed corresponds to the GHG allowance price for PG&E according to the most recent ERRA 2017 update. Pacific Gas & Electric ERRA 2017, A.16-06-003, Testimony November 2, 2016, Table 12-1.

<sup>31</sup> The amount of GHG emissions will depend on the generation portfolio. \$1.50/MWh corresponds to the GHG emissions costs under Scenario 1.

(CAISO) for ancillary services (activities required to ensure reliability) and other expenses. MRW added 5.5% to the CCE's power supply cost to cover these CAISO costs. Finally, we added an expense associated with managing the CCE's renewable supply portfolio. Based on an analysis of the expected CCE load shape and the typical generation profile of California solar and wind resources, we observed that there will be hours in which the expected deliveries from renewable contracts will be greater than the CCE's load in that hour. This results from the amount of renewable capacity that must be contracted to meet annual RPS targets and the variability in renewable generation that leads to higher deliveries in some hours and lower deliveries in other hours. When high renewable energy deliveries coincide with low loads, the CCE will need to sell the excess energy, likely at a loss, or curtail deliveries, and will potentially have to make up those renewable energy purchases during higher load hours to comply with the RPS. The result is that the procurement costs will be somewhat higher than simply contracting with sufficient capacity to meet the annual RPS.

## **PG&E Rate and Exit Fee Forecasts**

MRW developed a forecast of PG&E's bundled generation rates and CCE exit fees in order to compare the projected rates that customers would pay as Contra Costa County CCE customers to the projected rates and fees they would pay as bundled PG&E customers.

### **PG&E Bundled Generation Rates**

To ensure a consistent and reliable financial analysis, MRW developed a 20-year forecast of PG&E's bundled generation rates using market prices for renewable energy purchases, market power purchases, greenhouse gas allowances, and capacity that are consistent with those used in the forecast of Contra Costa County CCE's supply costs. MRW additionally forecast the cost of PG&E's existing resource portfolio, adding in market purchases only when necessary to meet projected demand. MRW assumed that near-term changes to PG&E's generation portfolio would be driven primarily by increases to the Renewable Portfolio Standard requirement in the years leading up to 2030 and by the retirement of the Diablo Canyon nuclear units at the end of their current license periods in 2024 and 2025. More information about this forecast is provided in Appendix B.

MRW forecasts that, on average, PG&E's generation rates will increase faster than inflation through 2038, with 2038 rates more than 20% higher than today's rates when considered on a constant dollar basis (i.e., assuming zero inflation). Underlying this result are three distinct rate periods:

1. An initial period of faster rate growth from 2018 to 2022 (1% annually above inflation);
2. A period of rate decline from 2023 to 2025 (3.5% annually below inflation), primarily due to the retirement of Diablo Canyon<sup>32</sup>; and
3. A period of steeper rate growth between 2026 and 2030 (3.5% annually above inflation), primarily due to the replacement of Diablo Canyon with more expensive resources: energy efficiency, renewable generation, and fuel-fired generation. In addition, the retirement of Diablo Canyon increases the demand in capacity with a consequent increase

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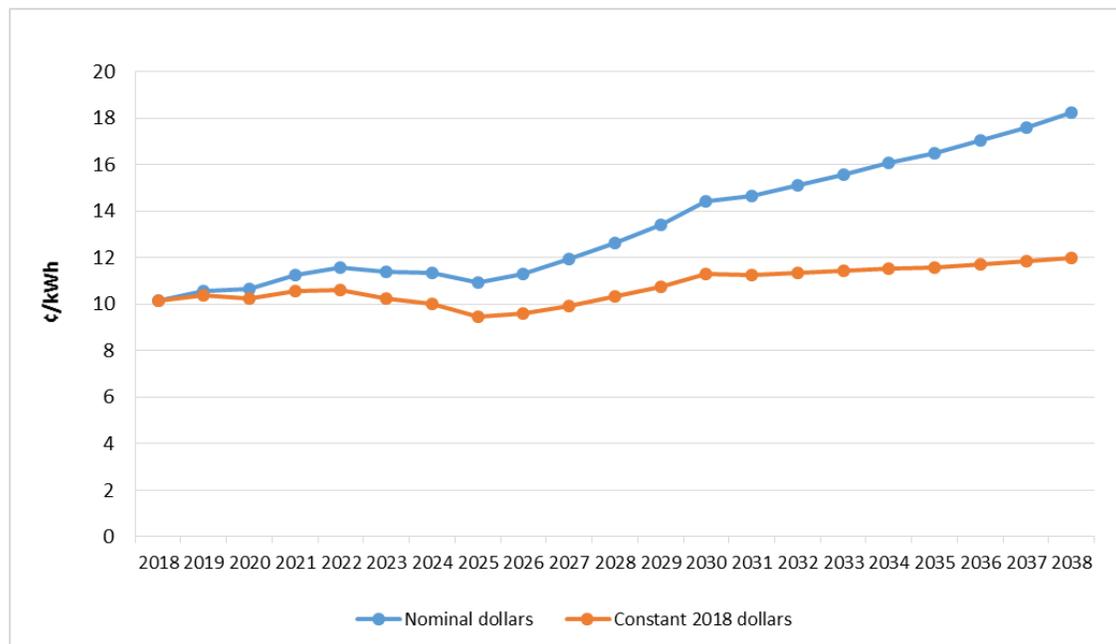
<sup>32</sup> More information can be found in Appendix C

in capacity prices.

4. A final period of moderate rate growth through 2038 (1% annually above inflation), primarily due to the replacement of high-cost renewable power contracts currently in PG&E’s portfolio with new lower-priced contracts (reflecting the significant fall in renewable power prices in recent years).

PG&E’s bundled generation rates in each year of MRW’s forecast are shown in Figure 13, on both a nominal and constant-dollar basis.

**Figure 13: PG&E Bundled Generation Rates, nominal and constant-dollar forecasts**



**PG&E Exit Fee Forecast**

In addition to the bundled rate forecast, MRW developed a forecast of the Power Charge Indifference Adjustment (“PCIA”), which is a PG&E exit fee that is charged to CCE customers. The PCIA is intended to pay for the above-market costs of PG&E generation resources that were acquired, or which PG&E committed to acquire, prior to the customer’s departure to CCE. The total cost of these resources is compared to a market-based price benchmark to calculate the “stranded costs” associated with these resources, and CCE customers are charged what is determined to be their fair share of the stranded costs through the PCIA.

MRW forecasted the PCIA charge by modeling expected changes to PCIA-eligible resources and to the market-based price benchmark through 2038, using assumptions consistent with those used in the PG&E rate model. Based on our modelling, we expect the PCIA to decline in most years until it drops off completely around 2034. MRW’s forecast of the residential PCIA charge through 2038 is summarized in Table 6.

**Table 6. PG&E Residential PCIA Charges**

	2018	2019	2020	2025	2030	2035	2038
¢/kWh	2.4	1.9	2.3	1.3	0.5	0.0	0.0

In its Diablo Canyon retirement application, PG&E proposed an additional exit fee, dubbed the “Clean Energy Charge” (CEC) which CCE customers would pay to offset some of the incremental costs PG&E would incur for developing its greener portfolio. This proposal was later withdrawn. Furthermore, no party participating in the proceeding supported this charge. Because of the lack of support for the “CEC,” and the fact that PG&E’s application would have allowed CCEs to get out of the charge by procuring renewable power above and beyond the RPS requirement, we do not quantify or include this hypothetical charge in the analysis.

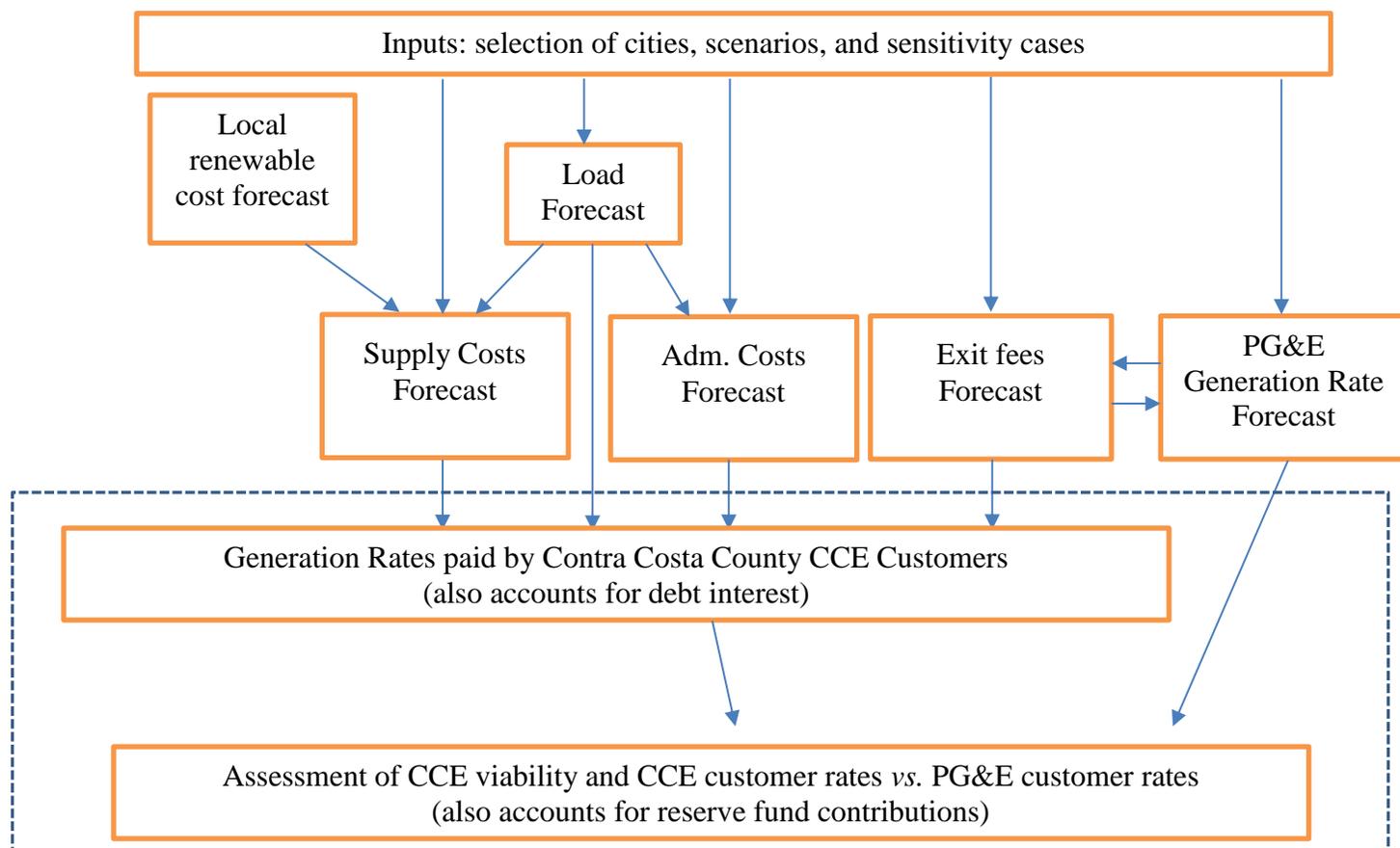
### **Pro Forma Elements and CCE Costs of Service**

MRW conducted a pro forma analysis to evaluate the expected financial performance of the CCE and the CCE’s competitive position *vis a vis* PG&E. The analysis was conducted on a forward-looking basis from the expected start of CCE operations in 2018 through the year 2038, with several cases considered to address uncertainty in future circumstances.

#### **Pro Forma Elements**

Figure 14 provides a schematic of the pro forma analysis, outlining the input elements of the analysis and the output results. The analysis involves a comparison between the generation-related costs that would be paid by Contra Costa County CCE customers and the generation-related costs that would be paid by PG&E bundled service customers. Costs paid by CCE customers include all CCE-related costs (i.e., supply portfolio costs and administrative and general costs) and exit fee payments that CCE customers will be required to make to PG&E.

As discussed in previous sections, supply portfolio costs are informed and affected by CCE loads, by the requirements the CCE will need to meet (or will choose to meet) such as with respect to renewable procurement, and by CCE participation levels, which can vary depending on whether or not all cities in the County choose to join the CCE. Administrative and general costs are discussed further below.

**Figure 14. Pro forma Analysis**

### Startup Costs

Table 7 shows the estimated CCE startup costs. They are based on the experience of existing CCEs as well as other CCE technical and feasibility assessments. Working capital is set to equal one hundred days of CCE revenue<sup>33</sup>, or approximately \$22 million. This amount would cover the timing lag between when invoices for power purchases (and other account payables) must be remitted and when income is received from the customers. Initially, the working capital is provided to the CCE on credit from a bank. Typical power purchase contracts require payment for the prior month's purchases by the 20<sup>th</sup> of the current month. Customers' payments are typically received 60 to 90 days from when the power is delivered.

These startup costs are assumed to be financed over 5 years at 5% interest.

<sup>33</sup> The working capital has been calculated in base to Scenario 1.

**Table 7. Estimated Start-Up Costs**

Item	Cost
Technical Study	\$200,000
JPA Formation/Development	\$100,000
Implementation Plan Development	\$50,000
Power Supplier Solicitation & Contracting	\$75,000
Staffing	\$700,000
Consultants and Legal Counsel	\$400,000
Marketing & Communications	\$250,000
PG&E Service Fees	\$75,000
CCA Bond	\$100,000
Miscellaneous	\$300,000
<b>Total</b>	<b>\$2,250,000</b>
Working Capital	\$21,500,000
<b>Total</b>	<b>\$23,750,000</b>

### Administrative and General Cost Inputs

Administrative and general costs cover the everyday operations of the CCE, including costs for billing, data management, customer service, employee salaries, contractor payments, and fees paid to PG&E. MRW conducted a survey of the financial reports of existing CCEs to develop estimates of the costs that would be faced by a Contra Costa County CCE. Administrative and general costs are phased in from 2018 to 2020, as the CCE operations expand to cover the entire territory of the County; after that, costs are escalated by 2% each year to account for the effects of inflation.

Administrative and general costs are unchanged under the three renewable level scenarios, but do vary based on how many cities join the CCE and the number of participating customer accounts. As previously mentioned, a 15% opt-out rate has been assumed for customer participation.

### Cost of Service Analysis and Reserve Fund

To determine annual CCE costs and the rates that would need to be charged to CCE customers to cover these costs, MRW summed the two categories of CCE costs (i.e., supply portfolio costs, and administrative and general costs) and added in debt financing to cover start-up costs and initial working capital. Financing was assumed to be for a five-year period at an interest rate of 5%. These costs were divided by projected CCE loads to develop the average rate the CCE would need to charge customers to cover its costs (“minimum CCE rate”).

To establish the Contra Costa County CCE rate, MRW adjusted the minimum CCE rate, if needed, based on the competitive position of the CCE. In particular, when the total CCE

customer rate (i.e., the minimum CCE rate plus the PG&E exit fee) was below the projected PG&E generation rate,<sup>34</sup> MRW increased the minimum CCE rate up to the amount needed to meet the reserve refund targets while still maintaining a discount. MRW used the surplus CCE revenue from these rate increases (“Reserve Fund”) in order to maintain Contra Costa County CCE competitiveness with PG&E rates in years in which total CCE customer rates would otherwise be higher than PG&E generation rates.<sup>35</sup>

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<sup>34</sup> For this analysis, MRW used the average of the projected PG&E generation rates across all rate classes, weighted by the projected Contra Costa County CCE load in each rate class.

<sup>35</sup> MRW applied a Reserve Fund cap of 15% of the annual operating cost. After this cap was reached, no further rate increases were applied for the purpose of Reserve Fund contributions.

## Chapter 3: Cost and Benefit Analysis

As described in the prior chapter, as part of the pro forma analysis, MRW calculated Contra Costa County CCE rates that would, where feasible, cover CCE costs and maintain long-term competitiveness with PG&E. This chapter uses those rates to compare the costs and benefits of the Contra Costa County CCE across four scenarios: (1) Minimum RPS Compliance, (2) Accelerated RPS, (3) Minimum RPS Compliance plus Local Procurement, and (4) Accelerated RPS plus Local Procurement. Costs and benefits are evaluated by comparing total CCE customer rates (including PG&E exit fees) to PG&E generation.

### Scenario 1 (Minimum RPS Compliance)

Under Scenario 1, the Contra Costa County CCE meets all RPS requirements (including California State Senate Bill 350 and Diablo Canyon retirement proposal requirements), and 35% of the total load over the 20-year period is met through large hydroelectricity.<sup>36</sup>

#### CCE Average Costs

Figure 15 summarizes the results of this scenario. The vertical bars represent the total Contra Costa County CCE customer rate and the green line represents a comparable PG&E generation rate.<sup>37</sup> Non-renewable generation (including large hydroelectric) is responsible for the bulk of the CCE's costs. Renewable generation costs will continue to increase throughout the forecast period due to the increasing RPS standards. Regarding customer costs, the PCIA exit fee is expected to decrease after 2020. Finally, the GHG allowance purchases represent a small portion of the total costs because 60% of the non-renewable generation is met by hydroelectricity. This non-carbon emitting resource therefore limits the need to purchase GHG allowances.

Note that this figure and the analogous ones to follow do not account for contributions to a rate reserve fund or other potential CCE activities such as energy efficiency or other community programs.

Under Scenario 1, the differential between PG&E generation rates and Contra Costa County CCE customer rates is positive in each year (i.e., CCE rates are lower than PG&E rates). As a result, Contra Costa County CCE customers' average generation rates (including contributions to the reserve fund) can be set at a level that is lower than PG&E's average customer generation rate in each year. The annual differential between the PG&E rate and the total CCE customer rate is expected to vary significantly over the course of this period (Figure 15). During the initial period from 2018-2022, the differential between the two rates increases (i.e., the CCE becomes more cost-competitive) as PG&E's rates rise, and the exit fees charged to Contra Costa County CCE customers fall as PG&E-owned gas plants expire from PCIA eligibility. Beginning in 2024, the rate differential narrows due to a decrease in PG&E generation rates stemming from the closure of the Diablo Canyon nuclear plant. After 2026, the difference between the two rates is

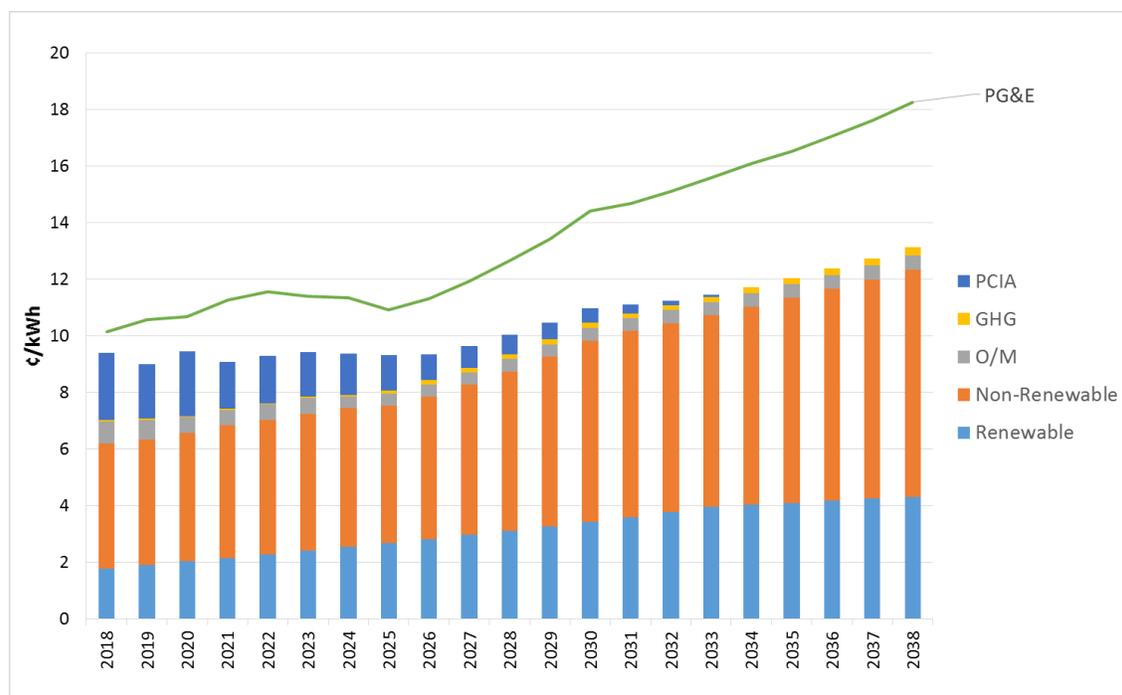
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<sup>36</sup> 60% of the non-RPS generation in average for 2018-2038.

<sup>37</sup> All rates are in nominal dollars.

expected to increase as PG&E’s generation rates continue to increase and exit fees decline with the expiration of additional resources from PCIA eligibility.

**Figure 15. Scenario 1 Forecast Average CCE Cost and PG&E Rates, 2018-2038<sup>38</sup>**



**Residential Bill Impacts**

Table 8 shows the average annual savings for residential customers under Scenario 1. The average annual bill for the residential customer on the Contra Costa County CCE program will be on average 8% lower than the same bill on PG&E rates. Note that these rate impacts assume that a rate stabilization reserve is funded during the first few years of the CCE’s existence.

**Table 8. Scenario 1 Savings for Residential CCE Customers**

Residential	Monthly Consumption (kWh)	Bill with PG&E (\$)	Bill with Contra Costa County CCA (\$)	Savings (\$)	Savings (%)
2018	500	121	121	0	0%
2020	500	129	124	5	4%
2030	500	189	171	18	10%
2038	500	254	227	27	11%

<sup>38</sup> This chart does not include the reserve fund.

## Greenhouse Gas Emissions

Under Scenario 1, we model the Contra Costa County CCE to be 50% below PG&E's GHG emission rate. It can meet this goal by using large hydroelectric power to meet 35% of its resource needs (60% of the non-RPS load). Though this large hydro power would not qualify for RPS requirements, it is nevertheless a non-carbon emitting resource.

Figure 16 shows the Contra Costa CCE's generation portfolio mix (vertical bars) and GHG emissions rate (brown line) under Scenario 1, along with PG&E's GHG emissions rate for comparison (blue line). Additional GHG savings can occur if additional renewables are added to the portfolio (see Scenarios 2 and 4) or if a greater fraction of GHG-free resources (like large hydro) is used.

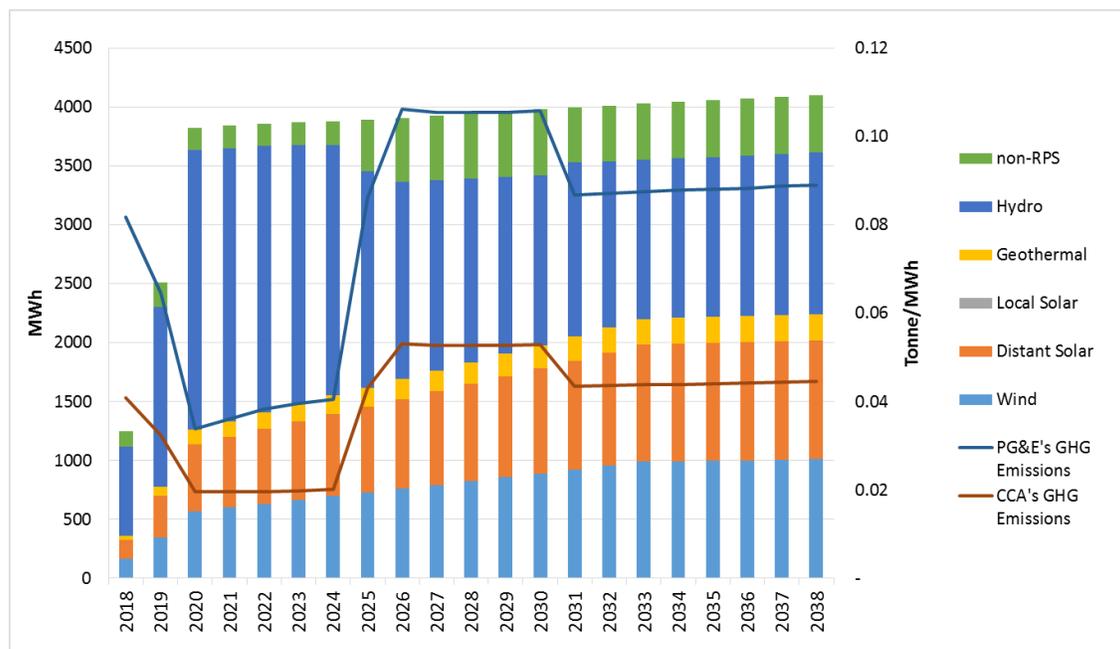
PG&E GHG emissions are relatively low due to the diversity in PG&E's electric mix. In addition to renewable generation, over 40% of PG&E's supply portfolio is made up of nuclear and large hydroelectric generation, both of which are considered GHG-free generation technologies. PG&E's GHG emissions rate is expected to fall between 2018 and 2020 due to increases in RPS procurement. In 2025, the retirement of the Diablo Canyon nuclear generation plant is expected to more than double PG&E's GHG emission rate as the utility increases its gas-fired generation to make up for a share of the loss.<sup>39</sup> In the following years PG&E's GHG emissions are expected to decrease as PG&E ramps up renewable procurement to meet its mandated RPS goals and the additional RPS procurement required under the Diablo Canyon retirement proposal.<sup>40</sup> In this scenario, the CCE's emissions rate is set to be approximately 50% of PG&E's in each year, subject to a 5% minimum supply from market purchases.

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<sup>39</sup> Even if PG&E replaces the nuclear generation with renewable power and other GHG-free resources, as proposed, the new renewable resources will need to be balanced by flexible resources, which are likely to be at least in part provided by fossil-fueled power and which will therefore increase PG&E's GHG emissions.

<sup>40</sup> Starting in 2030, the required RPS increases from 50% to 55% under PG&E's proposal.

**Figure 16. Scenario 1 Contra Costa County CCE Supply Portfolio (vertical bars) and GHG Emissions (lines) (“Normal” PG&E Hydro Conditions)**



## Scenario 2 (Accelerated RPS)

Scenario 2, from a renewable procurement perspective, is a more aggressive scenario. Under this scenario, the Contra Costa County CCE starts with 50% of its load served by renewable sources in 2018, and rapidly increases to 80% of its load served by renewable sources in 2030. In addition, between 2018 and 2038 Contra Costa County will provide an average of 20% of its supply through large hydroelectric sources<sup>41</sup>.

### CCE Average Costs

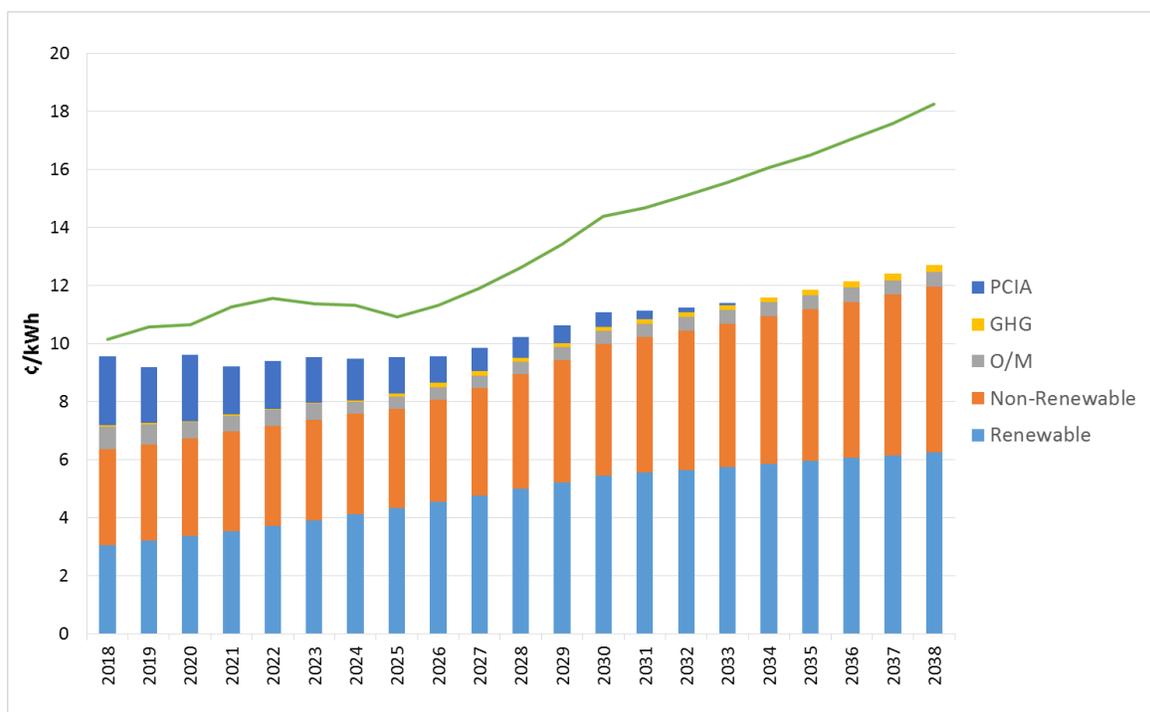
Figure 17 summarizes the results for this scenario. The vertical bars represent the Contra Costa County CCE customer rate, and the green line represents the PG&E generation rate. In this scenario, the renewable power cost is the single largest element of the CCE rate, reflecting the higher renewable content of this scenario. Non-renewable generation and the PCIA exit fee are the second and third most expensive components, respectively. As in Scenario 1, the PCIA exit fee is expected to decrease in most years beginning in 2020. Because of this scenario's larger share of GHG-free generation between 2028 and 2038, the GHG allowance purchases are an even lower portion of the total costs.

Compared to Scenario 1, Scenario 2 exhibits a lower differential between PG&E's and the CCE's customer generation rates between 2018 and 2033. After 2033, the price of renewable generation is expected to undercut the wholesale electricity market for non-RPS supplies, rendering a higher

<sup>41</sup> 50% of the non-RPS generation for 2018-2028.

differential in Scenario 2 than in Scenario 1. With respect to PG&E's rates, this differential will continue to follow a similar pattern: positive for all years from 2018 to 2038. And as was the case in Scenario 1, Scenario 2 enables the CCE to reliably price its average generation rates lower than those of PG&E.

**Figure 17. Scenario 2 Forecast Average CCE Cost and PG&E Rates, 2018-2038<sup>42</sup>**



## Residential Bill Impacts

Table 9 summarizes the average annual savings for residential customers under Scenario 2. For the 2018-2038 period, the average annual bill for a residential customer of the Contra Costa County CCE program will be 8% lower than the same bill under PG&E rates. This is a little less than, but close to, the bill savings under Scenario 1. Note that these rate impacts assume that a rate stabilization reserve is funded during the first few years of the CCE's existence. Thus, even though a "gap" between the CCE costs and PG&E rates can be seen in Figure 17, the bill savings in 2018 is zero, as the additional CCE funds are assumed to go to the reserve rather than as a customer bill savings.

<sup>42</sup> This chart does not include the reserve fund.

**Table 9. Scenario 2 Savings for Residential CCE Customers**

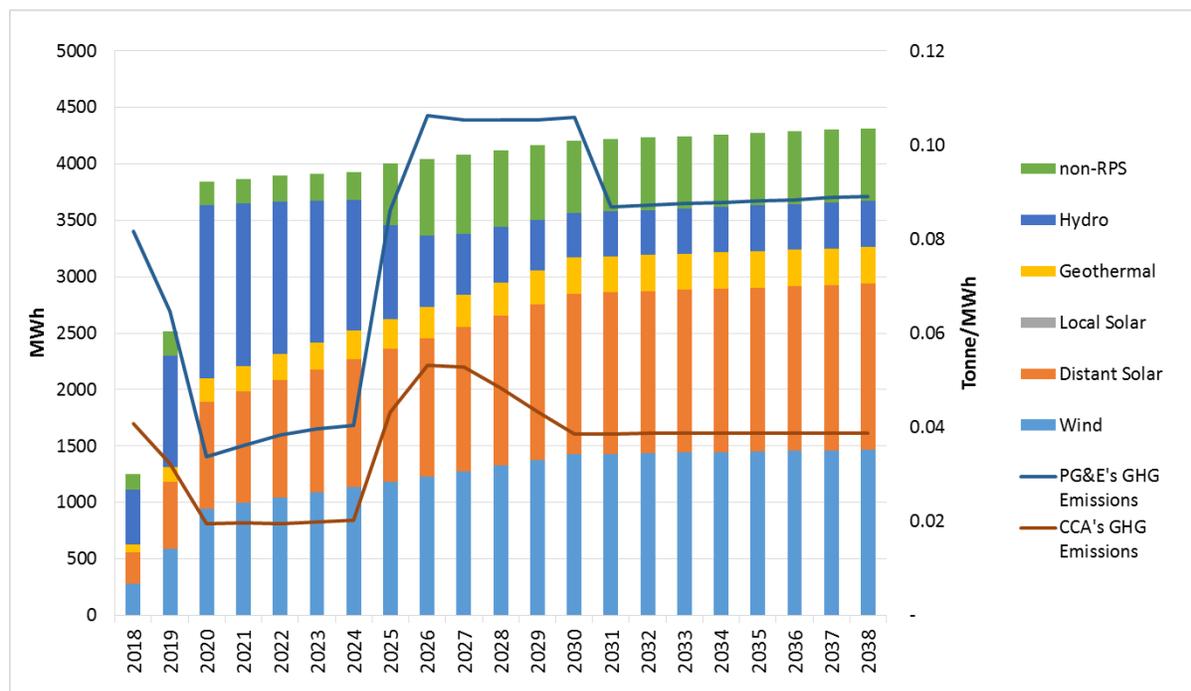
Residential	Monthly Consumption (kWh)	Bill with PG&E (\$)	Bill with Contra Costa County CCE (\$)	Savings (\$)	Savings (%)
2018	500	121	121	0	0%
2020	500	129	125	4	3%
2030	500	189	172	17	9%
2038	500	254	225	29	11%

### GHG Emissions

Under Scenario 2, we model the Contra Costa County CCE to at least as much carbon-free generation as PG&E. As in Scenario 1, in years where the assumed renewables would not result in the CCE halving PG&E's GHG emissions, we add large hydroelectric generation to the CCE's resource portfolio to make up the difference, subject to a 5% minimum supply from market purchases. In other years when the CCE's RPS targets are sufficient to provide GHG savings relative to PG&E, we assume that emissions are further reduced by sourcing 50% of the non-RPS supply from large hydro. The result is a portfolio that averages 20% large hydro.

Figure 18 compares the Scenario 2 GHG emissions from 2018-2038 for the Contra Costa County CCE with what PG&E's emissions would be for the same load if no CCE were formed. Because Scenario 2 has a higher renewable generation target (80% by 2030), the hydroelectric generation necessary to achieve the same GHG emissions reduction is lower. As a result of trading off large hydro for RPS-eligible energy, GHG emissions in Scenario 2 are the same as Scenario 1 through 2027, after which the CCE's portfolio will produce less than half the GHG emissions compared to PG&E.

**Figure 18. Scenario 2 Contra Costa County CCE Supply Portfolio (vertical bars) and GHG Emissions (lines) (“Normal” PG&E Hydro Conditions)**



### Scenario 3 (Minimum RPS Compliance plus Local Procurement)

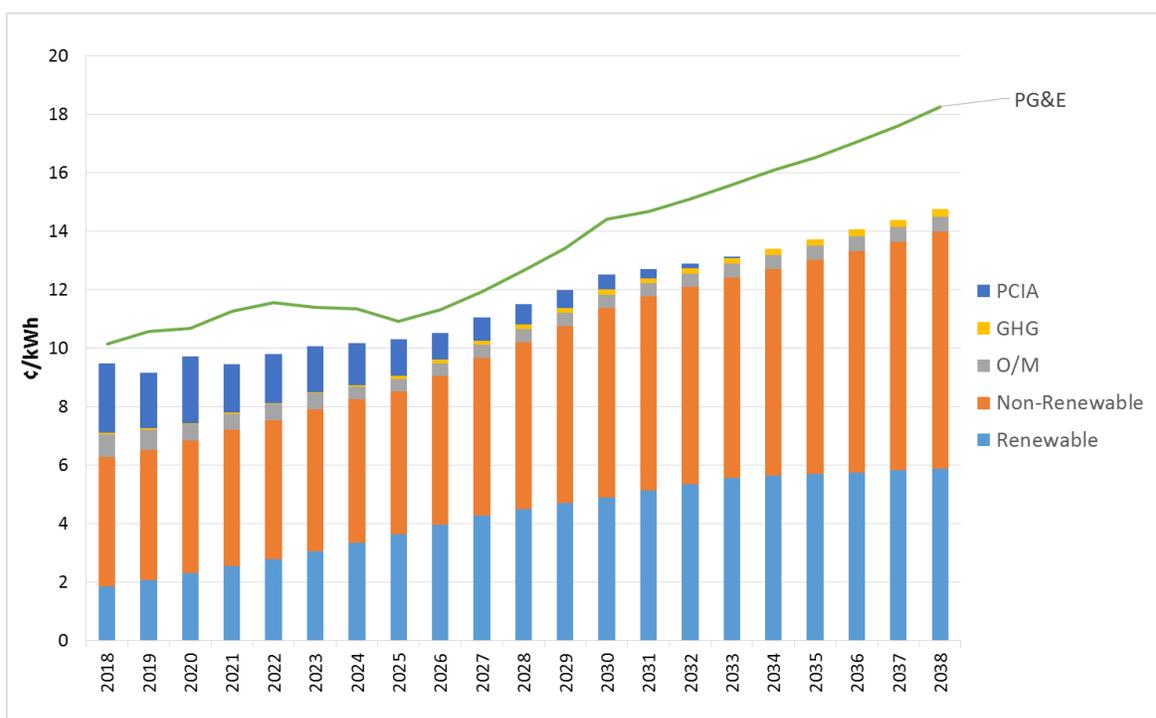
Scenario 3 is identical to Scenario 1, save for a greater portion of locally sourced renewables. Under Scenario 3, local renewables increase annually, reaching 50% of the renewable supply by 2027 and continues at 50% through 2038.

#### CCE Costs

Figure 19 summarizes the results for this scenario. The vertical bars represent the Contra Costa County CCE customer rate, and the green line represents the PG&E generation rate. As with Scenario 1, the non-renewable cost is the largest component of the CCE's rates, followed by renewable generation costs. The latter are greater than in Scenario 1 due to the higher prices of local generation resources. As with previous scenarios, the PCIA exit fee is the third largest expenditure and it is expected to decrease most years after 2020. As with Scenario 1, the costs associated with GHG allowance purchases are responsible for a marginally larger percentage of the CCE's total costs between 2028 and 2038. This is mostly due to the lower share of GHG-free emissions.

The Scenario 3 differential between PG&E generation rates and Contra Costa County CCE rates falls below the differential in Scenarios 1 and 2. However, the CCE rates are expected to be lower than PG&E's generation rates for the entire forecast period, which will allow the CCE to collect reserve fund contributions annually from 2018 to 2038.

**Figure 19. Scenario 3: Forecast Average CCE Cost and PG&E Rates, 2018-2038**



**Residential Bill Impacts**

Table 10 summarizes the average residential bill impacts under Scenario 3. Between 2018 and 2038, the annual bill for a residential customer of the Contra Costa County CCE program will be, on average, 4.5% lower than a corresponding PG&E bill.

**Table 10. Scenario 3 Savings for Residential CCE Customers**

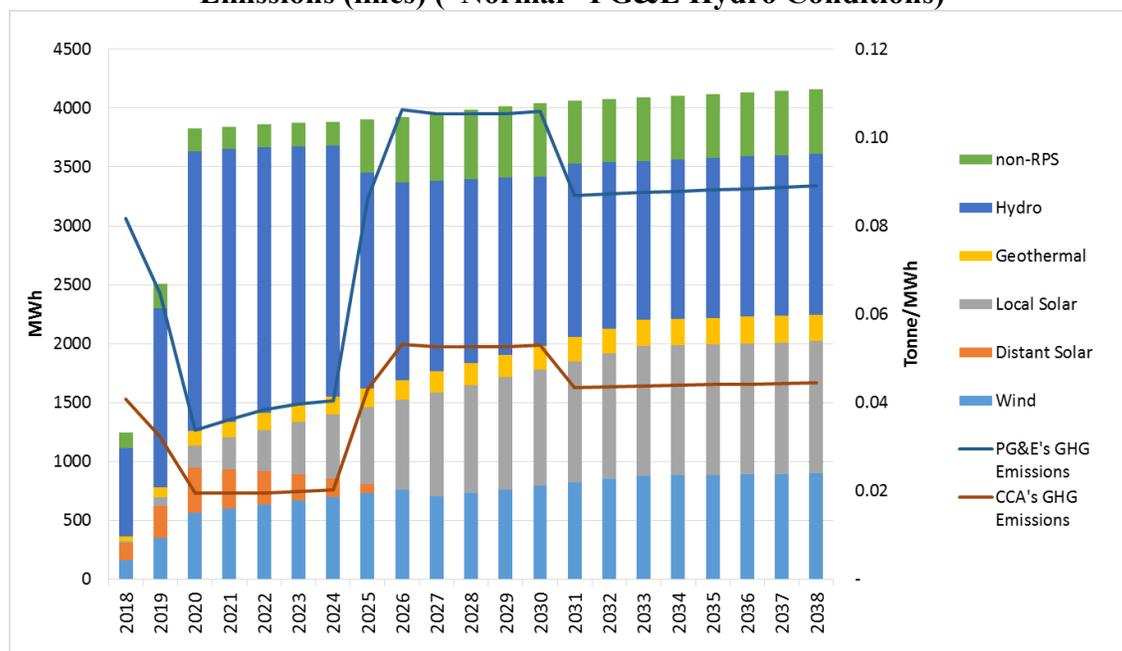
Residential	Monthly Consumption (kWh)	Bill with PG&E (\$)	Bill with Contra Costa County CCA (\$)	Savings (\$)	Savings (%)
2018	500	121	121	0	0%
2020	500	129	126	3	2%
2030	500	189	179	10	5%
2038	500	254	236	18	7%

**GHG Emissions**

The emissions pattern for Scenario 3 is identical to Scenario 1 due to the equal GHG-free generation proportion. The only difference is that part of this generation is provided by local sources. Figure 20 shows the GHG emissions from 2018-2038 for the Contra Costa County CCE

under Scenario 3. Note that GHG emissions from the Contra Costa CCE supply and PG&E supply are the same as in Scenario 1.

**Figure 20. Scenario 3 Contra Costa County CCE Supply Portfolio (vertical bars) and GHG Emissions (lines) (“Normal” PG&E Hydro Conditions)**



**Scenario 4 (Accelerated RPS plus Local Procurement)**

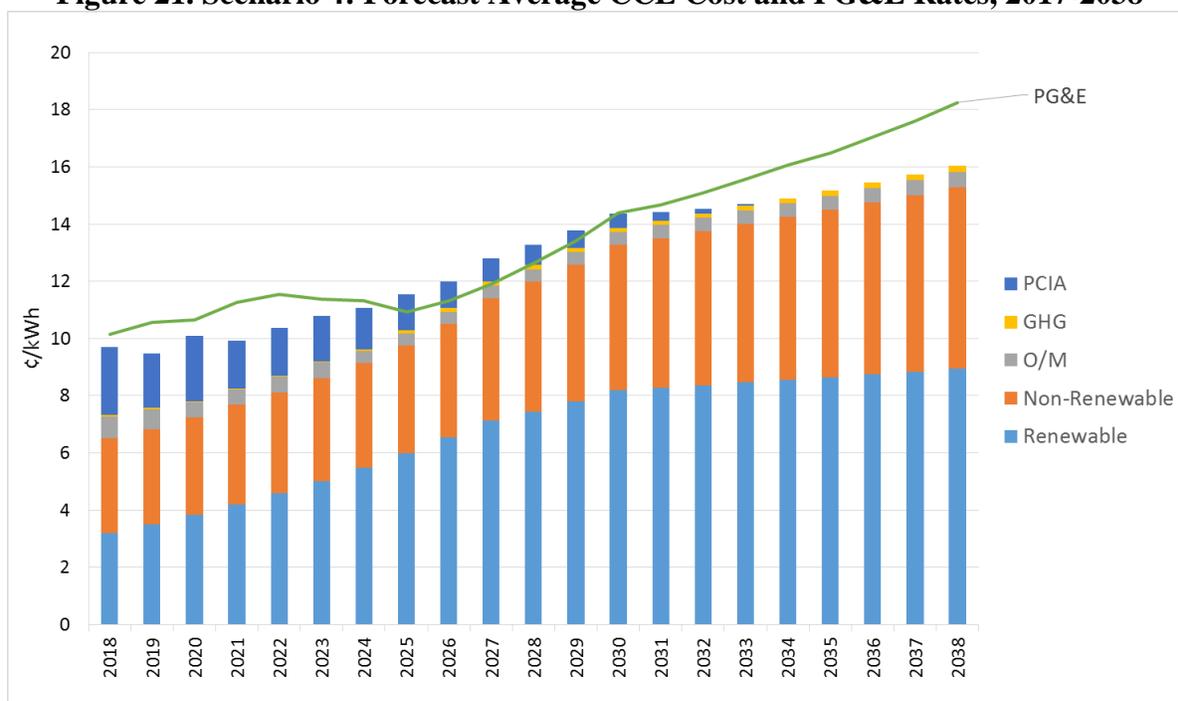
Scenario 4 is the same scenario as Scenario 2 but with a more substantial portion of the generation sourced from local renewable sources: increasing annually and achieving 50% of the total RPS supply by 2027 through 2038.

**CCE Average Costs**

Figure 21 summarizes the results for this scenario. The vertical bars represent the Contra Costa County CCE customer rate, and the green line represents the PG&E generation rate. Under Scenario 4, the cost for renewables forms the largest component of the CCE’s rates and grows steadily to account for nearly 60% of the total CCE rate in 2030. Non-renewable generation is the next largest cost component of the rate, followed by the PCIA exit fee, which is expected to decrease in most years beginning 2020. As with Scenario 2, the costs for GHG allowance purchases in Scenario 4 are a smaller portion of total costs because of more RPS power.

The differential between PG&E generation rates and Contra Costa County CCE customer rates from 2018 to 2038 in Scenario 4 is the lowest of the four scenarios. This is because Scenario 4 has the most expensive supply portfolio, comprised of more locally sources renewables. Similar to the other scenarios, in Scenario 4 the collection of the reserve fund contributions at the end of 2038 is positive. Contra Costa County CCE rates in Scenario 4 are forecasted to be lower than expected PG&E generation rates for all years from 2018 to 2038, except from 2025 to 2030.

**Figure 21. Scenario 4: Forecast Average CCE Cost and PG&E Rates, 2017-2038**



**Residential Bill Impacts**

Table 11 summarizes the average residential bill impacts under Scenario 4. Over the study period, the annual bill for a residential customer of the Contra Costa County CCE program will be, on average, 1% lower than the same bill under PG&E rates under Scenario 4. However, the higher local renewable costs coupled with their assumed high usage cause the CCE’s rates to exceed PG&E’s in some years. In particular, from 2025 through 2030, the total CCE rates (CCE rate plus PCIA) is projected to be higher than the PG&E generation rate. This implies that very aggressive pursuit of local renewables must be carefully weighed against their additional costs.

However, it should also be noted that the study assumed a conservative \$30/MWh adder on top of the build costs of local solar projects to account for costs of land acquisition/ opportunity costs. If a significant fraction of the local projects does not have these higher soft costs, then this higher level of local renewables can be developed at competitive rates.

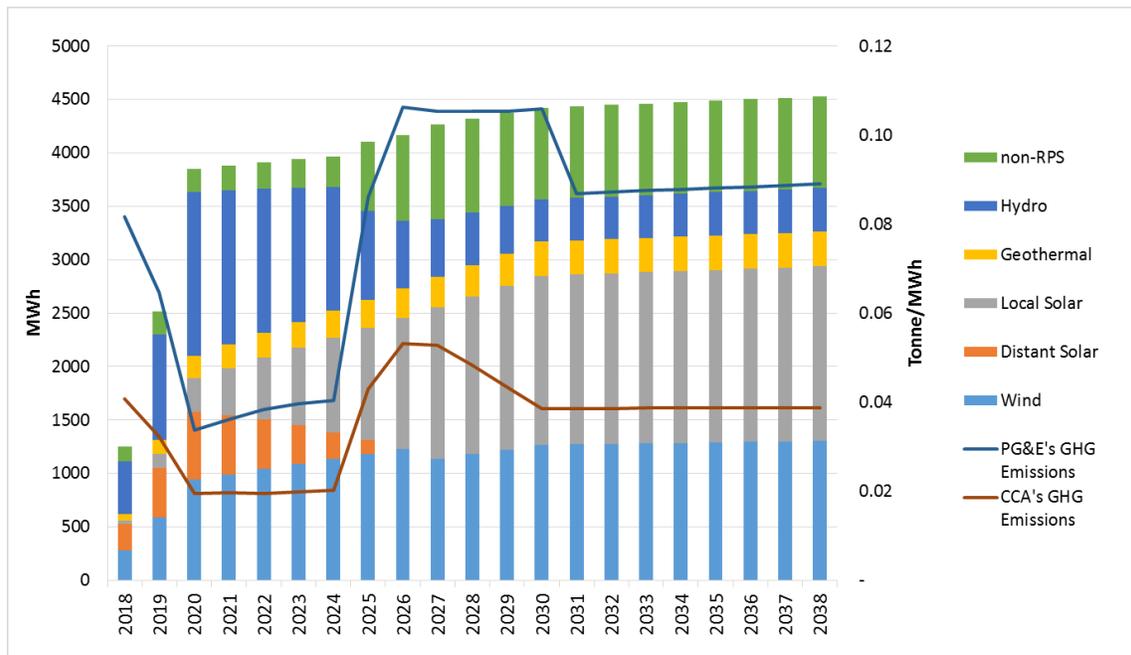
**Table 11. Scenario 4 Savings for Residential CCE Customers**

Residential	Monthly Consumption (kWh)	Bill with PG&E (\$)	Bill with Contra Costa County CCA (\$)	Savings (\$)	Savings (%)
2018	500	121	121	0	0%
2020	500	129	128	1	0.7%
2030	500	189	199	-10	-5%
2038	500	254	242	12	5%

**GHG Emissions**

The GHG emissions pattern for Scenario 4 is the same as Scenario 2 due to the scenarios having the same shares of GHG-free generation; the only difference being that local solar generation is assumed to replace solar supplies from more distant locations. Figure 22 compares the GHG emissions from 2018-2038 for the Contra Costa County CCE under Scenario 4 with what PG&E’s emissions would be for the same load were no CCE formed.

**Figure 22. Scenario 4 Contra Costa County CCE Supply Portfolio (vertical bars) and GHG Emissions (lines) (“Normal” PG&E Hydro Conditions)**



## Chapter 4: Sensitivity of Results to Key Inputs

In addition to the base case forecast described above, MRW has assessed alternative cases to evaluate the sensitivity of the results to possible conditions that would have an impact on Contra Costa County CCE's technical study. The metric considered to compare the alternative sensitivity cases to the base case is the differential between the annual average generation rates for PG&E bundled customers and for Contra Costa County CCE customers over the first ten years (2018-2028).<sup>43</sup> The latter 10 years were not included as they are both uncertain and skew the average results due to the widening gap between modeled PG&E's rates and the CCE's average cost.

The base-case analysis (Chapter 3 –Scenario 1) was developed as a reasonable and conservative assessment of the Contra Costa County CCE. In addition to the base case analysis, MRW analyzed alternative cases to address seven risks: (1) low participation, (2) higher local renewable power prices, (3) higher renewable power prices, (4) higher natural gas prices, (5) lower PG&E portfolio costs, (6) higher PCIA charges, and (7) a combination of these six risks (stress scenario).

### Lower Participation Sensitivity

This sensitivity case evaluates the impact of lower participation on the CCE program. Lower participation could be due to a higher customer opt-out rates, or if some of the cities included in the study choose not to participate in the CCE program. If fewer customers join, CCE rates will generally be higher because about \$7 million of annual CCE costs are invariant to the amount of CCE load. In the Lower Participation sensitivity, we assume that the load for the Contra Costa County CCE is 70% of the potential load.<sup>44</sup> Average administration costs in this scenario are 12% higher than in the base case scenario. These higher administration costs do not have a big impact on the CCE rates because administration costs are a small part of the total CCE rate (5% on average). The impact of this sensitivity case is to reduce the 2018-2028 average rate differential by 0.07¢/kWh relative to the base case.

**Table 12. Lower Participation Sensitivity Results, 2018-2028**

Period 2018-2028	Average Admin costs (¢/kWh)	Average rate differential (¢/kWh)
<b>Base</b>	0.45	1.86
<b>Low participation</b>	0.51	1.79

<sup>43</sup>The Contra Costa County CCE rate includes the PG&E exit fees (PCIA charges) that will be charged to CCE customers but does not include the rate adjustment for the reserve fund or other possible CCE activities.

<sup>44</sup> In the base case we considered 85% of the potential load.

## Higher Local Renewable Power Prices Sensitivity

This sensitivity case evaluates the impact of higher local renewable power prices on the CCE's financial viability. As discussed in Appendix B, in the base case, the solar local renewable power price starts at \$98/MWh in 2018 and it increases following the price curve. In the Higher Local Renewable Power Prices sensitivity, we assume that local renewable prices would be 20% higher than the base case prices. These higher prices affect only CCE rates for Scenario 3 and Scenario 4 (Scenario 1 and Scenario 2 do not include local generation), reducing the 2018-2028 average rate differential by 0.3¢/kWh relative to the base case.

**Table 13. Higher Local Renewable Power Prices Sensitivity Results, 2018-2028<sup>45</sup>**

Period 2018-2028	Average local renewable prices (\$/MWh)	Average rate differential (¢/kWh)
Scenario 3	114.30	1.14
High local renewable prices	137.20	0.85

## Higher Renewable Power Prices Sensitivity

This sensitivity case evaluates the impact of higher renewable power prices on the CCE's financial viability. As discussed in Appendix B, in the base case, renewable power prices are flat in nominal dollars through 2022, based on the assumption that projected declines in renewable development costs will offset increases associated with the expected expiration of federal renewable tax credits.<sup>46,47</sup> In the Higher Renewable Power Prices sensitivity, we assume that renewable prices would be flat in nominal dollars through 2022 if it were not for the tax credit expirations and add the impact of the tax credit expirations to the base case prices. Average renewable power prices in this scenario are 0-10% higher than in the base case scenario through 2021, about 20% higher in 2021 and 2022, and 30% higher after 2022 when the solar investment tax credit is reduced to 10%. These higher prices affect both the CCE and PG&E, but they have a greater effect on the CCE because PG&E has significant amounts of renewable resources under long-term contract. The impact of this sensitivity case is to reduce the 2018-2028 average rate differential by 0.35¢/kWh relative to the base case.

<sup>45</sup> Results for Scenario 3.

<sup>46</sup> The Investment Tax Credit (ITC) which is commonly used by solar developers, is scheduled to remain at its current level of 30% through 2019 and then to fall over three years to 10%, where it is to remain. The federal Production Tax Credit (PTC), which is commonly used by wind developers, is scheduled to be reduced for facilities commencing construction in 2017-2019 and eliminated for subsequent construction.

U.S. Department of Energy. Business Energy Investment Tax Credit (ITC). <http://energy.gov/savings/business-energy-investment-tax-credit-itc>; U.S. Department of Energy. Electricity Production Tax Credit (PTC). <http://energy.gov/savings/renewable-electricity-production-tax-credit-ptc>

<sup>47</sup> The base case forecast would also be consistent with a scenario in which the tax credit expirations are delayed.

**Table 14. Higher Renewable Power Prices Sensitivity Results, 2018-2028**

	Average RPS prices (\$/MWh)	Resulting average rate differential (¢/kWh)
<b>Base</b>	53.2	1.86
<b>High renewable prices</b>	65.1	1.51

### Higher Exit Fee (PCIA) Sensitivity

PG&E's PCIA exit fees are subject to considerable uncertainty. Under the current methodology, PCIA rates can swing dramatically from one year to the next, and this methodology is currently under review and may be adjusted in the coming years. MRW therefore evaluated a stress case in which PCIA rates do not fall after 2018, as anticipated in the base case, but instead remain at 2018 levels through 2028. This increases the 2028 PCIA by more than 300% of its base case value. The impact of this sensitivity case is to reduce the 2018-2028 average rate differential by 0.86¢/kWh relative to the base case.

**Table 15. Higher PCIA Exit Fee Sensitivity Results, 2018-2028**

	Average PCIA prices (¢/kWh)	Resulting average rate differential (¢/kWh)
<b>Base</b>	1.5	1.86
<b>High PCIA</b>	2.4	1.00

### Lower PG&E Portfolio Cost Sensitivity

While changes to natural gas prices and renewable power prices affect both the CCE and PG&E, dampening the impact on the CCE's cost competitiveness, reductions to the costs to operate and maintain PG&E's nuclear and hydroelectric facilities would provide cost savings to PG&E that would not be offset by cost savings to the CCE. MRW considered a case in which PG&E's overall generation rates are 10% below the base case, driven by reductions to PG&E's nuclear and hydroelectric portfolio costs. Under such a scenario, the 2018-2028 average rate differential would be reduced by 1.12¢/kWh relative to the base case scenario.

**Table 16. Lower PG&E Portfolio Sensitivity Results, 2018-2038**

	Average PG&E Rate (¢/kWh)	Resulting average rate differential (¢/kWh)
<b>Base</b>	11.2	1.86
<b>Low PG&amp;E portfolio costs</b>	10.1	0.74

### Higher Natural Gas Prices Sensitivity

Natural gas prices have been low and relatively steady over the last few years, but they have historically been quite volatile and subject to significant swings from local supply disruptions (e.g., Hurricanes Katrina and Rita in 2005). MRW analyzed a gas price sensitivity case using the U.S. Energy Information Administration’s High Scenario natural gas prices forecast,<sup>48</sup> which is on average 50% higher than MRW’s base case forecast for the period 2018-2028. Natural gas price increases affect power supply costs for both a Contra Costa County CCE and PG&E; however, the nuclear and hydroelectric capacity in PG&E’s resource mix makes PG&E less sensitive than a Contra Costa County CCE to changes in natural gas prices. The net effect of higher natural gas prices is therefore to increase CCE rates relative to PG&E rates<sup>49</sup> (i.e., reduce the average rate differential). Under the sensitivity conditions considered, the 2018-2038 average rate differential decreases relative to the base case by 1.68¢/kWh.

**Table 17. Higher Natural Gas Prices Sensitivity Results, 2018-2028**

	Average PG&E Rate (¢/kWh)	Resulting average rate differential (¢/kWh)
<b>Base</b>	11.2	1.86
<b>Low PG&amp;E portfolio costs</b>	10.1	0.18

### Stress Case and Sensitivity Comparisons

All rate differentials (i.e., the CCE’s competitive positions) are lower in the sensitivity cases than in the base case scenario for all years from 2018 to 2028 (**Table 18**). To evaluate a more extreme scenario, MRW developed a stress case that combines all the sensitivity cases: (1) low

<sup>48</sup> U.S. Energy Information Administration. “2015 Annual Energy Outlook,” Table 13

<sup>49</sup> For Scenarios 2 and 4 the high gas natural prices case has less negative impact due to the high proportion of renewable generation.

participation, (2) higher local renewable power prices, (3) higher renewable power prices, (4) higher natural gas prices, (5) lower PG&E portfolio costs, and (6) higher PCIA charges. The 2018-2028 average rate differential for this stress case is negative, at -4.08¢/kWh, meaning that CCE customer costs would exceed PG&E customer costs under this scenario.

**Table 18. Stress Test Results, 2018-2028**

	Resulting average rate differential (¢/kWh)
<b>Base</b>	1.86
<b>Stress Scenario</b>	-2.3

**Figure 23. Difference Between PG&E Customer Rates and CCE Customer Rates Under Each Sensitivity Case, 2018-2028<sup>50</sup>**

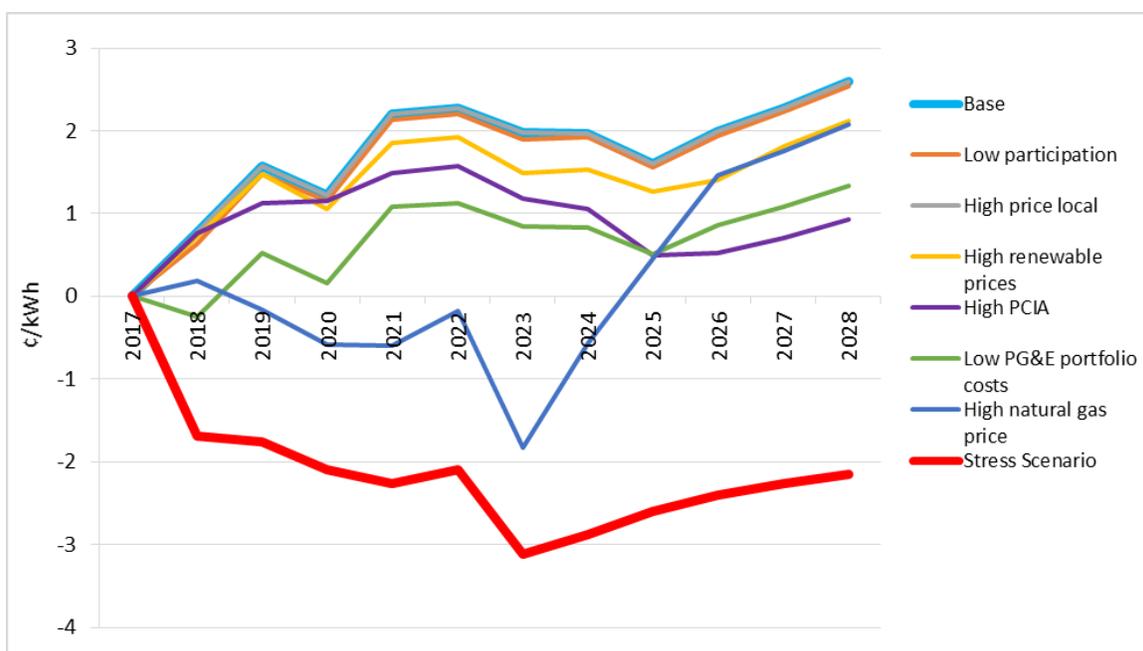


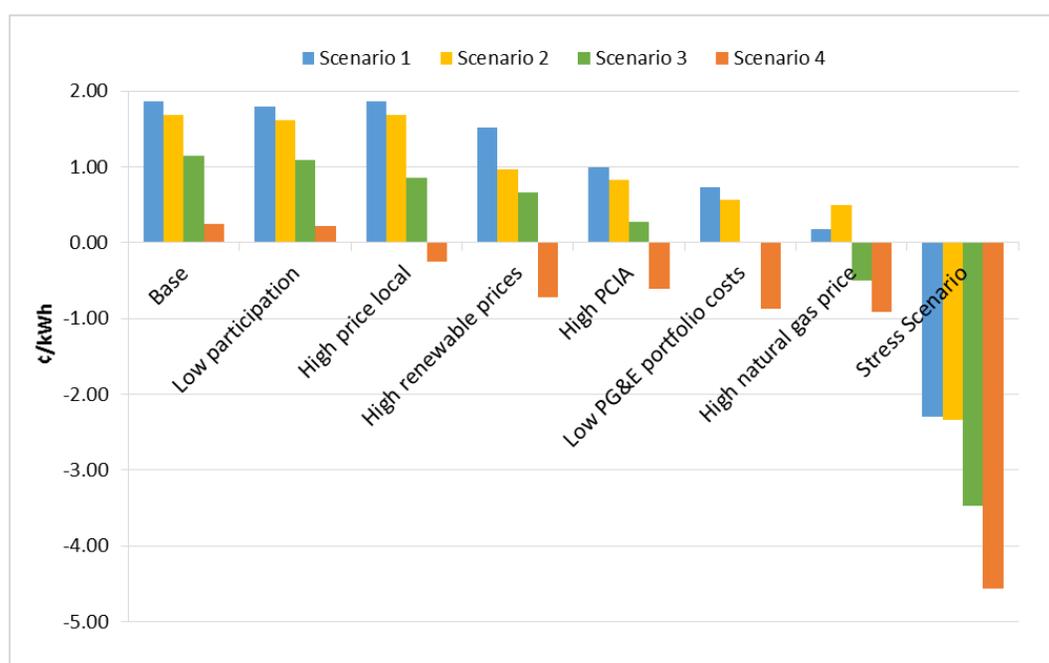
Figure 23 shows the difference between the PG&E customer rates and the Contra Costa County CCE customer rates (including exit fees) in the base case, and in each of the sensitivity scenarios, for each year from 2018 to 2028. As Figure 23 illustrates, CCE customer rates are lower than PG&E customer rates in each of the individual sensitivity cases in each year. For the High Natural Gas Price sensitivity case, in 2023 the rate differential drops due to an increase on the

<sup>50</sup> The chart plots the sensitivity cases for Scenario 1, therefore it does not reflect the effect of the High Price Local sensitivity (it only applies to Scenario 3 and 4).

PCIA, as the PCIA is highly sensitive to the natural gas prices. Under the Stress Scenario case, the rate differential is negative for each year (i.e., CCE rates are higher than PG&E generation rates).

The results shown above reflect the Minimum RPS Compliance supply scenario (Scenario 1). MRW additionally evaluated each sensitivity scenario under the four alternative supply scenarios: (1) Minimum RPS Compliance, (2) Accelerated RPS, (3) Minimum RPS Compliance plus Local Procurement, and (4) Accelerated RPS plus Local Procurement. Figure 24 depicts the average rate differentials for 2018-2028 for each sensitivity case under the four supply scenarios.

**Figure 24. Difference Between PG&E Customer Rates and CCE Customer Rates Under Each Sensitivity Case and Supply Scenario, 2018-2028 Average**



Looking at 2018-2028, Scenario 1 (Minimum RPS Compliance) is the least costly scenario for the CCE, and therefore has the best rate differential under most of the sensitivity cases considered.<sup>51</sup> Scenario 2 (Accelerated RPS), though still quite competitive with PG&E, fares slightly worse, with a rate differential approximately 10-20% lower than in Scenario 1 for most of the sensitivity cases considered. The one exception is the High Natural Gas Price sensitivity case, in which Scenario 1 has worse results than Scenario 2. This is due to the higher gas-fired generation content in Scenario 1, which makes the supply portfolio more susceptible to volatility in natural gas prices than Scenario 2. For most of the sensitivity cases, rate differentials for

<sup>51</sup> This is only looking at the period 2018-2028. From 2028-2033 the rates show the same pattern between the four scenarios. If we consider the period 2033-2038, Scenario 2 would be the least costly scenario. After 2033 the prices of renewable generation are expected to be lower than the wholesale electric market, which makes Scenario 2 less costly than Scenario 1 in the period 2033-2038.

Scenario 3 are lower than Scenario 1 and Scenario 2. Scenario 4 is the costliest scenario, with rate differentials much lower than the other three scenarios.

In the stress case, Contra Costa County CCE customer rates exceed PG&E customer rates on average over the 2018-2028 period for all four scenarios, with the negative rate differential being highest in Scenario 4 at -4.5¢/kWh.

## **Conclusions**

Under Scenarios 1, 2 and 3, Contra Costa County CCE customer rates compare favorably to PG&E rates in all years from 2018 to 2038. As modeled, in Scenario 4 Contra Costa County CCE customer rates would be higher than PG&E rates from about 2025 and 2030. Under Scenarios 1 and 2 (simple RPS compliance), Contra Costa County CCE customer rates remain below PG&E rates under all but the most extreme sensitivity case considered. Scenario 3 rates could meet or beat PG&E's under all but the high natural gas and stress cases. Under the stress case, irrespective of the supply scenario considered, CCE rates are higher than PG&E rates. While the stress case may appear extreme given that it involves seven adverse sensitivities simultaneously occurring, cost volatility in the power industry is well established, and the possibility of adverse conditions arising in an isolated year should be understood and planned for in any CCE venture.

## Chapter 5: Macroeconomic Impacts

This chapter discusses the job impacts within Contra Costa County for each of the four scenarios. All four scenarios modeled showed positive economic and job impacts. The mix and amount of jobs created would depend upon policy decisions made by the CCE board, primarily trading off the economic stimulus from lower electricity bills versus the direct jobs created by local (higher cost) renewable energy projects sponsored by the CCE.

To understand just how job impacts can come about, and the extent of those changes (positive or negative), a brief description of elements associated with the CCE and how they influence the existing economy is provided.

### How a CCE interacts with the Surrounding Economy

The establishment and operation of a CCE creates a new set of spending elements (also referred to as “demands”) as a community changes the type of electricity generation they want to purchase, where the new mix of generation is to be located, adjustments necessary for existing generating assets of the provider utility, and implications on customers’ bills because of retail rate differentials. Some of these new elements have temporary effects, while others have long-term effects. Investment in locally sited solar will result in temporary direct creation of jobs whereas subsequent *maintenance* will support some on-going direct jobs. Regardless of the duration, when a direct job is created in a sector, there will be a multiplier response on “backwardly-linked” jobs with supplier businesses if the supplier is present in the economy. The new elements include:

- **Administration** – direct jobs, long-term effect. County staffing, professional-technical services and I/T-database services
- **Net Rate Savings (or bill savings)** – long-term effect. County households have an increase in their spending ability, County commercial and industrial energy customers experience a reduction in their costs-of-doing business which makes them each more competitive, garnering more business that requires more employees, and municipal energy customers can provide more local services which require more local government staff.
- **New Renewable Capacity Investment within County & Surrounding counties** – direct jobs, short-term, two of the four scenarios.
- **New Renewable Operations within County & Surrounding counties** – direct jobs, long-term, two of the four scenarios.
- **Net Generating Capacity and Operations offsets for PG&E outside of county** – direct jobs, short and long-term, none because we are not focused on the *rest of California* economy.

To frame expectations around how many direct jobs can be created in the County from the above CCE elements, consideration must be given to (a) how much of the spending associated with the CCE scenario is fulfilled by a within-county business or resident workforce, and (b) what do these locally-fulfilled dollars represent in terms of current annual County business activity (e.g., is this a large spending event?).

## Job Impacts of Proposed CCE Scenarios

We examine each of the four scenarios for their influence on the County economy and the economy of the four surrounding counties combined (a ring region comprised of Alameda, Sacramento, San Joaquin, and Solano counties). The basis for including the surrounding counties is (i) interdependence of the economies in terms of business-to-business transactions (in part due to proximity) and labor commuting flows (both in and out), as well as (ii) the siting of 50 percent of the proposed CCE funded small-scale solar projects beyond Contra Costa County. The scenario structures assume no electric customer participation from beyond Contra Costa County therefore the proposed *bill savings* are allocated across customer segments solely within Contra Costa County.

The possible sources of *initial* job change in any of the scenarios include:

- CCE Administration *spending* 2018 to 2038 (within Contra Costa County)
- Bill Savings *less* Customer's expense for on-site solar deployed 2018 to 2038 (within Contra Costa County)
- Investment in small-scale Solar 2018 to 2030 (Contra Costa and the 4-county ring region)
- O&M spending on small-scale Solar 2018 to 2038 (Contra Costa and the 4-county ring region)

Only scenarios 3 and 4 include investment for small-solar projects in Contra Costa County and the surrounding region of counties. Once each regional economy experiences its initial change related to any of the above scenario elements, a macroeconomic forecasting tool (the REMI model<sup>52</sup>) captures impacts from inter-regional transactions (of commuters, of business sales), and impacts from changes in Contra Costa County's relative *cost-of-living* and *cost-of-doing business* resulting from bill savings, and impacts associated with *multiplier effects*.

### Overview of Scenario Effects

It is helpful to understand how the various scenarios “stack up” in terms of the four sources that will exert an influence on the local economies. Table 19 presents the cumulative (2018 to 2038) stimuli - bill savings, administrative spending, and where relevant, demands related to investment, O&M. The amounts are a roll-up of nominal values. Scenario 1 poses the greatest amount of Rate Savings for County CCE customers (\$2,390 million), and Scenario 4 poses the largest amount of solar investment *demand* (\$827 million) for in-county installations. Ensuing O&M spending (Scenarios 3 and 4) will increase as the investment *demand* increases. None of the displaced renewable capacity by PG&E (investments under the “business-as-usual” or “without CCE” case) occurs in either Contra Costa or the surrounding 4 counties.

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<sup>52</sup> Regional Economic Models, Inc. of Amherst, MA. [www.remi.com](http://www.remi.com)

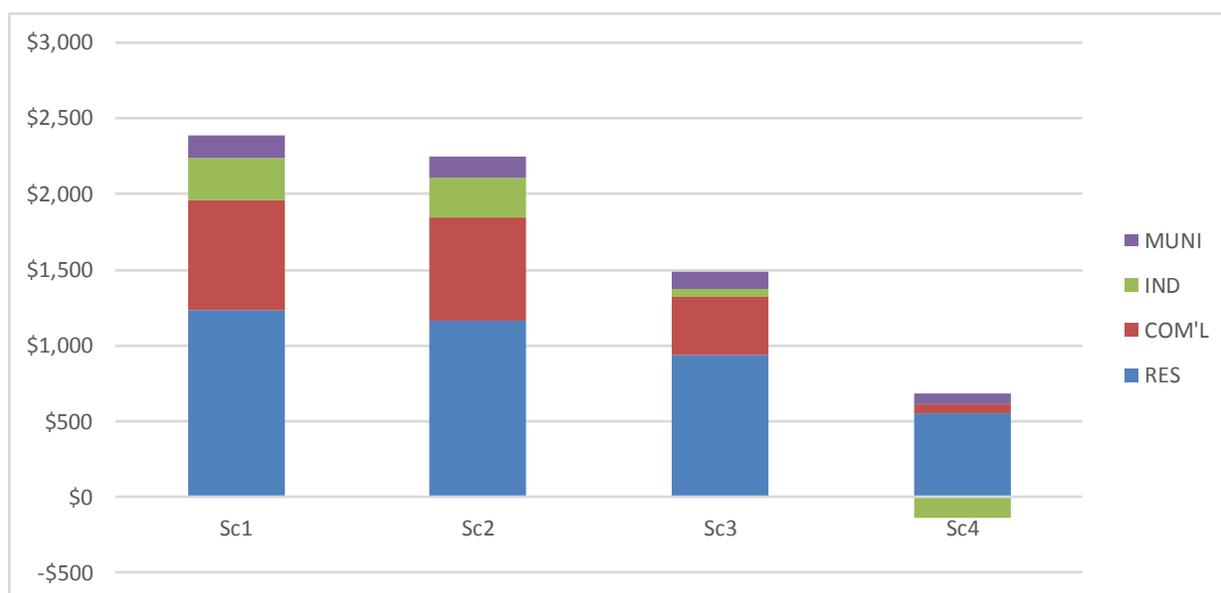
**Table 19. CCE Scenario Economic Characteristics (2018-2038, Millions of nominal dollars)<sup>53</sup>**

Scen.	Net Rate savings County customers	CCE Small Solar Investment		CCE Small Solar O&M	
		Contra Costa County	Neighboring Counties	Contra Costa County	Neighboring Counties
1	\$2,390	\$0	\$0	\$0	\$0
2	\$2,251	\$0	\$0	\$0	\$0
3	\$1,485	\$456	\$456	\$234	\$234
4	\$542	\$827	\$827	\$375	\$375

Figure 25 presents the estimated *net* rate savings for various customer-segments in the County by CCE scenario. The rate savings benefit accrues foremost to the residential segment, followed by the commercial segment. The municipal segment has fairly constant rate savings regardless of scenario. In addition to the magnitude of overall net rate savings and local solar-related business opportunities, this segment distribution across customer segments influences part of the job impact response (amidst solar investments). Households spend money saved on electric bills on other consumer basket items, which would include a mix of goods and services, some local, some imported, which all rely on different jobs at different wages. Commercial or industrial electric customers experience a savings as making their operations more cost competitive, which returns some positive (though not equal across all type of activities) market share growth (e.g., more sales which means more jobs and other inputs to their operations). Municipal segment savings allow the state/local government entity to redirect dollars into other forms of public spending.

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<sup>53</sup> *Net Rate Savings* are net of customer out-of-pocket for on-site solar additions under Scenarios 3 and 4. For the County projects, 25 percent of the investment is paid by *Industrial* customers, 25 percent by *Commercial* customers, with the balance funded by outside investors. Small-solar projects in the surrounding counties are assumed to be funded by outside investors. Under scenarios 1 and 2 *net* is equal to gross rate savings.

**Figure 25. Cumulative net Rate Savings in Contra Costa County, Proposed CCE structures**

The opportunity for the small-solar investment episode (2018 through 2030), for scenarios 3 and 4, to generate “within region” job requirements is determined by how much of the investment dollars connect with (procure from) ‘within region’ construction labor and businesses that provide project components. The allocations of small-solar investment dollars into these two major types of purchases (with additional breakdown on non-labor expenditures) is done using the National Renewable Energy Laboratory (NREL) Jobs and Economic Development Impact (JEDI) small-solar PV JEDI model<sup>54</sup> (CA) allocation. As shown in Table 20 for scenarios 3 and 4, no less than 50 percent of the various budgets enlists local workforce, and firms that provide supplies or services.

<sup>54</sup> The Jobs and Economic Development Impact (JEDI) models are user-friendly screening tools that estimate the economic impacts of constructing and operating power plants, fuel production facilities, and other projects at the local (usually state) level. JEDI results are intended to be estimates, not precise predictions. See: [http://www.nrel.gov/analysis/jedi/about\\_jedi.html](http://www.nrel.gov/analysis/jedi/about_jedi.html)

**Table 20. Local Fulfillment of CCE Budgets (millions of nominal dollars)**

	CCA Admin	Solar Invest	Solar O&M	CCA Admin	Solar Invest	Solar O&M
	<b>Scenario 1</b>			<b>Scenario 3</b>		
<b>Budget</b>	\$316	N/A	N/A	\$316	\$456	\$233
<b>In-County</b>						
<i>locally procured</i>	\$189	N/A	N/A	\$189	\$234	\$146
<b>% capture local</b>	60%	N/A	N/A	60%	51%	63%
<b>Surrounding Counties</b>						
<i>locally procured</i>	N/A	N/A	N/A	N/A	\$234	\$146
<b>% capture local</b>	N/A	N/A	N/A	N/A	51%	63%
	<b>Scenario 2</b>			<b>Scenario 4</b>		
<b>Budget</b>	\$316	N/A	N/A	\$316	\$ 827	\$375
<b>In-County</b>						
<i>locally procured</i>	\$189	N/A	N/A	\$189	\$425	\$235
<b>% capture local</b>	60%	N/A	N/A	60%	51%	63%
<b>Surrounding Counties</b>						
<i>locally procured</i>	N/A	N/A	N/A	N/A	\$450	\$219
<b>% capture local</b>	N/A	N/A	N/A	N/A	51%	63%

### Resulting Impacts on Jobs

This section will present several views of the job impacts by scenario. As shown in Table 21, Scenario 1 yields the largest annual job impact for the County over the interval – the result of the maximum rate savings under the CCE program. Job impacts are not limited to the direct job requirements from a CCE but include jobs resulting from *multiplier effects* and *competitiveness effects*. Scenario 4 – with the smallest of *net* rate savings for the County’s electric customers poses the largest investment for small -solar across the 5-county economy. This compensates for the reduced role of the rate savings and thus Scenario 4 yields an annual job gain for the 5-county economy, 886 jobs (compared to Scenario 1 with 731). The largest absolute job gain is in Scenario 3, with a total of 922 annual average jobs. As the amount of small solar investment increases (with subsequent O&M spending to follow), the percent of job impact that occurs within the surrounding multi-county region increases (Scenario 4 has 44%). The County’s annual job increase under Scenario 4 however is moderated when compared to Scenario 1. This is understood by (i) all CCE customers’ realizing smaller rate savings when the CCE attempts to invest in *local* solar, combined with (ii) commercial/industrial businesses in the County picking up 50 percent of the solar investment cost. Also, influencing the “surrounding county region” job impact is the fact that a neighboring economy (the County) is experiencing lower electric bills (regardless of the magnitude) and a solar installation “boom” – namely, economic stimulating events. This can create a positive bounce for the surrounding counties on some of the

background business (supplier) transactions as well as with working-age households who commute into the County (this point is illustrated in Figure 26). And when the surrounding region is host to its own solar installation boom, this will engage the Contra Costa County economy as well.

**Table 21. Average Annual Employment Impacts 2018 through 2038 (Jobs)**

Scenario	Contra Costa	Surrounding 4 Counties	All 5 counties	% in Region
1	681	50	731	7%
2	571	48	619	7%
3	654	268	922	29%
4	474	412	886	44%

For Scenario 4 (with the smallest *net* rate savings and the highest local solar-investment/O&M spend) a time-path of the resulting job impacts is shown in Figure 26. To be clear, the results are not depicting *cumulative* job impacts, simply a plot of each year's resulting impact. After 2030, no more solar installations occur in either region.<sup>55</sup> The surrounding region remains slightly buoyed with job impacts due to some continued O&M spending and feedback from the Contra Costa economy that is still benefitting now from *gross* rate savings (no more project expenses) and some O&M spending.

**Figure 26. Scenario 4 – Annual Job Impacts, 2018 to 2038**



<sup>55</sup> This is because the targeted renewable penetration was met and no new generation is needed by the CCE. If the study looked further out, then replacement solar would begin to have an effect and generate jobs.

Figure 27 helps explain ‘the dip’ in the above *blue* series of positive job impacts (*for Contra Costa*) between 2024 and 2030. The estimated forecast of *net* rate savings follows such a trajectory (becoming *negative* between 2023 and 2030, when some customers bear a portion of the investment cost plus CCE rates are slightly higher than PG&E’s) and even the *local* capture on the solar investment comes off a local maximum in 2020 and a global maximum in 2027 (the latter occurs in the surrounding region as well).

**Figure 27. Scenario 4 – Contra Costa’s “Local” Benefit**

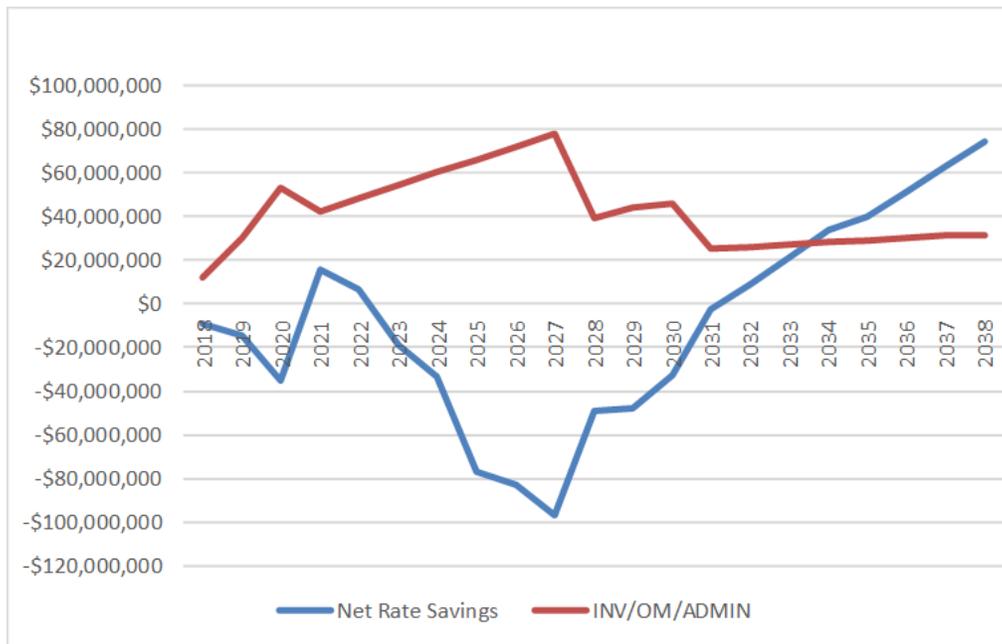
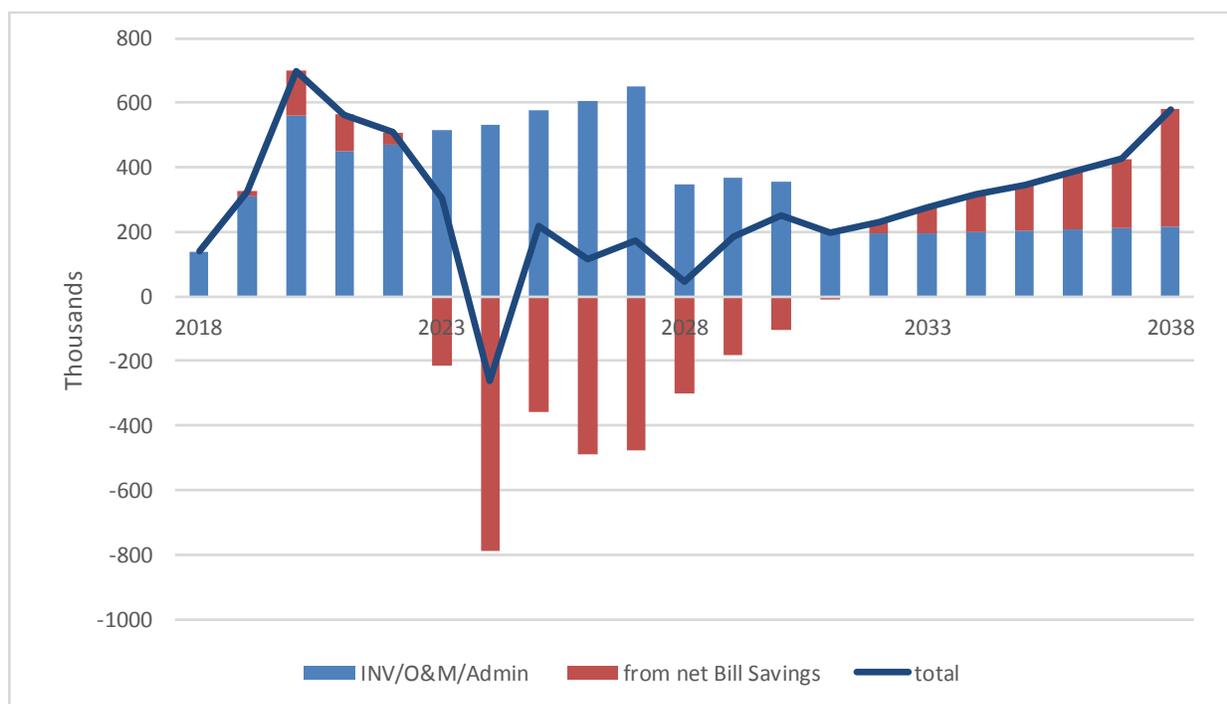
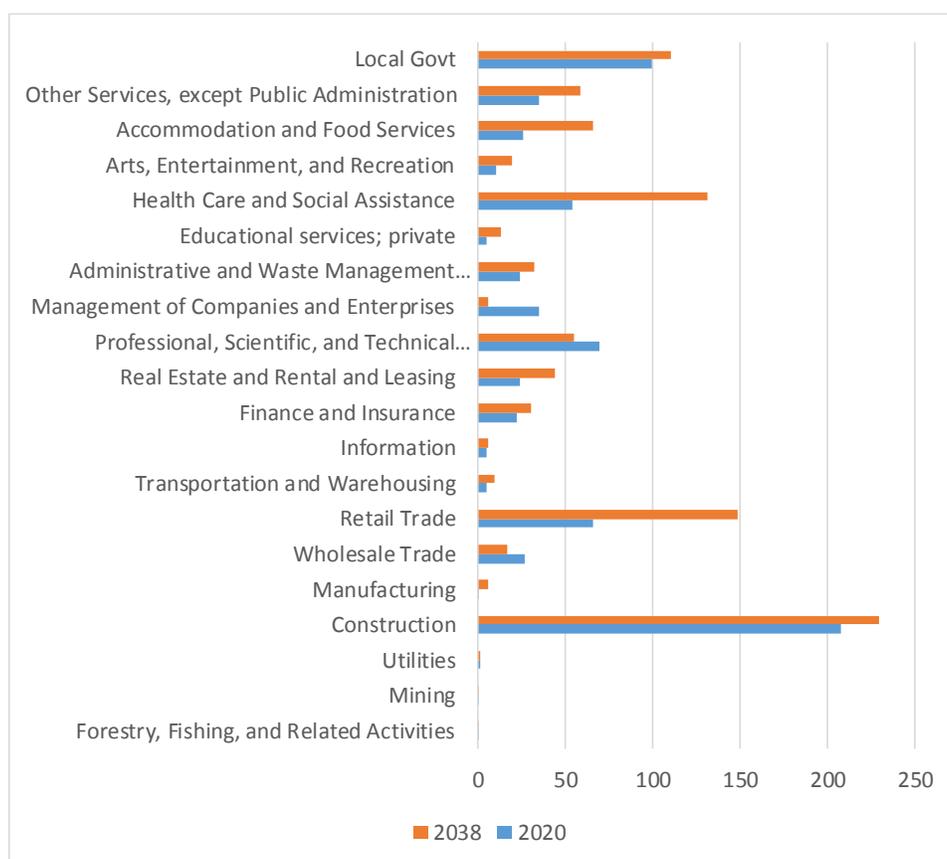


Figure 28 shows what contributes to Contra Costa’s job impact under Scenario 4. The dark blue line is the line from Figure 26. Through 2030, the largest influence on the County’s *positive* job impacts is the stimulus of solar project investment. Afterwards it is the role of *net* Rate Savings exerted through the customers’ roles in the local economy that creates local jobs.

**Figure 28. Scenario 4 – Contra Costa Job Impact by Source**

A look at two points in the policy interval illustrates the types of jobs that comprise the impact results. In 2020 there are about 700 additional jobs (when solar investment is at a maximum with little of the *net rate savings* realized) and in 2038, about 600 additional jobs in the County (after the investment hang-over is past and only a small influence is exerted through O&M and administrative spending, and the County economy is still experiencing a ramp up of rate savings).

Figure 29 shows a pattern and an order of magnitude for each of the *snapshot* years that is indicative of the major CCE influence on the County’s industry base. In 2020, County job additions are explained foremost by the predominant effect emanating from the CCE scenario – namely solar project investment and program administration (net rate savings are *negative* at this point as a result of C/I customers paying for part of the solar investment cost). So, jobs occur in *Construction*, in *State/Local Government*, in *Professional Technical Services*, and with *Wholesale suppliers*. Project developer overhead payments (part of the investment cost) is why job additions are showing for *Management of Companies and Enterprises*. But not all of the job additions in these sectors are directly related to solar installations. Some of these – as well as jobs gains in other non-investment sectors like health care, and food establishments, and retail – are the result of the initial labor income gains (construction paychecks) which drives added household spending (the *induced* stage of economic multiplier effects), and some are the result of increases in “within county” business-to-business transactions and elevated business needs from the adjacent region (the *indirect* stage of multiplier effects.)

**Figure 29. Scenario 4 - Jobs added Among Contra Costa Sectors, 2020 and 2038**

In 2038, (the orange series) the predominant ‘economy’ effect from the CCE is the *net* rate savings with a majority benefitting the *residential segment*. Households will redirect these savings into additional household spending (e.g., health care, retail, food establishments). But the municipal segment receives savings as well which drives additional public spending and requires some growth in staff in addition to the local government staff to administer the CCE (an average of 23 *administrative* staff). Commercial and industrial sectors also experience some job increases as their bill savings improve their bottom lines and grow their respective market shares for business. The pronounced gain in local government jobs is more than the (averaged) 23 staff mentioned above. By 2038 the County will have retained a significant number of its working-age residents that would otherwise have out-migrated (under the business-as-usual case) due to a combination of *relative* employment opportunities and inflation adjusted wages. The CCE activity creates job opportunity, mitigates in-county inflation (vis a vis bill savings) so there is real wage appreciation, and helps stem the tide of out-migration of key working-age cohorts. This further bolsters the positive population growth the County was forecast to have (under the BAU case), and local government spending (and staffing) increase on a *per capita* basis. In addition, the S/L government activity increases as the productive capacity of the County grows (in terms of dollars of gross regional product). The *Construction* sector posts strong job increases but now it is more the response to growth in the County (due to CCE influences) and this sector is key during investment (for both residential and non-residential structures) responses to close the gap between actual and optimal capital requirements in a growing economy.

## Allocation of Earned Income Gains

A majority but not all jobs added in Contra Costa County will be held by the County’s working-age resident households. The same is true for jobs added in the 4-county surrounding region. Which means the household spending effects from the take-home pay on the above impacted jobs occur where the worker *resides*. The above job impacts are measured by *place-of-work*. The commuter from another county registers the induced effects of their earned income on a *place-of-residence* basis.

Again, we focus on Scenario 4 in the year 2020 (year of maximum investment activity that is split 50:50 across both regions). Before we even allocate the impacts across the County boundary, it is helpful to reveal the broad commuting propensity (this is not industry-specific but rather across all activities within an economy) for these two interconnected regions. These relationships are captured in County data on personal (earned) income flows and the journey-to-work data – both federally collected. Table 22 shows the extent of *linkage* on earned income generated in one region and where its workers reside.

**Table 22. Earnings-Commuter Reliance between Contra Costa County and the Surrounding region**

		Earnings Place-of-Work	
		Contra Costa	Surrounding region
Worker resides	Contra Costa	79%	8.5%
	Surrounding Counties	15%	73%
	Elsewhere	6%	18%
		<b>100%</b>	<b>100%</b>

Based on each of the model region’s reliance on jobs situated beyond their border there will be “earned income” imported for both Contra Costa and the surrounding region since both economies experience job increases under the CCE activity. For workplace earnings generated in Contra Costa County, 15 percent is earned by residents of the surrounding counties (we ignore the *elsewhere* because it is not part of our macroeconomic consideration). Likewise, of workplace earnings generated in the surrounding counties region, 8.5 percent is by commuters from Contra Costa County. Table 23 shows for 2020 the extent of extra jobs and earnings that will be held by a worker who resides in the other region. Of the 700 jobs added in Contra Costa County in 2020, 83 of these jobs (and \$7 million of earnings) belong to commuters from the adjacent region. Of the 584 jobs added in the surrounding region in 2020, 41 of these jobs (and \$4 million of earnings) belong to commuters from Contra Costa County.

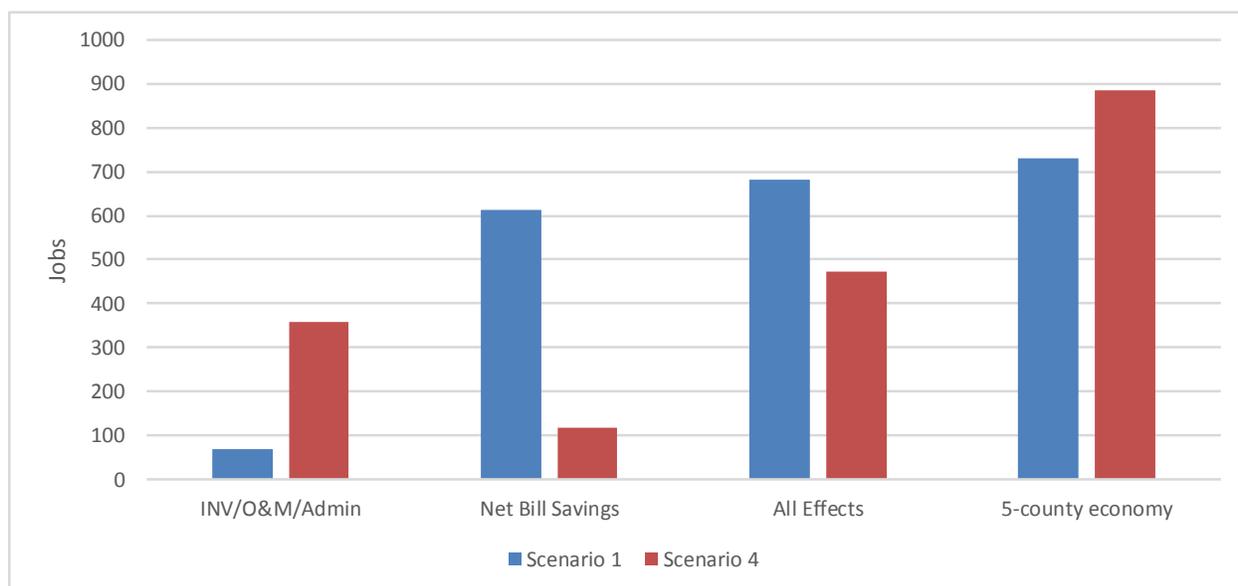
**Table 23. Scenario 4 - Earnings Impact by Place-of-Residence, 2020<sup>56</sup>**

Scenario 4, Year 2020	Place-of-Work	
	Contra Costa County	Surrounding region
<b>Job impact</b>	700	580
<b>Earnings impact</b>	\$48 million	\$42 million
<b>Earnings per Job</b>	\$86,000	\$87,500
<b>% Commuter earnings (Surrounding counties)</b>	15%	na
<b>% Commuter earnings (Contra Costa)</b>	Na	8.5%
<b>Impact Commuter earnings for Surrounding counties</b>	\$7 million	na
<b>Impact Commuter earnings for Contra Costa</b>	Na	\$4 million
<b>Equiv. # of Surrounding County Commuters</b>	83	na
<b>Equiv. # of Contra Costa Commuters</b>	Na	41

Last, a high-level decomposition of the job impact result in the County is shown in Figure 30 for Scenario 1 (the highest customer savings, no investment in local solar capacity) and Scenario 4. Under Scenario 1 the County realizes most job creation through the effects of rate savings on the County's economy. This response is 5-fold of what Scenario 4 would show as a job impact from rate savings. On the other hand, Scenario 4 exhibits a 5-fold job creation impact from the combined *investment/O&M/administration* effects. Including job creation impacts in the adjacent region of the four surrounding counties, Scenario 4 produces over 100 more jobs (average annual) than Scenario 1. This is predominantly explained by the surrounding region being the location for 50 percent of the small-solar investment that the CCE might choose to fund.

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<sup>56</sup> Earnings per job are weighted estimates.

**Figure 30. Average Annual Job Impact in Contra Costa County by Source**

## Conclusion

A CCE can also offer positive economic development and employment benefits to the County. At the peak, the CCE could create approximately 500 to 700 new jobs in the County plus additional jobs in neighboring counties. For Scenarios 1 and 2, the main driver behind the job growth is the general economic stimulus from injecting more dollars into the local economy via reduced electric rates. When costlier, locally-built renewable projects are emphasized, like in Scenarios 3 and 4, the general economic stimulus driver is replaced by the direct jobs and stimulus created by locally-sited and sourced renewable projects.

Because Contra Costa County's economy is not isolated, CCE formation can have positive effects in neighboring counties, too. This is particularly for the Scenarios emphasizing locally-built renewables, where workers would commute to jobsites in Contra Costa County.

## Chapter 6: Other Risks

Aside from the risks identified above, the CCE or the political jurisdictions that are part of the CCE could be at risk for several other reasons. This section addresses some of those risks, which are summarized in Table 24.<sup>57</sup>

**Table 24. Summary of CCE Risks**

Risk	Magnitude	Mitigation
<b>Financial Risks to CCE Members</b>	Low	Keep CCE JPA's financial obligations separate from jurisdiction's
<b>Procurement-Related Risks (i.e., can't meet rate or GHG targets)</b>	Medium-low	Enter into balanced portfolio of power contracts
<b>Legislative and Regulatory Risks</b>	High	Monitor and advocate at Legislature and CPUC
<b>PCIA Uncertainty</b>	High	Establish rate-stabilization fund to account for volatile PCIA
<b>PCIA Policy Uncertainty</b>	High	Monitor and advocate at Legislature and CPUC
<b>Availability/price of low-carbon resources</b>	Medium	Enter into balanced portfolio of power contracts
<b>Bonding Risk</b>	Low	Monitor and advocate at CPUC

### Financial Risks to CCE Members

A CCE is effectively an association of various political subdivisions. The formation documents for the CCE define the rights and responsibilities of each member of the CCE. Given the large number of political subdivisions that might participate in a Contra Costa County CCE, MRW assumes that the Contra Costa County CCE would be formed under a Joint Powers Authority, in much the same way as MCE and Sonoma Clean Power.

The CCE will ultimately take on various financial obligations. These include obtaining start-up financing, establishing lines of credit, and entering into contracts with suppliers. Because a CCE will take on such financial obligations, it is likely very important to the prospective member political subdivisions that the financial obligations of the CCE cannot be assigned to the members.

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<sup>57</sup> Note that this section does not provide legal opinion regarding specific risks, especially those related to the formation or the structure of the Joint Powers Authority under which MRW assumes the CCE will be established.

Thus, it is critical that the Joint Powers Authority and any other structuring documents are carefully drafted to ensure that the member agencies are not jointly obligated on behalf of the CCE (unless a member agency chooses to bear such obligations). The CCE should obtain competent legal assistance when developing the formation documents.<sup>58</sup>

Nonetheless, starting up a CCE often requires a credit-worthy entity to backstop its initial financing. Some, such as CleanPowerSF, use the balance sheet from its existing power enterprise to backstop initial financing. Others have relied upon their host county as a backstop to initial financing. For example, MCE's initial bank loans for working capital were guaranteed by Marin County and the Town of Fairfax. After approximately six years, the CCE had demonstrated its creditworthiness and the guarantees were lifted. Still, the JPA cannot place any financial obligations or risks onto any of its members without that member's approval.

### **Procurement-Related Risks**

Because a CCE is responsible for procurement of supply for its customers, the CCE must develop a portfolio of supply that meets the resource preferences of its customers (e.g., ratio of renewable versus non-renewable supply) while controlling risks (e.g., ratio of short-term versus long-term purchase agreements) and meeting regulatory mandates (e.g., resource adequacy and RPS requirements). Thus, it is tempting to assume that customers would prefer a fully hedged supply portfolio. However, such insurance comes at a cost and a CCE must be mindful of the potential competition from PG&E. Thus, the CCE's portfolio must be flexible while meeting the needs of its customers.

The CCE will likely need to negotiate a flexible supply arrangement with its initial set of suppliers. Such an arrangement is important because the CCE's loads are highly uncertain during CCE ramp-up. Without such an arrangement, the CCE faces the risk of either under- or over-procuring renewable or non-renewable supplies. Excessive mismatches between supply and demand of these different products could expose the CCE's customers to significant purchases or sales in the spot markets. These spot purchases could have a large impact on the CCE's financials.

The CCE will by necessity have to procure a certain amount of short-term supplies. These short-term supplies bring with them price volatility for that element of the supply portfolio. While this volatility is not unexpected, the CCE must be mindful that such volatility could increase the need for reserve funds to help buffer rate volatility for the CCE's customers. Funding such reserve funds could be challenging in this time of low gas prices (resulting in high PCIA charges).

The CCE will be entering the renewable market at an interesting time. While all LSEs must meet the expanded RPS targets by 2030, at least the IOUs are currently over-procured relative to their 2020 RPS targets. Whether the IOUs will attempt to sell off some of their near-term renewable supplies is unknown. However, if the IOUs believe that this is a good time to acquire additional

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<sup>58</sup> Cities such as El Cerrito and Benicia conducted legal analyses when they were considering joining MCE. which should also be consulted.

renewables, the CCE could face stiff competition for renewable supplies, meaning that the green portfolio costs for the CCE might be higher than expected.

Finally, it should be noted that as greater levels of renewables are developed to meet the State's very aggressive RPS goals, it is possible that the traditional peak period will change. Adding significant amounts of solar could depress prices during the middle of the day. This could result in the need to try to sell power to out-of-state market participants during the middle of the day, possibly even at a loss. It could also result in the curtailment of renewable resources (even resources owned or controlled by the CCE). This could force the CCE to acquire greater levels of renewable supplies, thereby increasing costs.

## **Legislative and Regulatory Risks**

As noted above, the CCE must meet various procurement requirements established by the State and implemented by the CPUC or other agencies. These include procuring sufficient resource adequacy capacity of the proper type and meeting RPS requirements that are evolving.<sup>59</sup> Additional rules and requirements might be established. These could affect the bottom line of the CCE.

## **PCIA Uncertainty**

Assembly Bill 117, which established the CCE program in California, included a provision that states that customers that remain with the utility should be "indifferent" to the departure of customers from utility service to CCE service. This has been broadly interpreted by the CPUC to mean that the departure of customers to CCE service cannot cause the rates of the remaining utility "bundled" customers to go up. To maintain bundled customer rates, the CPUC has instituted an exit fee, known as the "Power Charge Indifference Adjustment" or "PCIA" that is charged to all CCE customers. The PCIA is intended to ensure that generation costs incurred by PG&E before a customer transitions to CCE service are not shifted to remaining PG&E bundled service customers.

Even though there is an explicit formula for calculating the PCIA, forecasting the PCIA is difficult, because many of the key inputs to the calculation are not publicly available, and the results are very sensitive to these key assumptions. For PG&E, the PCIA has varied widely; for example, at one time the PCIA was negative.

Current CCEs have chosen to have customers bear the financial risk associated with the level of exit fees they will pay to PG&E. Thus, for a customer taking CCE service to be economically better off (i.e., pay less for electricity), the sum of the CCE charges plus the PCIA must be lower than PG&E's generation rate.

This risk can be mitigated in two ways. First, as discussed in more detail elsewhere, a rate stabilization fund can be created. Second, the CCE can actively monitor and vigorously participate in CPUC proceedings that impact cost recovery and the PCIA.

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<sup>59</sup> Rules to establish RPS requirements under the new 50% RPS mandate are currently being debated at the CPUC.

## **Impact of High CCE Penetration on the PCIA**

Currently, the PCIA calculation is based on the cost and value of a utility's portfolio, without regard to how much of that portfolio is to be paid for by bundled customers and how much by Direct Access (DA) and CCE customers. As such, the PCIA is not affected by the number of DA/CCE customers.

Currently, for bundled customers the rate impacts associated with fluctuating PCIA's are relatively small, but this will change as the number of DA/CCE customers grows. At some point, bundled customers' rates may experience marked volatility as the impacts of the annual PCIA rate swings reverberate to bundled rates. This may be unacceptable to ratepayer advocates and the Commission.

The PCIA rate volatility in part reflects changes to the utilities' generation costs, which are appropriately reflected in bundled customers' rates. But, often to a large degree, it reflects changes to the market price benchmark, which should not be relevant to bundled customer rates. For example, for a utility with flat RPS costs, a reduction to the market price benchmark for renewable power would increase the RPS-related PCIA, which would reduce bundled rates, even though there was no change in RPS costs. This could also happen in the reverse direction, increasing bundled rates when there is no increase in underlying generation costs.

Once DA/CCE load gets large enough that there are real stranded contracts, we suspect that the Commission is going to look much more closely at the value of these stranded contracts (and how to get the most value for them).

## **Impact of High CCE Penetration on Low-Carbon (Hydro) Resources**

Virtually all the CCEs forming in California include carbon reduction as a goal. As the analysis has shown, CCEs will likely need to purchase both RPS-eligible power and other carbon-free power to meet their goals, namely large hydropower. This has been the approach used by MCE, Peninsula Clean Power, and Silicon Valley Clean Power, who all beat PG&E's GHG emissions rate through contracts for hydropower. This increased demand for carbon-free hydropower can change the "supply-demand" balance and in theory increase the cost of these resources. However, to put this in perspective, the amount of hydropower assumed in the technical study is very modest compared to its availability. For example, in the Pacific Northwest, hydroelectric facilities generated approximately 128,000 GWh of electricity, and over the past 5 (drought) years, California hydroelectric resources generated 25,000 GWhs of electricity. In contrast, the technical study assumed only 0.4-1.5 GWh/year of hydropower—well under one percent of the available resource. Furthermore, the assumed hydro premium, \$10/MWh over standard market power, is much higher than the current \$1.50-\$2.50/MWh premiums being seen. Thus, a certain amount of market tightening is already built into the study.

Nonetheless, to address this risk, the Contra Costa County CCE should consider locking in longer-term contracts for non-RPS eligible resources early in the process so as to guarantee their availability at a reasonable price in the longer term when there could be greater demand for them.

## Bonding Risk

Pursuant to CPUC Decision 05-12-041, a new CCE must include in its registration packet evidence of insurance or bond that will cover such costs as potential re-entry fees, specifically, the cost to PG&E if the CCE were to suddenly fail and be forced to return all its customers back to PG&E bundled service. Currently, a bond amount for CCEs is set at \$100,000.

This \$100,000 is an interim amount. In 2009, a Settlement was reached in CPUC Docket 03-10-003 between the three major California electric utilities (including PG&E), two potential CCEs (San Joaquin Valley Power Authority and the City of Victorville), and The Utility Reform Network (TURN) concerning how a bonding amount would be calculated. The settlement was vigorously opposed by MCE and San Francisco and never adopted.

Since then, the issue of CCE bond requirements has not been revisited by the CPUC.<sup>60</sup> If it is, the bonding requirement will likely follow that set for Energy Service Providers (ESPs) serving direct access customers. This ESP bond amount covers PG&E's administrative cost to reintegrate a failed ESP's customers back into bundled service, plus any positive difference between market-based costs for PG&E to serve the unexpected load and PG&E's retail generation rates. Because the ESP bonding requirement has been in place, retail rates have always exceeded wholesale market prices, and thus the ESP's bond requirement has been simply equal to a modest administrative cost.

If the ESP bond protocol is adopted for CCEs, during normal conditions, the CCE Bond amount will not be a concern. However, during a wholesale market price spike, the bond amount could potentially increase to millions of dollars. But the high bond amount would likely be only short term, until more stable market conditions prevailed. Also, it is important to note that high power prices (that would cause a high bond requirement) would also depress PG&E's exit fee and would also raise PG&E rates, which would in turn likely provide the CCE sufficient headroom to handle the higher bonding requirement and keep its customers' overall costs competitive with what they would have paid had they remained with PG&E. As discussed above, JPA member entities would not be individually liable for any increase in the bond amount.

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<sup>60</sup> On January 30, 2017 the CPUC set a pre-hearing Conference to begin a process to address CCE bonding requirements.

## Chapter 7: Comparative Analysis of CCE Options

Having the County and cities within the County form their own JPA and CCE Program is not the only possibility for CCE participation. First, the Counties and/or its cities may join Marin Clean Energy (MCE). In fact, 5 cities in the County—El Cerrito, Lafayette, Richmond, San Pablo, Walnut Creek—are already members of MCE. These cities joined between 2013 and 2016, and have full standing on MCE’s Board of Directors. Second, the County and/or its cities could join the East Bay Community Energy (Alameda County) CCE. While this CCE has just been formed, with its JPA board having been seated in January 2017, it aims to begin power delivery in late 2017. Furthermore, the County and each city need not join one or the other CCE *en masse*, but instead can join one or the other CCEs individually (or neither).

This chapter presents the benefits and drawbacks of joining either MCE or EBCE, forming a new CCE with the County and the cities not currently in MCE (which has been the focus of most of the analysis in this report), or remaining with PG&E. To the extent possible, this chapter considers the rate-competitiveness, GHG reduction, local economic development, local control and governance, cost risks, and CCE formation timing of each option. Some of the benefits may depend upon how much of the County chooses which path. Each community chooses for itself; thus, it is possible to have some join MCE, some join EBCE, and others remain on PG&E service. To the extent that it matters, this will be highlighted in the sections that follow.

Note that MRW & Associates are not attorneys, and that the MCE and EBCE JPA agreements are legal documents. Therefore, nothing herein should be interpreted as a legal opinion – only an informed lay-reading of the documents. MRW would strongly recommend that Contra Costa County and any city considering becoming a member of MCE or EBCE have its counsel conduct a thorough review of the respective JPA and related documents prior to committing to a CCE.

Table 25 below summarizes our results. While it is desirable to quantify some (or all) of the criteria, to do so would be an exercise in false precision. First and foremost, two of the potential CCE options are with entities which, while potentially viable, do not exist. Without power contracts, portfolios, or procurement guidelines and policies, it would be unwise to claim that EBCE or a potential Contra Costa-only CCE would have rates or greenhouse gas emissions higher or lower than the other. Comparisons against MCE can be somewhat more reasonably asserted; however, its stated goals—greater renewable energy content, lower greenhouse gas emissions, local generation, and comparable rates—are nearly identical to those stated by EBCE, so as to make long-range rate and emissions distinctions immaterial. This contrasts with PG&E, whose power portfolios, procurement plans, and costs are readily available through various filings and applications it has made before the CPUC. Thus, the qualitative comparisons provided in the table do not provide sharp distinctions between the CCE options. All these options are expected to provide similar rates and GHG emissions, with differences arising from variations in the priorities and procurement decisions of the individual governance boards. What truly distinguishes these options are primarily governance options (i.e., in-county only versus shared with other entities) and the amount of risk assumed (i.e., developing or signing on with a new CCE versus joining one with a record of satisfactory performance).

Each of the lines on the table are discussed in greater detail in the sections that follow.

**Table 25. Comparison of Contra Costa CCE Options**

Criterion	Form CCCo JPA	Join MCE	Join EBCE	Stay with PG&E
<b>Rates</b>	Likely lower	Likely Lower	Likely Lower	Base
<b>GHG Reduction Potential Over Forecast Period</b>	Some	Some	Some	Base
<b>Local Control/Governance</b>	Most	Some	Some	None
<b>Local Economic Benefit Potential</b>	Greatest	Some	Some	Minimal
<b>Start Up Costs/Cost to Join</b>	Low, but greater risk <sup>61</sup>	None <sup>62</sup>	None <sup>62</sup>	None
<b>Level of Effort</b>	Greatest	Minimal	Greater	None
<b>Program Risks</b>	Greatest	Minimal	Some	Base
<b>Timing (earliest)</b>	Late-2018	Late-2017	Mid-2018	N/A

## Rates

In general, any of the three CCE options can result, in the long run, with rates that are at or slightly below those of PG&E. This is not to say that in some years PG&E's rates may be lower, or that one CCE option would consistently have rates that are lower than the others. Rather, given that a CCE's rates are a function of its communities' values—amount of local renewable generation, promotion of energy efficiency or distributed generation, overall rate minimization—and that two of the three CCEs being compared do not yet exist, let alone have rate or procurement policies, MRW cannot assert that one CCE option will have lower rates than the other two. Both MCE and EBCE have commitments to higher-cost local renewable development, which suggests that they are willing to trade off somewhat lower rates for other benefits. A

<sup>61</sup> Start-up costs provided by the County or others are likely to be reimbursed by the JPA.

<sup>62</sup> Costs already spent for consulting/technical study will likely not be reimbursed.

Contra Costa CCE that focuses more on rate reduction could in principle offer marginally lower rates than the other two.

## GHG Reduction

For climate action planning and reporting purposes, the amount of GHG reduction that can be attributed to a CCE formation is a function of the difference between the average GHG emissions from PG&E and that of the CCE. PG&E’s power portfolio is already relatively “clean,” with large fractions coming from not only qualifying renewables but also nuclear power (through 2024) and large hydroelectric generators. As Table 26 shows, 59% of PG&E’s 2015 power came from GHG-free resources. This number would be closer to 67% GHG-free but for the poor hydroelectric generation due to the ongoing drought.<sup>63</sup> Therefore, for any CCE to have a reduced average carbon footprint requires not only the same or greater amount of qualifying renewable generation, but additional sources of GHG-free generation.

**Table 26. PG&E and MCE Power Content (2015)**

	PG&E 2015	MCE 2015
<b>Eligible renewable</b>	30%	56%
<b>Large Hydro</b>	6%	12%
<b>Nuclear</b>	23%	0%
<b>GHG-Free subtotal</b>	<b>59%</b>	<b>68%</b>
<b>Unspecified/Market</b>	17%	25%
<b>Natural Gas</b>	25%	12%
<b>Fossil subtotal</b>	<b>41%</b>	<b>32%</b>

An approach taken by some of the currently operating Northern California CCEs is to (a) use more qualifying renewable generation than PG&E, and (b) contract with and use power from large hydroelectric resources. This is shown in MCE’s power content mix, and to the extent possible, what was modeled here for Contra Costa County and for MRW’s study of an Alameda County CCE.

Given that both MCE and EBCE have made GHG reductions a very high priority, one can reasonably assume that either will have some GHG-emissions benefit relative to PG&E, but there is no concrete rationale to assume that either MCE or EBCE will have a significantly-lower GHG emissions rate than the other.

## Local Economic Benefits

As noted earlier in the report, the amount of local economic benefits is a function of rate reduction and local construction and CCE staffing. The number of local renewable energy projects will be a function of at least two factors. The first is any cost competitiveness advantage of renewable resources in the County; i.e., others will want to build renewable generation in the County because of cost advantages (including interconnection ease). Second, local generation

<sup>63</sup> However given climate change, one can sensibly argue that the lower-than-historic-average hydroelectric output in California seen over the past few years may be more predictive than the historical average.

development will be fostered by a preference for local generation by the CCE serving Contra Costa County. While all three CCE options have expressed a preference for “local” renewables, the extent to which these three programs might develop local renewable generation facilities within the County remains uncertain. MCE has already invested in Contra Costa County, with a new utility-scale solar project in Richmond and numerous individuals taking advantage of its rooftop solar program. Nonetheless, in the long run MRW would expect that a Contra Costa CCE would have the greatest interest in developing in-county renewables and thus could potentially have the greatest positive economic impact. Teaming with either of the other CCEs would dilute the interest, as the CCE would have to consider economic development in its non-Contra Costa communities as well. Given the particularly strong interest of the EBCE group in local renewables, the notion that “local” might encompass the whole “East Bay,” and the fact that Contra Costa cities might have greater say in the formation of generation polities with a new group like EBCE than a more established one like MCE all suggest that EBCE might be more responsive in developing in-county renewables than MCE. On the other hand, MCE has a commanding head start, having already developed renewable projects in the County.

Contra Costa County makes up but a small fraction of PG&E’s service area. While PG&E’s local community engagement is admirable, it cannot focus on the County in a way that a smaller CCE can. As such, any of the three CCE scenarios will likely result in greater local economic benefits than remaining with PG&E.

### **CCE Governance: Voting**

How each community is represented on a CCE’s governing board (generally a board of directors) is laid out in its JPA agreement. Per its current JPA agreement, EBCE will have a two-stage vote: under most circumstances, each board member (each representing a single entity) would have one vote, regardless of his or her entity’s size. That is, both Oakland and Piedmont would have an equal vote. In the event of a non-unanimous affirmative vote, three cities can call for a weighted vote. In that case, each Representative Board Member’s vote would be weighted according to the size (in kilowatt-hours) of the entity being represented. These two voting shares are shown in Table 27.

As noted in Table 28 if EBCE consisted of Alameda County alone, the combination of the three largest entities (Oakland, Fremont, plus Hayward or Berkeley) could carry the weighted vote. If all of Contra Costa County joined EBCE, then it would take the five largest entities (Oakland, Fremont, Hayward, Unincorporated Contra Costa County plus Berkeley or Concord) to carry the vote.

**Table 27. EBCE Voting Shares, With and Without Contra Costa<sup>64</sup>**

	Simple Voting		Load-Weighted Voting*	
	Alameda Only	Alameda + Contra Costa	Alameda Only	Alameda + Contra Costa
<b>Oakland</b>	8.3%	3.7%	24.8%	17.5%
<b>Fremont</b>	8.3%	3.7%	16.2%	11.4%
<b>Hayward</b>	8.3%	3.7%	10.1%	7.1%
<b>Berkeley</b>	8.3%	3.7%	8.5%	6.0%
<b>San Leandro</b>	8.3%	3.7%	6.4%	4.5%
<b>Livermore</b>	8.3%	3.7%	6.2%	4.4%
<b>Unincorporated Ala.</b>	8.3%	3.7%	6.4%	4.5%
<b>Other Alameda Cities</b>	41.7%	18.5%	14.9%	8.3%
<b>Alameda Total</b>	<b>100.0%</b>	<b>44.4%</b>	<b>100.0%</b>	<b>63.6%</b>
<b>Unincorporated C.C.</b>		3.7%		9.0%
<b>Concord</b>		3.7%		5.1%
<b>Pittsburg</b>		3.7%		4.6%
<b>Antioch</b>		3.7%		3.7%
<b>San Ramon</b>		3.7%		3.2%
<b>Brentwood</b>		3.7%		2.1%
<b>Danville</b>		3.7%		1.7%
<b>Martinez</b>		3.7%		1.4%
<b>Pleasant Hill</b>		3.7%		1.4%
<b>Oakley</b>		3.7%		1.1%
<b>Orinda</b>		3.7%		1.0%
<b>Hercules</b>		3.7%		0.7%
<b>Pinole</b>		3.7%		0.6%
<b>Moraga</b>		3.7%		0.5%
<b>Clayton</b>		3.7%		0.3%
<b>Contra Costa Total</b>	<b>N/A</b>	<b>55.6%</b>	<b>N/A</b>	<b>36.4%</b>
<i>*Only in cases where called upon by 3 Board Members</i>				

**Table 28. EBCE Minimum Cities Needed to Carry Weighted Vote**

<b>Alameda Only</b>	<b>3 cities</b>	<b>Oakland, Fremont + Hayward or Berkeley</b>
<b>Alameda + Contra Costa</b>	<b>5 cities</b>	<b>Oakland, Fremont, Hayward, Unincorporated Contra Costa Co. + Berkeley or Concord</b>

<sup>64</sup> It should be noted that two cities in Alameda County opted to not join the CCE at this time. Should they join, that could change the voting shares. Similarly, if not all Contra Costa jurisdictions join either MCE or EBCE, the voting shares will be different.

MCE's voting structure differs from EBCE's in two important ways. First, each board member's vote is a weighted. Half of each board member's weighting is equal to his or her entity's share of MCE's total load. The other half is an equal share for each entity. Thus, if a community is one of 26 members representing 18% of MCE's load, the board member's vote would be 10.9% ( $18\% \times (1/2) + (1/26) \times (1/2) = 9\% + 1.9\% = 10.9\%$ ) Second, multiple entities have the option to be represented by a single board member. For example, Napa County and all the towns/cities within the County are represented by a single board member. This consolidated seat allows for potentially less administrative burden on the represented entities and "streamlines communication and policy setting." On the other hand, it effectively requires the communities with a joint board member to vote as a bloc, and while the bloc maintains the same voting share, it can reduce the "voice" of the communities: one person to speak on their behalf rather than, say, five, or six (or more).

Table 29 shows what the voting shares might be if all the Contra Costa communities joined MCE and each claimed its own board member. Together, the Contra Costa communities (including those already in MCE) would represent 71% of MCE's load and have a total 62% of the voting share.

**Table 29. MCE Voting Shares With Each Contra Costa Community Having Its Own Board Member**

VOTING SHARES	Entity Share	Load Share	Voting Share
<b>Antioch</b>	1.3%	2.8%	4.1%
<b>Brentwood</b>	1.3%	1.6%	2.9%
<b>Clayton</b>	1.3%	0.3%	1.5%
<b>Concord</b>	1.3%	3.9%	5.2%
<b>Danville</b>	1.3%	1.3%	2.6%
<b>Hercules</b>	1.3%	0.6%	1.8%
<b>Martinez</b>	1.3%	1.1%	2.4%
<b>Moraga</b>	1.3%	0.4%	1.6%
<b>Oakley</b>	1.3%	0.8%	2.1%
<b>Orinda</b>	1.3%	0.8%	2.0%
<b>Pinole</b>	1.3%	0.5%	1.7%
<b>Pittsburg</b>	1.3%	3.5%	4.7%
<b>Pleasant Hill</b>	1.3%	1.0%	2.3%
<b>San Ramon</b>	1.3%	2.4%	3.7%
<b>Unincorporated Contra Costa County</b>	1.3%	6.8%	8.1%
<b>New Contra Costa Members</b>	<b>19.2%</b>	<b>27.6%</b>	<b>46.8%</b>
<b>Existing MCE Contra Costa Members</b>	<b>6.4%</b>	<b>8.0%</b>	<b>14.4%</b>
<b>TOTAL CONTRA COSTA COUNTY</b>	<b>25.6%</b>	<b>35.6%</b>	<b>61.2%</b>
<b>Rest of MCE</b>	<b>24.4%</b>	<b>14.4%</b>	<b>38.8%</b>

## CCE Governance: Other

The proposed EBCE JPA Agreement also calls for a formal Community Advisory Committee (Section 4.9). The relevant section states that the purpose of the Committee:

“shall be to advise the Board of Directors on all subjects related to the operation of the CCA Program ... with the exception of personnel and litigation decisions. The Community Advisory Committee is advisory only, and shall not have decision-making authority... The Board shall appoint members of the Community Advisory Committee from those individuals expressing interest in serving, and who represent a diverse cross-section of interests, skill sets and geographic regions.”

The Chair of the Community Advisory Committee will serve as a non-voting *ex officio* member of the EBCE Board of Directors.

MCE has no analogous official community advisory committee originating from its JPA agreement. Nonetheless, there is a “Community Power Coalition” that provides input to MCE (*see*, <https://www.mcecleanenergy.org/community-power-coalition/>). The Coalition works “on a variety of issues ranging from local renewable energy project development – like MCE Solar One in Richmond – to outreach for MCE’s Spanish-speaking constituents, to environmental justice and consumer protection issues affecting MCE’s low-income customers.”

The recitals to EBCE’s JPA agreement lay out what can be described as its envisioned values. Besides offering competitive rates and lowering greenhouse gasses, this includes (Recitals, Section 6):

- Establishing an energy portfolio that prioritizes the use and development of local renewable resources and minimizes the use of unbundled renewable energy credits;
- Promoting an energy portfolio that incorporates energy efficiency and demand response programs and has aggressive reduced consumption goals;
- Demonstrating quantifiable economic benefits to the region (e.g. union and prevailing wage jobs, local workforce development, new energy programs, and increased local energy investments);
- Recognize the value of workers in existing jobs that support the energy infrastructure of Alameda County and Northern California. The Authority, as a leader in the shift to a clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a “just transition” to the new clean energy economy;
- Delivering clean energy programs and projects using a stable, skilled workforce through such mechanisms as project labor agreements, or other workforce programs that are cost effective, designed to avoid work stoppages, and ensure quality;
- Promoting personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- Provide and manage lower cost energy supplies in a manner that provides cost savings to low-income households and promotes public health in areas impacted by energy production; and

- Create an administering agency that is financially sustainable, responsive to regional priorities, well managed, and a leader in fair and equitable treatment of employees through adopting appropriate best practices employment policies, including, but not limited to, promoting efficient consideration of petitions to unionize, and providing appropriate wages and benefits.

Contra Costa communities considering joining EBCE should consider these enunciated values prior to committing to membership.

### **Timing and Process to Join/Form**

The timing required to serve Contra Costa businesses and residents vary markedly among the CCE options. The quickest path the CCE service would be to join with MCE. The first step for a community to join MCE is for its governing body or representative (e.g., city manager) to provide MCE a non-binding letter of interest. The entity's governing body would then need to adopt a resolution requesting MCE membership; have a first reading of an ordinance to join MCE; execute a memorandum of understanding between the entity and MCE to address preliminary data and communication issues; and provide a signed request for PG&E to provide MCE its load data. These steps would need to occur during MCE's "inclusion period" which currently runs from December 1, 2016 through May 31, 2017. Only communities in Contra Costa County are eligible to request MCE membership during this period.

MCE would then evaluate the impact of the new load on its system. If the net result of adding the new community is that MCE's rates would increase, then that community's membership would be tabled until a future date. If the MCE analysis shows that adding the community is favorable, then the MCE Board would vote to accept (or not) the community into MCE. At that point, the local ordinance for MCE membership would receive a second reading and adoption. MCE would then modify its official Implementation Plan to reflect the new community, and submit the updated plan to the California Public Utilities Commission. Once approved (none have been rejected), the phase-in of the community into MCE can occur.

Based on MCE's currently Inclusion Period, Contra Costa County and the jurisdictions not already served by MCE could begin MCE service as early as late 2017.

Although it has just recently formed, the EBCE board has extended an offer to interested Contra Costa communities to join EBCE. In a letter from Chris Bazar, Director, Alameda County Community Development Agency, EBCE would welcome Contra Costa members into its Phase 2 or Phase 3 rollout.<sup>65</sup>

The current EBCE JPA documents states in Section 3.1, Addition of Parties:

Subject to Section 2.2, relating to certain rights of Initial Participants, other incorporated municipalities and counties may become Parties upon (a) the adoption of a resolution by the governing body of such incorporated municipality or county requesting that the incorporated municipality or county, as the case may be, become a member of the

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<sup>65</sup> The letter suggests that Phase 2 would commence in the summer of 2018 and Phase 3 in Fall 2018 or Spring 2019.

Authority, (b) the adoption by an affirmative vote of a majority of all Directors of the entire Board satisfying the requirements described in Section 4.12, of a resolution authorizing membership of the additional incorporated municipality or county, specifying the membership payment, if any, to be made by the additional incorporated municipality or county to reflect its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership, (c) the adoption of an ordinance required by Public Utilities Code Section 366.2(c)(12) and execution of this Agreement and other necessary program agreements by the incorporated municipality or county, (d) payment of the membership fee, if any, and (e) satisfaction of any conditions established by the Board..

Thus, a Contra Costa community would need to adopt a resolution requesting membership in the EBCE, the board of Directors of EBCE would have to vote to authorize the applying community's membership, followed by the applying entity passing an ordinance to join. To be part of the Phase 2 rollout, a City would have need to have an ordinance passed by June 30, 2017.

Implementing a Contra Costa County only CCE would likely have a time line similar to joining EBCE. If the County and its cities were committed to this path, it could potentially begin service as early as 2018. This is consistent with Peninsula Clean Energy, which went from putting out an RFP for a technical study to Phase 1 implementation in 18 months (April 2, 2015 to October 1, 2016). A more measured timeline would suggest that a new Contra Costa CCE would spend much of 2017, planning and generating local support, with implementation beginning in late 2018 or 2019.

### **Costs to Join the CCE**

This section discusses direct, non-reimbursable costs to cities for joining either EBCE or MCE. So far, cities joining MCE have not had to pay for any of the costs incurred by MCE to plan for or integrate their load. They have often spent on the order of \$10,000 to \$15,000 for consultants to evaluate the risks to the city and its residents and businesses that could come from joining MCE. Both MCE and EBCE have extended a no-cost opportunity to join to the Contra Costa jurisdictions who are not already members of MCE.

The start-up costs for a new Contra Costa CCE would be significant—Alameda County has committed \$3.4 million to its effort. However, consistent with other CCEs, these costs would be initially reimbursed to the County and funding cities by a loan taken out by the CCE's JPA, which would in turn be paid down via CCE rates over the initial few years. As such, the only "cost to join" a Contra Costa CCE felt by any individual city would be indirect at best (i.e., asked to backstop any CCE loads with the entities' credit).

### **Exiting the CCE**

MCE's JPA Section 7.0 lays out the process and ramifications of a MEC member withdrawing from the JPA. First, an entity may withdraw from the JPA within 30 days of its notification of joining the JPA, assuming that MCE has not entered into any wholesale power agreements to serve the entity. (Section 7.1.1.1) After MCE has entered into wholesale power agreements to serve the entity, the entity may withdraw from MCE, effective the beginning of the JPA's fiscal

year by giving at least 6 months' written notice of its intent to withdraw. The withdrawing entity may be subject to "certain continuing liabilities" as laid out in Section 7.3:

**7.3 Continuing Liability; Refund.** Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.

Neither the precise calculation of the liabilities nor how it would be collected is specified.

The proposed EBCE JPA Agreement contains no language concerning a community's exit from EBCE or the JPA.

### **Remaining With PG&E**

Although this study suggests CCE program options would likely produce both environmental and economic benefits for the jurisdictions included in the study, continuing service with PG&E remains an option for not only a community but also for any individual or business whose community has selected CCE service (i.e., each individual account maintains its right to opt-out of CCE service). There are benefits of remaining with PG&E, even at a community level. First, remaining with PG&E takes no city action. Thus, a city's leadership and staff can concentrate their limited resources on matters that may be more pressing. Second, PG&E is regulated by the State via the California Public Utilities Commission (CPUC), which oversees its power procurement and approves its rates. While CCEs are partially regulated by the CPUC (e.g., ensuring that the CCE complies with any applicable laws), they are not subject to rate regulation. Some may see State oversight as a benefit, with an official "watchdog" overseeing power supply and procurement, while others might see the local CCE board accountability as a benefit. Third, PG&E is much larger than any of the CCE options that Contra Costa communities might pursue, which (as discussed) might reduce community input and value but also provide some economies of scale. For example, one poor power contract entered might have significant rate or operational ramifications for a CCE. For PG&E, given its size, the impact of that same poor contract would be diluted. Lastly, simply because a Contra Costa community does not join a CCE in 2017 or 2018 does not necessarily preclude it from doing so in the future, although waiting may result in an "entry fee" or perhaps a high PCIA rate.

## Summary

The following lays out the principal benefits and risks of each of the options considered.

### **Potential Benefits of Forming Contra Costa CCE (relative to joining MCE or EBCE)**

- More local control (voting shares not diluted)
- Can form JPA and policies to fully reflect County interests and values
- Greatest potential for local economic development (due largely to more local control)
- Even if formed, individuals may still select PG&E as their power provider

### **Potential Risks/Downsides of Forming Contra Costa CCE (relative to joining MCE or EBCE)**

- Commitment of County and city resources to establish a new CCE agency
- Higher risks due lack of experience, fewer partners
- Would need to establish programs, contractors, credit, etc.
- Longest time line to begin enrolling customers
- Given MCE's presence in five Contra Costa communities, potential customer confusion with multiple CCEs in the same county

### **Potential Benefits of joining MCE (relative to joining EBCE)**

- Five other Contra Costa County communities have already joined
- Established, successful program
- Credit capacity and programs in place
- Likely easier transition/implementation
- Able to enroll customers sooner than EBCE
- Programs that create jobs and economic benefits could be implemented more quickly

### **Potential Risks/Downsides of joining MCE (relative to joining EBCE)**

- May have less Board representation (if all of Contra Costa County and its jurisdictions are represented by a shared seat)
- May be less of a "fit" compared to East Bay identification and sensibilities (or, for some cities, this may be a benefit)
- Programs are already in place; less/minimal input into their formation
- Joining a large board serving a very diverse customer base and geography

### **Potential Benefits of joining EBCE (relative to joining MCE)**

- Coming in closer to the "ground floor" — opportunity to influence policy direction and program development
- May be more mission or cultural alignment (East Bay vs. Marin) (or perhaps for some communities, not)

- Board will more likely be one seat per member jurisdiction (not a shared seat)
- Weighted voting process is a little clearer
- EBCE working on a local development business plan with emphasis on local power production in the East Bay

**Potential Risks/Downsides of joining EBCE (relative to joining MCE)**

- Take longer to enroll County communities
- Take longer for job-creating programs to get up and running
- May be a small fish among some very large fish (Oakland, Hayward)
- Union focused policies may be difficult for some (or preferable)
- Given MCE's presence in five Contra Costa communities, potential customer confusion with multiple CCEs in the same county

**Potential Benefits of Remaining with PG&E (relative to joining or forming a CCE)**

- Experienced provider
- State regulatory protection
- Continuity- same firm provides all services
- No action needed by City/County—status quo
- May be able to join a CCE at a later date (but perhaps at some cost)

**Potential Risks/Downsides Benefits of Remaining with PG&E (relative to joining or forming a CCE)**

- Higher GHG emissions
- Less local renewable generation
- Higher electricity rates than CCE rates under most scenarios
- Less local control
- Less local input into policies and offerings
- Less local economic development

## Chapter 8: Other Issues Investigated

### Synergies on the Northern Waterfront

Contra Costa County has an ongoing initiative to economically develop its Northern Waterfront. The Northern Waterfront stretches from the City of Hercules at San Pablo Bay, along the southern shore of the Carquinez Straight and Suisun Bay, and out to the San Joaquin Delta region of Oakley. The County's Northern Waterfront Economic Development Initiative is a regional cluster-based economic development strategy with a goal of creating 18,000 new jobs by 2035. The Initiative leverages existing competitive advantages and assets by focusing on advanced manufacturing sub-sectors in five targeted clusters (advanced transportation fuels, bio-tech/bio medical, diverse manufacturing, food processing, and clean tech).

To assess the potential positive impacts a CCE might have on this Area, the study looked at the Northern Waterfront to assess local generation potential within the area. Of the potential 3,350 MW of solar resources in the County, approximately 40% lies within the Northern Waterfront. As shown in Table 30, there are over 700 potential solar sites in the area, which could theoretically generate over 2,000 GWhs. Of these sites, over 800 MW have the highest potential ranking, meaning that they are the most appropriate for actual development. In fact, all the local solar capacity specified in Scenarios 3 or 4 could be met at sites in the Northern Waterfront alone.

**Table 30 Solar Potential in the Northern Waterfront**

Location	Solar Sites	PV Potential (MW)	PV Production (GWh)	Build Cost (\$ Thousands)
Antioch	189	327	524	\$747,130
Concord	108	191	306	\$442,015
Crockett	21	58	93	\$125,187
Hercules	52	90	144	\$200,512
Martinez	139	300	480	\$629,130
Oakley	43	76	121	\$178,390
Pinole	17	24	39	\$57,208
Pittsburg	153	298	477	\$679,851
Rodeo	14	35	57	\$85,875
<b>Grand Total</b>	<b>736</b>	<b>1,400</b>	<b>2,241</b>	<b>\$3,145,298</b>

How much solar could actually be sited in the Northern Waterfront would depend upon (a) the degree to which there is competition for sites for perhaps higher-value projects and (b) the CCE's policies toward fostering local projects.

In addition to this renewable potential, the Northern Waterfront also hosts six major power plants (Table 31). In addition to these, the refineries in the area also generate much of their own power.

A Contra Costa CCE could contract with one of more of these facilities to provide the CCE’s Resource Adequacy Requirements or a portion of its energy needs. Alone, a Contra Costa CCE would not be able to use all—or even most—of the power produced by any of these or other major power plant of this magnitude (e.g., the cancelled Oakley power plant).

**Table 31. Natural Gas Power Plants in the Northern Waterfront**

Plant	Location	Capacity (MW)	Year in Service	Owner	Type
<b>Crockett Cogen</b>	Crocket	275	1995		Steam-Cogen
<b>Los Medanos</b>	Pittsburg	555	2001	Calpine	Combined cycle -Cogen
<b>Delta Energy Facility</b>	Pittsburg	887	2002	Calpine	Combined cycle
<b>Gateway</b>	Antioch	530	2009	PG&E	Combined cycle
<b>March Landing</b>	Antioch	760	2013	NRG	Combined cycle
<b>Pittsburg</b>	Pittsburg	1,029	1970s	NRG	Steam, combined cycle

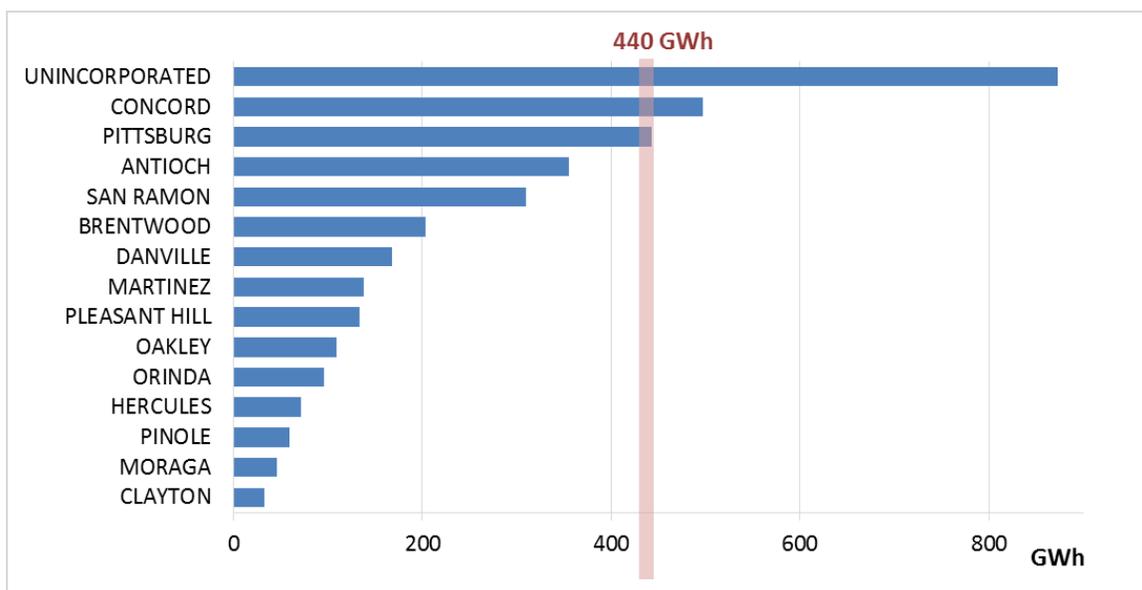
### “Minimum” CCE Size?

MRW’s analysis above assumed that all eligible Contra Costa County cities join the Contra Costa County CCE program with a participation rate of 85% from each city, resulting in an anticipated CCE load of about 3.6 million MWh per year.<sup>66</sup> If fewer customers join, CCE rates will generally be higher because about \$7 million of annual CCE costs are invariant to the amount of CCE load. Along with the number of customers, the customer make-up is also important. For example, a higher share of residential customers would improve the competitiveness of the CCE, while a higher share of commercial customers or industrial customers would weaken the competitiveness of the CCE. Because cities vary in their distribution of customers by rate class, a city opting out of the CCE could affect the competitiveness of the CCE due to both the reduction in CCE load and the shift in customer make-up.

To identify the “minimum” load needed for CCE customer rates to be no higher than PG&E customer rates, we will analyze only the period between 2018 and 2030. The “minimum” load for this period is approximately 440,000 MWh per year, assuming the average customer portfolio for Contra Costa County and Supply Scenario 1. This value was estimated by assuming that the fixed costs remained the same (i.e., did not scale with sales) and then lowering the sales until the hypothetical reduced CCE’s rates were equal to PG&E’s. As shown in Figure 31, this is roughly the load from the big cities (Concord and Pittsburg) and is much smaller than the load from the unincorporated area. As long as two medium-sized cities or one larger city joins the CCE, this “minimum” load will be met. It is not a true minimum, however, because the true minimum depends on the make-up of the customer portfolio; for example, for the stand-alone city of Pittsburg,<sup>67</sup> due to its load with more industrial proportion, the CCE program would not be cost-competitive.

<sup>66</sup> In the alternate supply scenarios, the “minimum” annual load assuming the average customer portfolio for Contra Costa County and the base case is 550,000 MWh (Scenario 2).

<sup>67</sup> See Figure 2. Pittsburg is the only city with this highly industrial profile.

**Figure 31. Potential load (85% participation) per city**

### Individuals and Communities Self-Selecting 100% Renewables

The existing CCEs all offer customers an option to choose to receive 100% of their power from renewable resources in exchange for a rate premium. However, each CCE's program is different. MCE Clean Energy has offered its "Deep Green" at a rate premium of 1¢/kWh because its inception. Sonoma Clean Power offers its "Evergreen" option at approximately the same price as PG&E's "Solar Choice" rate. Lancaster Choice Energy offers its Smart Choice as a fixed monthly premium rather than a variable rate. In all cases, only a very modest number of CCE customers—on the order of a few percent—have selected the 100% green rate option.

**Table 32. CCE 100% Green Rate Premiums**

CCE	Rate Option	Increment Above Default Rate
Marin Clean Energy	Deep Green	1¢/kWh
Sonoma Clean Power	EverGreen	3.5¢/kWh
Lancaster Choice Energy	Smart Choice	\$10/month
Peninsula Clean Energy	ECO100	1¢/kWh
CleanPowerSF	SuperGreen	2¢/kWh
Potential Contra Costa Co. CCE	TBD	~1.5¢/kWh

Any full renewable pricing option offered by the Contra Costa County CCE would have to be set by the CCE's management. The value shown in Table 32, ~1.5¢/kWh, is the average incremental cost of green power used in the CCE supply assessment (Scenario 2) over the study period. (Initially, it would have to be ~1.9¢/kWh.) The number of customers selecting the rate would not impact the economics of the CCE customer who remain on the standard rate.

- Separate CCE opt-out notifications would be needed. A key feature of the opt-out notification is the price comparisons against PG&E. As the default rate would be different for these communities, a different notice would have to be sent. This would simply increase the start-up cost for the CCE, the increment could be paid for by the city electing a different default rate.
- Having a higher default rate might increase the number of opt-outs in the community.
- PG&E's billing system would have to be able to handle city- or zip code-specific default options. That is, as new residential or businesses move to a self-selected green community, the billing system would need to know to default them on a different rate schedule than a customer in a different CCE community. This may or may not be an issue.

### **Competition with a PG&E Solar Choice Program**

PG&E has been offering a solar choice program known as Green Tariff Shared Renewable Program since February 2015.<sup>68</sup> The program was established under Senate Bill 43, and pursuant to Decision 15-01-051 from the CPUC, to extend access to renewable energy to ratepayers that are currently unable to install onsite generation.<sup>69</sup> It offers homes and businesses the option to purchase 50% or 100% of their energy use from solar resources. The program provides those with homes or apartments or businesses that cannot support rooftop solar the opportunity to meet their electricity requirements through renewable energy and support the growth of renewable energy resources.

PG&E's current Solar Choice program costs residential customers an additional 3.58¢/kWh. Given that MRW projects that the CCE can offer 100% green power at ~1.5¢/kWh over its own Scenario 1 or Scenario 2 rate (which is projected to be less than PG&E's), we do not believe PG&E's Community Solar Program will be price competitive with similar CCE product options.

The program is open for enrollment until subscriptions reach 272 MW or January 1, 2019, whichever comes first.<sup>70</sup> While this does limit the ability for PG&E to provide a 100% renewable

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<sup>68</sup> PG&E website

[http://www.pge.com/en/b2b/energysupply/wholesaleelectricssuppliersolicitation/RFO/CommunitySolarChoice.page?WT.mc\\_id=Vanity\\_communitysolarchoice](http://www.pge.com/en/b2b/energysupply/wholesaleelectricssuppliersolicitation/RFO/CommunitySolarChoice.page?WT.mc_id=Vanity_communitysolarchoice). Accessed 5/16/2016

<sup>69</sup> California Public Utilities Commission, Decision 15-01-051, p.3

<sup>70</sup> Solar Choice Program FAQs website,

<https://www.pge.com/en/myhome/saveenergymoney/solar/choice/faq/index.page> Accessed, 5/16/2016

option in the long-run, at the start of the CCE this program it provides an opportunity for customers who desire 100% renewable power to remain with PG&E.

### Differences Between the Analyses for Contra Costa and Alameda Counties

In the first half of 2016, MRW prepared a similar CCE analysis for Alameda County.<sup>71</sup> Although the fundamental approach and results of study and this one are the same, there are several differing assumptions resulting in differing results. If we compare the results of the present study with the results obtained in the Alameda CCE study, we observe that the savings for CCE customers are very similar in both studies, though PG&E rates and CCE rates are both approximately 1¢/kWh higher in the current study than in the prior study (**Table 33**).

**Table 33. Average prices for 2018-2030 Scenario 1 for Contra Costa and Alameda County CCE programs**

Average Period 2018-2030	Contra Costa County	Alameda County
Price natural gas (\$/MMBtu)	5.70	4.90
Wholesale (\$/MWh)	51.30	44.80
PG&E Capacity (\$/MWh)	74	39
CCE Capacity (\$/MWh)	52	39
Wind (\$/MWh)	56	57
Solar Distant (\$/MWh)	51	51
Solar Local (\$/MWh)	98	74
% Local Solar by 2030	25%	10%
PG&E rate (¢/kWh)	11.7	10.4
PCIA rate (¢/kWh)	1.4	1.4
CCE rate (¢/kWh)	9.4	8.3
Difference CCE-PGE (¢/kWh)	2.3	2.1

The results of the present study for Contra Costa County differ from the prior results for Alameda County because we updated our forecast to reflect new PG&E rate filings and other public forecasts. The main changes between the models are as follows:

- **Bundled Load Forecast:** As a result of increased interest in CCE, PG&E's most recent bundled load forecasts are 3% below the previously available forecasts for 2017 and an average of 25% below the previously available forecasts over the 2018-2030 period (see Figure 32).<sup>72</sup> Less load reduces PG&E's procurement costs, increases the share of fixed costs

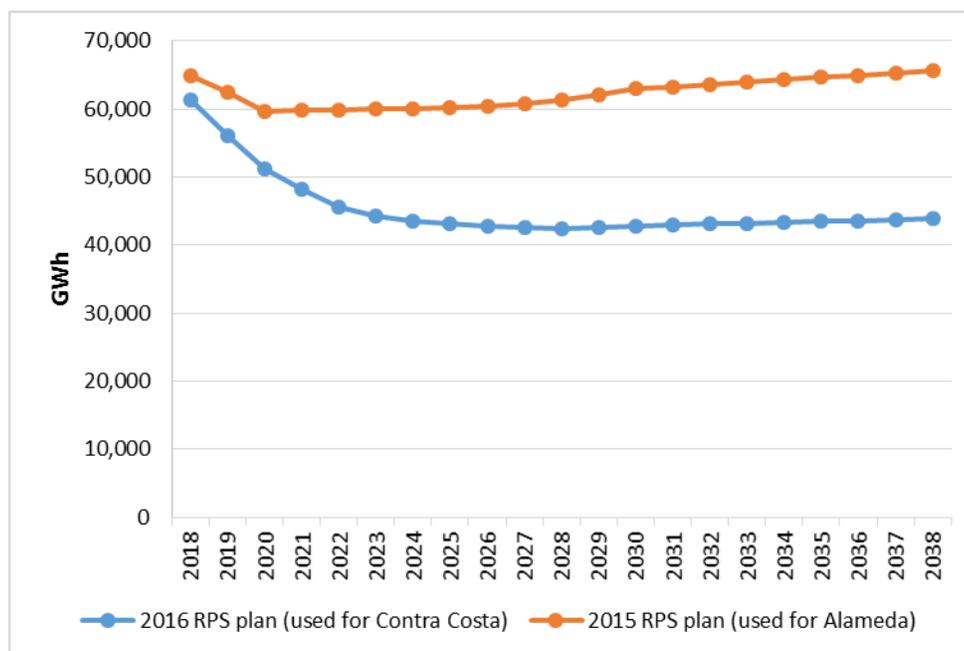
<sup>71</sup> The final version of the Alameda CCE technical study was published on July 1, 2016.

<https://www.acgov.org/cda/planning/cca/documents/Feas-TechAnalysisDRAFT5312016.pdf>

<sup>72</sup> The sources for the 2017 bundled load forecasts are PG&E's 2017 preliminary and final ERRAs forecasts. (The June 2016 preliminary forecast was used in the Alameda County CCE study, and the November 2016 final forecast

paid by remaining bundled customers, and increases the revenue provided to bundled customers from CCE exit fees. These effects mostly offset each other, resulting in little net change to bundled rates.<sup>73</sup>

**Figure 32: Bundled Load Forecasts used in the Alameda and Contra Costa County Analyses**



- **Natural gas prices:** Projections for natural gas prices are about \$0.80/MMBtu higher than they were in the spring when the Alameda County report was developed. The higher natural gas prices increase wholesale market prices by \$7/MWh (14%).
- **Diablo Canyon Retirement application:** In July 2016, PG&E, together with other entities, submitted a proposal to retire the two units of Diablo Canyon when their licenses expire in November 2024 and August 2025. Per the proposal, PG&E would replace Diablo Canyon production with energy efficiency and greenhouse gas-free generation resources. These resources would include the following: (1) 2,000 GWh of load reduction from additional energy efficiency to be installed by January 2025, (2) 2,000 GWh of load reduction or generation from GHG-free generation resources to be on-line between 2025 and 2030, and (3) a voluntary commitment from PG&E to meet a 55% RPS for 2031-2045 (instead of the 50% requirement currently in effect). The joint proposal estimated that the retirement of Diablo Canyon would result in a need for new generation capacity (“load-resource balance”) around 2030, which is about five years earlier than previously anticipated.

was used in the present study.) The sources for the 2018-2030 bundled load forecasts are PG&E’s RPS plans for 2015 (filed in January 2016, used for Alameda County) and for 2016 (draft filed in August 2016, used for Contra Costa).

<sup>73</sup> CCE exit fees are designed so that bundled customers’ rates are not affected by CCE departures. In practice, some impact is likely in one direction or the other, and the magnitude and direction of this impact may each vary year by year.

The new energy efficiency resources together with other costs of the nuclear plant retirement would be recovered through non-generation rates (mostly Public Purpose Program and Nuclear Decommissioning charges), and the new RPS resources would be recovered through a new “Clean Energy Charge” applied to all PG&E retail customers. For those load serving entities that are willing to commit to procuring the equivalent new RPS resources, PG&E has proposed a “self-provision” option that would exempt existing DA and CCE loads from the Clean Energy Charge. In the analysis for Contra Costa County, MRW assumed that Contra Costa CCE would choose the “self-provision” option.

MRW assumed for this study that the Diablo Canyon retirement proposal would be adopted, though the proposal is under evaluation by the Commission and is subject to modification. Based on this proposal, we modified the PG&E and Contra Costa County CCE power supply forecasts as follows:<sup>74</sup>

- 1) PG&E’s RPS requirements were increased for 2030-2038 from 50% to 55%,<sup>75</sup>
- 2) Contra Costa County CCE’s RPS requirements were increased for 2030-2038 to 55% (vs. the 50% that was used in the Alameda County CCE study), and
- 3) We began increasing the price of capacity five years earlier than we had in the Alameda County CCE study, reflecting the earlier load-resource balance date due to the retirement of Diablo Canyon. For both Alameda and Contra Costa counties, MRW assumed that the CCEs would build their own power plants (alone or in combination with other public entities) in place of purchasing market capacity when market prices rise above the cost of a new self-build.

On February 27, 2017, PG&E withdrew portions of its Diablo Canyon retirement proposal. In particular, PG&E states it will still pursue GHG-free replacement resources, but will do so in a different CPUC proceeding. MRW does not believe that this change has a material impact on this analysis.

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<sup>74</sup> We also accounted for the changes in the Public Purpose Program and Nuclear Decommissioning fees in our calculation of the Residential bills.

<sup>75</sup> The generation share of the 2025-2030 commitment for 2,000 GWh of load reduction or GHG-free generation was assumed to be subsumed by procurement needed to meet a 50% RPS by 2030 and therefore did not result in incremental renewable generation in our model.

## Chapter 9: Conclusions

Overall, a CCE in Contra Costa County appears feasible. Given current and expected market and regulatory conditions, a Contra Costa County CCE should be able to offer its residents and business electric rates that are less than that available from PG&E.

Sensitivity analyses suggest that these results are relatively robust. Only when very high amounts of local renewable energy are assumed in the CCE portfolio (Scenario 4), combined with other negative factors, do PG&E's rates become consistently more favorable than the CCE's.

A Contra Costa County CCE would also be well positioned to help facilitate the installation of greater amounts renewable generation in the County. Because the CCE would have a much greater interest in developing local solar than PG&E, it is much more likely that such development would actually occur with a CCE in the County than without it.

The CCE can also reduce the amount greenhouse gases emitted by the County, but only under certain circumstances. Because PG&E's supply portfolio has significant carbon-free generation (large hydroelectric and nuclear generators), the CCE must contract for significant amounts of carbon-free power above and beyond the required qualifying renewables in order to actually reduce the County's electric carbon footprint. Therefore, if carbon reductions are a high priority for the CCE, a concerted effort to contract with hydroelectric or other carbon-free generators would be needed.

A CCE can also offer positive economic development and employment benefits to the County. At the peak, the CCE could create approximately 500 to 700 new jobs in the County, plus an additional 200 jobs in the neighboring counties if local renewable development is prioritized.

While the analytical focus of this report has been on a stand-alone Contra Costa County CCE for those communities not already in MCE that is not the only, nor necessarily best, choice for these communities. Overall, there is insufficient data to suggest that a stand-alone Contra Costa CCE would offer lower rates or greater GHG savings that joining MCE or EBCE. Either forming or joining a CCE would likely offer modestly lower rates and more local economic development that remaining with PG&E. Joining MCE would likely result in the quickest and least risky path to CCE implementation, however with diminished local input into CCE policy formation. Because it has yet to be formed, joining with EBCE would take longer and involve more uncertainty than joining the already-established MCE, but would offer greater input into the CCE's policies and formation.

Although this study suggests CCE program options would likely produce both environmental and economic benefits for the jurisdictions included in the study, continuing service with PG&E remains an option for not only a community but also for any individual or business whose community has selected CCE service. PG&E is an experienced power provider and is regulated by the state. Furthermore, remaining with PG&E takes no city action. Lastly, simply because a Contra Costa community does not join a CCE in 2017 or 2018 does not necessarily preclude it from doing so in the future, although waiting may result in an "entry fee" or perhaps a high PCIA rate.

# Technical Study for Community Choice Energy Program in Contra Costa County

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## Appendices

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With



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Sage Renewables  
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March 2017

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**Appendix A. Loads and Forecast**

**Appendix B. Power Supply Cost**

**Appendix C. Forecast of PG&E's Generation Rates**

**Appendix D. Detailed CCA Rates**

**Appendix E. Greenhouse Gas Emissions and Costs**

**Appendix F. About the REMI Policy Insight Model**

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**Appendix H. MCE's Joint Powers Agreements**

**Appendix I. MCE's approval for inclusion of Contra Costa**

**Appendix J. EBCE's Joint Powers Agreement**

**Appendix K. EBCE's offer for inclusion of Contra Costa**

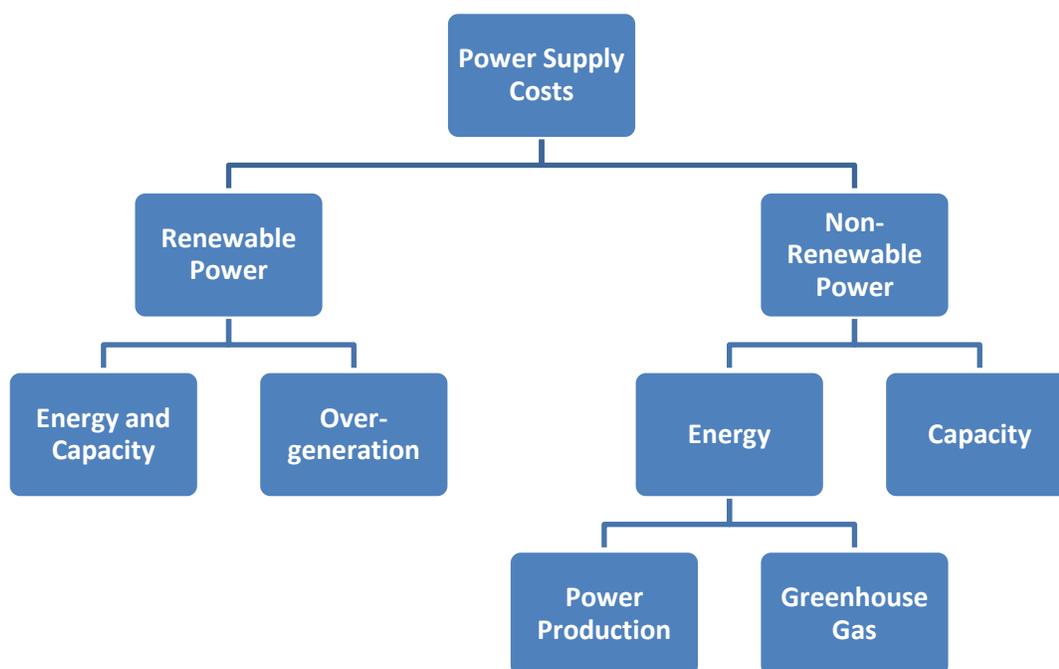
## Appendix A. Loads and Forecast

2014 Load (MWh)	Residential	Commercial	Industrial	Public	Street lights + Pumping
UNINCORPORATED	454,716	252,156	237,085	63,574	19,925
CONCORD	269,024	242,584	53,969	18,228	885
PITTSBURG	145,304	134,197	225,362	14,807	1,635
ANTIOCH	270,761	109,487	18,340	18,694	1,077
SAN RAMON	172,364	140,696	32,012	14,458	4,461
BRENTWOOD	150,827	66,635	0	16,407	4,970
DANVILLE	133,085	51,478	0	11,944	1,394
MARTINEZ	86,638	61,730	6,372	6,121	1,140
PLEASANT HILL	82,411	67,087	0	5,905	1,270
OAKLEY	96,389	18,236	0	12,431	901
ORINDA	58,779	14,719	0	39,747	215
HERCULES	48,162	32,749	0	2,751	700
PINOLE	36,629	26,028	0	5,877	963
MORAGA	40,593	8,818	0	3,701	456
CLAYTON	31,795	4,759	0	1,808	661
<b>TOTAL</b>	<b>2,077,476</b>	<b>1,231,360</b>	<b>573,139</b>	<b>236,454</b>	<b>40,652</b>

## Appendix B. Power Supply Cost

MRW has developed a bottoms-up calculation of Contra Costa County CCA's power supply costs, separately forecasting the cost of each power supply element. These elements are renewable energy, non-renewable energy (including power production costs and greenhouse gas costs), resource adequacy (RA) capacity (both renewable and non-renewable supplies) and related costs (e.g., CAISO expenses and broker fees).<sup>1</sup> Figure 1 illustrates the components of Contra Costa County CCA's expected supply costs.

**Figure 1: Power Supply Cost Forecast**



### Renewable Power Cost Forecast

MRW developed a forecast of renewable generation prices starting from an assessment of the current market price for renewable power. For the current market price, MRW relied on wind and solar contract prices reported by California municipal utilities and Community Choice Aggregation (CCA) entities in 2015 and early 2016, finding an average price of \$52 per MWh for these contracts.<sup>2</sup>

<sup>1</sup> MRW included a 5.5% adder in the power supply cost for CAISO costs (ancillary services, etc.), and a 5% premium for contracted supplies to reflect broker fees and similar expenses.

<sup>2</sup> MRW relied exclusively on prices from municipal utilities and CCAs because investor-owned utility contract prices from this period are not yet public. We included all reported wind and solar power purchase agreements, excluding local builds (which generally come at a price premium), as reported in California Energy Markets, an

To forecast the future price of renewable purchases, MRW considered a number of factors:

- Researchers from the National Renewable Energy Laboratory (NREL) and Lawrence Berkeley National Laboratory (LBNL) developed a set of forecasts of utility-scale solar costs based on market data and preliminary data from other research efforts.<sup>3</sup> Their base case forecast predicts a 3.8% annual decline in utility-scale solar capital costs on a nominal basis, from \$1,932/kW-DC in 2016 to \$1,652/kW-DC in 2020, with costs then remaining roughly constant in nominal dollars through 2030.<sup>4</sup> Additional scenarios predict even steeper price declines, with the most aggressive scenario predicting an 11% annual nominal decline through 2020, with increases at the rate of inflation after that.
- The federal Investment Tax Credit (ITC), which is commonly used by solar developers, is scheduled to remain at its current level of 30% through 2019 and then to fall over three years to 10%, where it is to remain.<sup>5</sup> The federal Production Tax Credit, which is commonly used by wind developers, is scheduled to be reduced for facilities commencing construction in 2017-2019 and eliminated for subsequent construction.<sup>6</sup> The loss of these credits would put upward pressure on prices.
- NREL and LBNL researchers predicted in 2015 that the cost increase associated with an ITC reduction would be roughly offset by other solar cost reductions even if the full reduction to 10% were to be implemented by 2018, rather than spread out through 2022 as is currently planned.<sup>7</sup>
- Lawrence Berkeley National Laboratory researchers conducted a study anticipating a reduction of the wind costs of 24% by 2030 and 35% by 2050.<sup>8</sup>

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independent news service from Energy Newsdata, from January 2015-January 2016 (see issues dated July 31, August 14, October 16, October 30, 2015, and January 15, 2016).

<sup>3</sup> National Renewable Energy Laboratory. Impact of Federal Tax Policy on Utility-Scale Solar Deployment Given Financing Interactions, September 28, 2015, Slide 16. <http://www.nrel.gov/docs/fy16osti/65014.pdf>

<sup>4</sup> Ibid. Costs converted to nominal dollars using the inflation forecast used throughout the rate forecast model (U.S. EIA's forecast of the Gross Domestic Product Implicit Price Deflator).

<sup>5</sup> U.S. Department of Energy. Business Energy Investment Tax Credit (ITC). <http://energy.gov/savings/business-energy-investment-tax-credit-itc>

<sup>6</sup> U.S. Department of Energy. Electricity Production Tax Credit (PTC). <http://energy.gov/savings/renewable-electricity-production-tax-credit-ptc>

<sup>7</sup> National Renewable Energy Laboratory. Impact of Federal Tax Policy on Utility-Scale Solar Deployment Given Financing Interactions, September 28, 2015, Slide 28.

<sup>8</sup> Lawrence Berkeley National Laboratory . Expert elicitation survey on future wind and energy costs. Nature Energy, September 12th, 2016.

- The production tax credit has been extended six times from 2000-2014,<sup>9</sup> and the solar ITC has been extended three times since 2007.<sup>10</sup> Further tax credit extensions are therefore plausible.
- The major California investor-owned utilities have significantly slowed their renewable procurement because lower-than-expected customer sales and higher-than-expected contracting success rates have led to procurement in excess of the RPS requirements through 2020. When the utilities start ramping their procurement back up to meet the 50%-by-2030 RPS requirement, the supply-demand balance in the market may shift, resulting in higher-than-expected prices unless an increase in suppliers and development opportunities matches the increase in demand.

Given the potential upward price pressures from tax credits that are currently expected to expire and from higher demand for renewable power to meet the 50%-by-2030 requirement and the potential downward price pressures from falling renewable development costs, the possibility for lower cost procurement through the use of RECs, and the possibility that the expiry of the tax credits will be further delayed, it is unclear whether renewable prices will continue to fall (as NREL, LBNL, and others are predicting) or will start to stabilize and rise.

MRW has addressed this uncertainty by considering two scenarios for this sensitivity case:

- In the solar base renewable cost forecast, MRW used the \$48.5 per MWh average price of recent municipal utility and CCA solar contracts as the price through 2022 (in nominal dollars), which will increase with inflation in subsequent years. This results in a solar price of \$57 per MWh in 2030, and of \$67 per MWh in 2038. In the wind base renewable cost forecast, MRW used the \$55.0 per MWh average price of recent municipal utility and CCA solar contracts as starting point, and extended it applying an annual decrease of 2% through 2030 and 1% through 2038, offset by inflation. This results in a wind price of \$57 per MWh in 2030, and of \$62 per MWh in 2038.
- In the high renewable cost scenario, MRW increased both wind and solar base case prices to account for the expected expiration of the tax credits, resulting in average a price of \$75 per MWh in 2030 and \$86 per MWh in 2038. These scenarios provide a reasonable window of renewable price projections based on current market conditions and analysts' expectations.

MRW used these same renewable prices to calculate PG&E's renewable power costs. However, as described in Appendix B in the PG&E forecast, these renewable energy prices are used only

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<sup>9</sup> Union of Concerned Scientists. Production Tax Credit for Renewable Energy. [http://www.ucsusa.org/clean\\_energy/smart-energy-solutions/increase-renewables/production-tax-credit-for.html](http://www.ucsusa.org/clean_energy/smart-energy-solutions/increase-renewables/production-tax-credit-for.html)

<sup>10</sup> Solar Energy Industries Association. Solar Investment Tax Credit. <http://www.seia.org/policy/finance-tax/solar-investment-tax-credit>; and U.S. Department of Energy. Business Energy Investment Tax Credit (ITC). <http://energy.gov/savings/business-energy-investment-tax-credit-itc>

for incremental power that is needed above PG&E's existing RPS contracts. For Contra Costa County CCA, these prices are used as the basis for its entire RPS-eligible portfolio.

MRW additionally included a premium for the portion of Contra Costa County CCA's RPS portfolio assumed in each scenario to be located in Contra Costa County. While solar energy is anticipated to provide the largest share of incremental supply located in-county, the solar resource in Contra Costa County is not as strong as in the areas being developed to supply the contracts discussed above. As a result, the cost of solar generation in Contra Costa County is expected to be higher than the assumed contract prices for non- Contra Costa County supplies. Based on information provided in the CPUC's current RPS calculator, combined with SAGE inputs (performance assumptions and capital cost of the projects<sup>11</sup>), the current cost for solar generation in Contra Costa County is expected to be approximately \$98 per MWh. In addition, it is assumed the local solar generation cost will scale with installed capacity.

### **Non-Renewable Energy Cost Forecast**

MRW separated the costs of non-renewable energy generation into two components: power production costs and greenhouse gas costs. The forecast methodologies for these cost elements, described below, are consistent with the forecast methodologies used for these cost elements in the PG&E rate forecast.

Since natural gas generation is typically on the margin in the California wholesale power market, power production costs for market power are driven by the price for natural gas. MRW forecasted natural gas prices based on current NYMEX market futures prices for natural gas, projected long-term natural gas prices in the EIA's *2016 Annual Energy Outlook*,<sup>12</sup> and PG&E's tariffed natural gas transportation rates.<sup>13</sup> MRW used a standard methodology of multiplying the natural gas price by the expected heat rate for a gas-fired unit and adding in variable operations and maintenance costs to calculate total power production costs.

In addition to power production costs, the cost of energy generated in or delivered to California also includes the cost of greenhouse gas allowances that, per the state's cap-and-trade program, must be procured to cover the greenhouse gases emitted by the energy generation. MRW estimated the price of GHG allowances to equal the auction floor price stipulated by the ARB's cap-and-trade regulation, consistent with recent auction outcomes.<sup>14</sup> MRW estimated the

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<sup>11</sup> Capital cost for local solar projects in Contra Costa County, according to SAGE price curve, is \$1,350 per kW installed for the first 400MW solar installed in the county. MRW calculated the average price for the cumulative developed capacity forecast for each year (counting only 50% of the capacity of each developed project towards the cumulative total). The total \$1,350for kW installed doesn't include the soft and land acquisition/opportunity costs.

<sup>12</sup> U.S. Energy Information Administration. "2016 Annual Energy Outlook," Table 13.

<sup>13</sup> Pacific Gas & Electric, Burnertip Transportation Charges. Tariff G-EG, Advice Letter 3664-G, January 2016 and Tariff G-SUR, Advice Letter 3699-G, April 2016.

<sup>14</sup> California Code of Regulations, Title 17, Article 5, Section 95911.

emissions rate of Contra Costa County CCA non-renewable power supply based on an estimated heat rate for market power multiplied by the emissions factor for natural gas combustion.<sup>15</sup>

### Capacity Cost Forecast for Non-Renewable Power

To estimate Contra Costa County CCA's capacity requirements, MRW developed a forecast of Contra Costa County CCA's peak demand in each year and subtracted the net qualifying capacity credits provided by Contra Costa County CCA's renewable power purchases. This is appropriate because the renewable energy prices used in this analysis reflect prices for contracts that supply both energy and capacity. If Contra Costa County CCA purchases renewable energy via energy-only contracts, Contra Costa County CCA's need for capacity will be greater than forecasted here, but these higher costs will be fully offset by the lower costs for the renewable energy.

MRW estimated current peak demand for Contra Costa County CCA's load using the 2015 monthly bills for all the current PG&E clients in Contra Costa County<sup>16</sup> and PG&E's class-average load profiles. We forecasted changes to this peak demand based on the Contra Costa load forecast.<sup>17</sup> We calculated capacity requirements as 115% of the expected peak demand in order to include sufficient capacity to fulfill resource adequacy requirements. We applied a consistent methodology to obtain the peak demand growth rates and capacity requirements for PG&E.

To estimate the cost of Contra Costa County CCA's capacity needs, MRW priced capacity purchases at the median price of recent Resource Adequacy purchases, escalated with inflation.<sup>18</sup>

To estimate the cost of Contra Costa County CCA's capacity needs, MRW considered two time periods: the period before system load-resource balance when there is excess capacity on the system, and the period following system-load resource balance when additional supply must be developed. MRW assumed a system load-resource balance year of 2030.<sup>19</sup> Through 2025, MRW priced capacity at the median price of recent resource adequacy purchases, escalated with inflation. MRW increased the capacity price incrementally starting in 2026 to reflect an increase in the market price for capacity during the transition from the lower near-term prices to the higher post-load-resource balance prices. MRW assumed that Contra Costa County CCA would

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<sup>15</sup> U.S. EIA. Electric Power Annual (EPA), February 16, 2016, Table A.3.  
[https://www.eia.gov/electricity/annual/html/epa\\_a\\_03.html](https://www.eia.gov/electricity/annual/html/epa_a_03.html)

<sup>16</sup> Monthly bills corresponding to 2015 for all the clients in Contra Costa County provided by PG&E.

<sup>17</sup> California Energy Commission. Demand Forecast. PG&E Forecast Zone Results Mid Demand Case, Sales Forecast, Central Valley Region. December 14, 2015.

<sup>18</sup> CPUC 2013-2014 Resource Adequacy Report Final, August 5, 2015, page 23 Table 11.

<sup>19</sup> According to the assumption adopted by the CPUC in December 2015 for long-term forecasting purposes, the load resource balance year was 2035. MRW opted to advance this to 2030 due to the retirement of the Diablo Canyon nuclear facility.

build its own power plant (alone or in combination with other public entities) in place of purchasing market capacity when market prices rise above the cost of a new self-build. In MRW's model, this occurs in 2030. From this point on, MRW assumed that the market price for Contra Costa County CCA's capacity would be equal to the levelized fixed cost of a new advanced combustion turbine developed by a publicly owned utility, minus levelized gross margins from energy sales. A similar methodology was used to forecast the cost of capacity for PG&E; however, PG&E's post-load-resource balance price forecast is based on the price of a combustion turbine developed by a merchant developer (see Appendix C).

## Appendix C. Forecast of PG&E's Generation Rates

MRW developed a forecast of PG&E's generation rates for comparison with the rates that Contra Costa County CCA will need to charge to cover its costs of service. MRW developed the forecast for the years 2018-2038 using publicly available inputs, including cost and procurement data from PG&E, market price data, and data from California state regulatory agencies and the U.S. Energy Information Administration. The structure of the rate forecast model and the basic assumptions and inputs used are described below.

### Generation Charges

PG&E's generation costs fall into four broad categories: (1) renewable generation costs, (2) fixed costs of non-renewable utility-owned generation, (3) fuel and purchased power costs for non-renewable generation, and (4) capacity costs. Each of these categories is evaluated separately in the rate forecast model, and underlying these forecasts is a forecast of PG&E's generation sales.

### Sales Forecast

PG&E's generation cost forecast is driven in large part by the amount of generation that PG&E will need to obtain to meet customer demand. To forecast PG&E's electricity sales, MRW started with the 2016-2030 sales forecast that PG&E provided in its August 2016 Renewable Energy Procurement Plan ("RPS Plan") filing with the CPUC.<sup>20</sup> This forecast predicts an 8% annual sales reduction through 2020, a 2% reduction per year from 2021-2028, and a rather anemic sales growth of 0.2% per year from 2029-2030.<sup>21</sup> MRW extended the sales forecast through 2038, maintaining this 0.2% increase per year.

### Renewable Generation

The starting point for MRW's analysis is PG&E's "RPS Plan," in which PG&E discusses its plan for meeting California's Renewable Portfolio Standard (RPS) targets and provides the annual amount and cost of renewable generation currently under contract through 2030. PG&E's RPS Plan shows that PG&E's current renewable procurement is in excess of the RPS requirement in each year through 2026. After 2022, PG&E's renewable generation from current contracts falls below the RPS requirements, but PG&E is projected to have enough banked Renewable Energy Credits (RECs) from excess renewable procurement in prior years to meet the RPS requirements until 2034.

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<sup>20</sup> Pacific Gas & Electric. *Renewables Portfolio Standard 2016 Renewable Energy Procurement Plan (Draft Version)*. August 8, 2016. Appendix D.

<sup>21</sup> The near-term decline in sales in PG&E's forecast is likely attributable to the growth in CCA, in which a municipality procures electric power on behalf of its constituents instead of having them purchase their power from PG&E. While customers in the jurisdictions of these municipalities have the option to opt-out of CCA and to continue to procure power from PG&E, so far, most CCA-eligible customers have not elected for this option. CCA customers continue to procure electricity delivery services from PG&E; it is only generation services that they obtain through the CCA.

MRW adopted PG&E's RPS Plan forecast of the amount and cost of renewable generation that is currently under contract. For the period starting in 2034 when PG&E's RPS Plan shows a need for incremental renewable procurement to meet RPS requirements, MRW added in the necessary renewable generation to meet current statutory requirements (i.e., 33% of procurement in 2020, increasing to 50% of procurement in 2030, and to 55% of procurement in 2031).<sup>22</sup> To project PG&E's cost of this incremental renewable generation, MRW used the same renewable prices used for Contra Costa County CCA's renewable power cost forecast (see Appendix B).

### **Fixed Cost of Non-Renewable Utility-Owned Generation**

PG&E's rates include payment for the fixed costs of the PG&E-owned non-renewable generation facilities, which are primarily natural gas, nuclear, and hydroelectric power plants. Because these costs are not tied to the volume of electricity that PG&E sells, their annual escalation is not driven by the price of fuel and other variable inputs. Instead, they escalate at a rate that stems from a combination of cost increases and depreciation reductions. These escalation rates are determined in General Rate Case (GRC) proceedings, which occur roughly every three years.

As a starting point for the forecast, MRW used the proposed 2017 fixed costs for these facilities.<sup>23</sup> For the period between 2018 and 2020, MRW increased the fixed cost based on PG&E's 2017 GRC settlements.<sup>24</sup> For subsequent years, MRW estimated in the base case that PG&E's generation fixed costs would increase by the 6.2% annual average growth rate approved and implemented for these cost over the last ten years.<sup>25</sup> These escalation rates are in nominal dollars (i.e., some of the escalation is accounted for by inflation).

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<sup>22</sup> MRW additionally allowed for the purchase of additional renewable generation when renewable prices are below market prices, subject to some purchase limits, including a 50% cap on renewable generation relative to the entire generation portfolio. This leads to additional renewable purchases from 2027-2029 in the Low Renewable Price scenario. Starting in 2030, the RPS requirement is 50%, and no additional renewable purchases are allowed, per the rules of the model, in order to maintain grid reliability.

<sup>23</sup> Pacific Gas & Electric. Annual Electric True-Ups for 2017. Advice Letter 4902 E-A. September 13, 2016. Table 2 and Pacific Gas & Electric 2017 GRC Settlements, A.15-09-001, Appendix A and B.

<sup>24</sup> Pacific Gas & Electric 2017 GRC Settlements, A.15-09-001, Appendix A and B

<sup>25</sup> Historic growth rates calculated from Pacific Gas & Electric Advice Letters 2706-E-A, AL 3773-E, 4459-E, 4647-E, and 4755-E. New power plant costs were excluded from these calculations since costs of new plants are offset, at least in part, by a reduction in fuel and purchased power costs.

**Table 1: PG&E’s Generation Fixed Costs, 2011-2016<sup>26</sup>**  
(Nominal \$ Million)

	2011	2012	2013	2014	2015	2016
Generation Fixed Costs	1,400	1,530	1,550	1,710	1,860	1,840
Annual Cost Increase		9%	1%	10%	9%	-1%

MRW made adjustments to this GRC forecast to account for the retirement of the Diablo Canyon nuclear units at the end of the units’ current licenses in 2024 and 2025.

### Fuel and Purchased Power Costs for Non-Renewable Generation

Each spring, PG&E files a forecast with the CPUC of its fuel and purchased power costs for the upcoming year in its “ERRA” filing, which PG&E updates and finalizes in November. MRW relied on PG&E’s November 2017 ERRA testimony,<sup>27</sup> adjusted to remove renewable generation costs, as the starting point for the forecast of fuel and purchased power costs for PG&E’s non-renewable generation.

To escalate these costs through the forecast period, MRW forecasted changes to natural gas prices and greenhouse gas cap-and-trade program compliance costs, which are the major drivers of change to these costs. The natural gas price forecast is based on current NYMEX market futures prices for natural gas, forecasted natural gas prices in the U.S. EIA’s 2016 *Annual Energy Outlook*, and PG&E’s tariffed natural gas transportation rates. This forecast is the same forecast used in the forecast of Contra Costa County CCA’s wholesale power costs (see Appendix B).

Cap-and-trade program compliance costs are estimated based on (1) PG&E’s forecast of carbon dioxide emissions in 2017;<sup>28</sup> (2) a forecast of PG&E’s fossil generation supply, developed by subtracting expected renewable, hydroelectric, and nuclear generation from PG&E’s projected wholesale power requirement; and (3) a forecast of greenhouse gas allowance prices. The greenhouse gas allowance price forecast is the same as used in the forecast of Contra Costa County CCA wholesale power costs and is based on the auction floor price stipulated by the ARB’s cap-and-trade regulation (see Appendix B).

<sup>26</sup> 2011-2013: CPUC Decision 11-05-018, pages 2 and 15; and 2014-2016: CPUC Decision 14-08-032, Appendix C, Table 1 and Appendix D, Table 1.

<sup>27</sup> PG&E Update To Prepared 2017 Energy Resource Recovery Account and Generation Non-Bypassable Charges Forecast and Greenhouse Gas Forecast Revenue and Reconciliation, filed with the CPUC in proceeding A.16-06-003 on Nov 2, 2016, Table 11-3.

<sup>28</sup> PG&E Update To Prepared 2017 Energy Resource Recovery Account and Generation Non-Bypassable Charges Forecast and Greenhouse Gas Forecast Revenue and Reconciliation, filed with the CPUC in proceeding A.16-06-003 on Nov 2, 2016, Table 12-2.

The MRW rate model calculates total fuel and purchased power costs by escalating natural gas prices based on the natural gas price forecast described above, escalating nuclear fuel prices based on the EIA forecast of fuel costs for nuclear plants, escalating water costs for hydroelectric projects and the capacity costs of power purchase contracts with inflation, and pricing market power at the same market power price used for Contra Costa County CCA's purchases. The model then sums the cost for each of these resources and adds in projected cap-and-trade compliance costs to this total cost.

## Capacity Costs

PG&E must procure capacity to meet 115% of its anticipated peak demand in order to fulfill its resource adequacy requirement. PG&E's own power plants can be used to meet this requirement, as can power plants with which PG&E has contracts.

To estimate PG&E's capacity requirements, MRW started with the Capacity Supply Plan that PG&E submitted to the California Energy Commission in 2015,<sup>29</sup> which forecasts PG&E's peak demand and existing capacity resources for each of the years 2013-2024. With limited exception,<sup>30</sup> MRW used PG&E's data where publicly available and extended the forecasts to 2038. In extending these forecasts, we used assumptions that are consistent with those used in our assessments of energy sales and costs, including load growth escalation and the projected retirement of PG&E's nuclear plant. We also added in anticipated capacity from new renewable procurement and from new energy storage and adjusted the calculation to account for the portion of Resource Adequacy credits that is allocated to non-bundled customers.

As with the Contra Costa County CCA's capacity cost forecast, MRW priced capacity at the median price of recent Resource Adequacy capacity sales, escalated with inflation.<sup>31</sup>

## Rate Development

Following the methodologies described above, MRW developed a forecast of PG&E's generation revenue requirement and divided these expenses by the expected PG&E sales in order to obtain a forecast of the system-average generation rate. We calculated annual escalators based on these system-average rates and applied them to the generation rates that are currently in effect for each customer class.<sup>32</sup>

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<sup>29</sup> California Energy Commission, Energy Almanac, Utility Capacity Supply Plans from 2015. September 4, 2015

<sup>30</sup> The two main exceptions are that 1) MRW increased energy efficiency and demand response growth to comply with SB 350 requirements to double energy efficiency by 2030 and the anticipated continuation of CPUC demand response initiatives, and 2) MRW accounted for the energy efficiency and renewable capacity expected to be installed because of the Diablo Canyon retirement application.

<sup>31</sup> CPUC 2013-2014 Resource Adequacy Report Final, August 5, 2015, page 23 Table 11.

<sup>32</sup> PG&E Advice Letter AL-4805-E, effective March 24, 2016.

## Appendix D. Detailed CCA Rates

Case-Legend	
Base	BASE
Low participation	LP
High price local	LOC
High renewable prices	RPS
High natural gas price	GAS
Low PG&E portfolio costs	LPGE
High PCIA	PCIA
Stress Scenario	STRS

Scenario	Sensitivity Case	Rates (¢/kWh)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
1	BASE	CCA gen	7.0	7.1	7.1	7.4	7.6	7.8	7.9	8.0	8.4	8.8	9.3	9.9	10.5	10.8	11.1	11.4	11.7	12.0	12.4	12.7	13.1
1	BASE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
1	BASE	CCA Res Fund	0.8	0.7	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	BASE	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
1	LP	CCA gen	7.1	7.2	7.2	7.5	7.7	7.9	8.0	8.1	8.5	8.9	9.4	9.9	10.5	10.8	11.1	11.4	11.8	12.1	12.4	12.8	13.2
1	LP	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
1	LP	CCA Res Fund	0.6	0.8	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	LP	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
1	LOC	CCA gen	7.0	7.1	7.1	7.4	7.6	7.8	7.9	8.0	8.4	8.8	9.3	9.9	10.5	10.8	11.1	11.4	11.7	12.0	12.4	12.7	13.1
1	LOC	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
1	LOC	CCA Res Fund	0.8	0.7	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	LOC	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
1	RPS	CCA gen	7.1	7.2	7.3	7.8	8.1	8.5	8.6	8.8	9.2	9.7	10.2	10.8	11.4	11.8	12.2	12.5	12.9	13.2	13.6	14.0	14.4
1	RPS	Exit fees	2.4	1.9	2.3	1.6	1.6	1.5	1.3	1.1	0.9	0.7	0.6	0.5	0.5	0.4	0.3	0.1	0.0	0.0	0.0	0.0	0.0
1	RPS	CCA Res Fund	0.7	0.7	0.4	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	RPS	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.5	11.4	11.1	11.5	12.2	12.9	13.8	14.9	15.7	16.5	17.3	17.3	17.8	18.4	18.7	19.4
1	GAS	CCA gen	8.1	8.5	8.8	9.2	9.5	9.4	9.4	9.6	10.0	10.4	10.8	11.3	11.9	12.3	12.6	12.9	13.3	13.7	14.2	14.6	15.0
1	GAS	Exit fees	2.2	2.6	2.7	2.8	2.6	3.4	2.4	1.7	0.8	0.7	0.7	0.6	0.5	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1
1	GAS	CCA Res Fund	0.2	-0.1	0.0	0.0	0.0	0.0	0.0	1.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	GAS	PG&E gen	10.5	10.9	11.0	11.4	11.9	11.0	11.3	11.8	12.3	12.9	13.5	14.3	15.3	15.4	15.8	16.2	16.7	17.1	17.7	18.3	19.0
1	LPGE	CCA gen	7.0	7.1	7.1	7.4	7.6	7.8	7.9	8.0	8.4	8.8	9.3	9.9	10.5	10.8	11.1	11.4	11.7	12.0	12.4	12.7	13.1
1	LPGE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
1	LPGE	CCA Res Fund	0.0	1.1	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	LPGE	PG&E gen	9.1	9.5	9.6	10.1	10.4	10.2	10.2	9.8	10.2	10.7	11.4	12.1	13.0	13.2	13.6	14.0	14.5	14.9	15.3	15.8	16.4
1	PCIA	CCA gen	7.0	7.1	7.1	7.4	7.6	7.8	7.9	8.0	8.4	8.8	9.3	9.9	10.5	10.8	11.1	11.4	11.7	12.0	12.4	12.7	13.1
1	PCIA	Exit fees	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4

1	PCIA	CCA Res Fund	0.8	0.7	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1	PCIA	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
1	STRS	CCA gen	8.2	8.7	9.1	9.6	9.9	10.1	10.2	10.3	10.8	11.2	11.7	12.3	12.9	13.3	13.7	14.1	14.6	15.0	15.4	15.9	16.4
1	STRS	Exit fees	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
1	STRS	CCA Res Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1	STRS	PG&E gen	9.4	9.8	9.9	10.2	10.7	9.9	10.2	10.6	11.3	11.8	12.4	13.2	14.0	14.3	14.8	15.3	15.7	16.2	16.8	17.4	18.1

Scenario	Sensitivity Case	Rates (¢/kWh)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
2	BASE	CCA gen	7.2	7.3	7.3	7.6	7.8	8.0	8.0	8.3	8.6	9.1	9.5	10.0	10.6	10.8	11.1	11.3	11.6	11.9	12.1	12.4	12.7
2	BASE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
2	BASE	CCA Res Fund	0.6	0.8	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
2	BASE	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
2	LP	CCA gen	7.3	7.4	7.4	7.6	7.8	8.1	8.1	8.3	8.7	9.1	9.6	10.1	10.6	10.9	11.1	11.4	11.7	11.9	12.2	12.5	12.8
2	LP	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
2	LP	CCA Res Fund	0.5	0.9	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
2	LP	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
2	LOC	CCA gen	7.2	7.3	7.3	7.6	7.8	8.0	8.0	8.3	8.6	9.1	9.5	10.0	10.6	10.8	11.1	11.3	11.6	11.9	12.1	12.4	12.7
2	LOC	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
2	LOC	CCA Res Fund	0.6	0.8	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
2	LOC	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
2	RPS	CCA gen	7.3	7.5	7.6	8.2	8.5	9.1	9.2	9.5	10.0	10.5	11.0	11.6	12.3	12.5	12.8	13.1	13.4	13.7	14.0	14.4	14.7
2	RPS	Exit fees	2.4	1.9	2.3	1.6	1.6	1.5	1.3	1.1	0.9	0.7	0.6	0.5	0.5	0.4	0.3	0.1	0.0	0.0	0.0	0.0	0.0
2	RPS	CCA Res Fund	0.5	0.9	0.4	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1
2	RPS	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.5	11.4	11.1	11.5	12.2	12.9	13.8	14.9	15.7	16.5	17.3	17.3	17.8	18.4	18.7	19.4
2	GAS	CCA gen	8.0	8.3	8.7	9.0	9.3	8.9	9.0	9.2	9.6	9.9	10.3	10.8	11.3	11.6	11.9	12.2	12.5	12.8	13.1	13.4	13.8
2	GAS	Exit fees	2.2	2.6	2.7	2.8	2.6	3.4	2.4	1.7	0.8	0.7	0.7	0.6	0.5	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1
2	GAS	CCA Res Fund	0.3	0.0	-0.1	0.0	1.4	-1.4	0.0	1.4	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1
2	GAS	PG&E gen	10.5	10.9	11.0	11.4	11.9	11.0	11.3	11.8	12.3	12.9	13.5	14.3	15.3	15.4	15.8	16.2	16.7	17.1	17.7	18.3	19.0
2	LPGE	CCA gen	7.2	7.3	7.3	7.6	7.8	8.0	8.0	8.3	8.6	9.1	9.5	10.0	10.6	10.8	11.1	11.3	11.6	11.9	12.1	12.4	12.7
2	LPGE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
2	LPGE	CCA Res Fund	0.0	1.1	0.0	0.4	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
2	LPGE	PG&E gen	9.1	9.5	9.6	10.1	10.4	10.2	10.2	9.8	10.2	10.7	11.4	12.1	13.0	13.2	13.6	14.0	14.5	14.9	15.3	15.8	16.4
2	PCIA	CCA gen	7.2	7.3	7.3	7.6	7.8	8.0	8.0	8.3	8.6	9.1	9.5	10.0	10.6	10.8	11.1	11.3	11.6	11.9	12.1	12.4	12.7
2	PCIA	Exit fees	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4

2	PCIA	CCA Res Fund	0.6	0.8	0.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
2	PCIA	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
2	STRS	CCA gen	8.2	8.6	9.0	9.7	9.9	10.1	10.2	10.5	10.9	11.4	11.9	12.4	13.0	13.4	13.7	14.0	14.4	14.7	15.1	15.4	15.8
2	STRS	Exit fees	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
2	STRS	CCA Res Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	STRS	PG&E gen	9.4	9.8	9.9	10.2	10.7	9.9	10.2	10.6	11.3	11.8	12.4	13.2	14.0	14.3	14.8	15.3	15.7	16.2	16.8	17.4	18.1

Scenario	Sensitivity Case	Rates (¢/kWh)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
3	BASE	CCA gen	7.1	7.2	7.4	7.8	8.1	8.5	8.7	9.0	9.6	10.3	10.8	11.4	12.0	12.4	12.7	13.1	13.4	13.7	14.1	14.4	14.8
3	BASE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
3	BASE	CCA Res Fund	0.7	0.7	0.4	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3	BASE	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
3	LP	CCA gen	7.2	7.4	7.5	7.9	8.2	8.6	8.8	9.1	9.6	10.3	10.8	11.4	12.0	12.4	12.7	13.1	13.4	13.7	14.1	14.4	14.8
3	LP	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
3	LP	CCA Res Fund	0.6	0.8	0.4	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3	LP	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
3	LOC	CCA gen	7.1	7.3	7.5	7.9	8.3	8.8	9.1	9.4	10.1	10.8	11.4	12.0	12.6	13.0	13.4	13.8	14.1	14.5	14.8	15.1	15.5
3	LOC	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
3	LOC	CCA Res Fund	0.7	0.8	0.4	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3	LOC	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
3	RPS	CCA gen	7.1	7.4	7.6	8.2	8.6	9.3	9.6	10.0	10.6	11.4	12.0	12.6	13.4	13.8	14.2	14.7	15.0	15.4	15.8	16.1	16.5
3	RPS	Exit fees	2.4	1.9	2.3	1.6	1.6	1.5	1.3	1.1	0.9	0.7	0.6	0.5	0.5	0.4	0.3	0.1	0.0	0.0	0.0	0.0	0.0
3	RPS	CCA Res Fund	0.6	0.8	0.4	0.1	0.1	0.1	0.0	0.1	0.0	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3	RPS	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.5	11.4	11.1	11.5	12.2	12.9	13.8	14.9	15.7	16.5	17.3	17.3	17.8	18.4	18.7	19.4
3	GAS	CCA gen	8.1	8.6	9.0	9.5	9.8	10.1	10.3	10.6	11.2	11.8	12.3	12.9	13.5	13.9	14.3	14.7	15.1	15.5	15.9	16.3	16.7
3	GAS	Exit fees	2.2	2.6	2.7	2.8	2.6	3.4	2.4	1.7	0.8	0.7	0.7	0.6	0.5	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1
3	GAS	CCA Res Fund	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	1.7	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3	GAS	PG&E gen	10.5	10.9	11.0	11.4	11.9	11.0	11.3	11.8	12.3	12.9	13.5	14.3	15.3	15.4	15.8	16.2	16.7	17.1	17.7	18.3	19.0
3	LPGE	CCA gen	7.1	7.2	7.4	7.8	8.1	8.5	8.7	9.0	9.6	10.3	10.8	11.4	12.0	12.4	12.7	13.1	13.4	13.7	14.1	14.4	14.8
3	LPGE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
3	LPGE	CCA Res Fund	0.0	1.1	-0.1	0.6	0.1	0.1	0.0	-0.5	-0.3	-0.3	-0.1	1.7	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3	LPGE	PG&E gen	9.1	9.5	9.6	10.1	10.4	10.2	10.2	9.8	10.2	10.7	11.4	12.1	13.0	13.2	13.6	14.0	14.5	14.9	15.3	15.8	16.4
3	PCIA	CCA gen	7.1	7.2	7.4	7.8	8.1	8.5	8.7	9.0	9.6	10.3	10.8	11.4	12.0	12.4	12.7	13.1	13.4	13.7	14.1	14.4	14.8
3	PCIA	Exit fees	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4

3	PCIA	CCA Res Fund	0.7	0.7	0.4	0.1	0.1	0.1	0.0	-0.5	-0.7	-0.2	0.0	0.0	1.8	-0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1
3	PCIA	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
3	STRS	CCA gen	8.3	8.9	9.4	10.1	10.5	11.2	11.6	12.0	12.8	13.6	14.2	14.9	15.6	16.2	16.7	17.2	17.6	18.1	18.5	19.0	19.5
3	STRS	Exit fees	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
3	STRS	CCA Res Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	STRS	PG&E gen	9.4	9.8	9.9	10.2	10.7	9.9	10.2	10.6	11.3	11.8	12.4	13.2	14.0	14.3	14.8	15.3	15.7	16.2	16.8	17.4	18.1

Scenario	Sensitivity Case	Rates (¢/kWh)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
4	BASE	CCA gen	7.3	7.6	7.8	8.3	8.7	9.2	9.6	10.3	11.1	12.0	12.6	13.2	13.9	14.1	14.4	14.6	14.9	15.2	15.5	15.7	16.1
4	BASE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
4	BASE	CCA Res Fund	0.4	0.9	0.4	0.1	0.1	0.1	0.1	-0.6	-0.7	-0.1	0.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
4	BASE	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
4	LP	CCA gen	7.5	7.7	7.9	8.3	8.8	9.3	9.6	10.3	11.0	11.9	12.5	13.1	13.7	14.0	14.2	14.5	14.8	15.0	15.3	15.6	15.9
4	LP	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
4	LP	CCA Res Fund	0.3	1.0	0.4	0.1	0.1	0.1	0.1	-0.6	-0.6	-0.2	0.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
4	LP	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
4	LOC	CCA gen	7.4	7.7	8.0	8.5	9.1	9.7	10.2	11.0	11.9	12.9	13.6	14.2	15.0	15.2	15.5	15.8	16.1	16.3	16.6	16.9	17.2
4	LOC	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
4	LOC	CCA Res Fund	0.4	1.0	0.4	0.1	0.1	0.1	-0.3	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4	0.1	0.1	0.1	0.1
4	LOC	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
4	RPS	CCA gen	7.4	7.8	8.1	8.9	9.6	10.6	11.1	11.9	12.9	14.0	14.7	15.4	16.3	16.6	16.9	17.2	17.5	17.9	18.2	18.5	18.9
4	RPS	Exit fees	2.4	1.9	2.3	1.6	1.6	1.5	1.3	1.1	0.9	0.7	0.6	0.5	0.5	0.4	0.3	0.1	0.0	0.0	0.0	0.0	0.0
4	RPS	CCA Res Fund	0.4	1.0	0.5	0.1	0.1	-0.6	-0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.7	0.1	0.1
4	RPS	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.5	11.4	11.1	11.5	12.2	12.9	13.8	14.9	15.7	16.5	17.3	17.3	17.8	18.4	18.7	19.4
4	GAS	CCA gen	8.1	8.6	9.0	9.6	9.9	10.2	10.6	11.3	12.1	13.0	13.5	14.1	14.7	15.0	15.3	15.7	16.0	16.3	16.6	17.0	17.3
4	GAS	Exit fees	2.2	2.6	2.7	2.8	2.6	3.4	2.4	1.7	0.8	0.7	0.7	0.6	0.5	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1
4	GAS	CCA Res Fund	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
4	GAS	PG&E gen	10.5	10.9	11.0	11.4	11.9	11.0	11.3	11.8	12.3	12.9	13.5	14.3	15.3	15.4	15.8	16.2	16.7	17.1	17.7	18.3	19.0
4	LPGE	CCA gen	7.3	7.6	7.8	8.3	8.7	9.2	9.6	10.3	11.1	12.0	12.6	13.2	13.9	14.1	14.4	14.6	14.9	15.2	15.5	15.7	16.1
4	LPGE	Exit fees	2.4	1.9	2.3	1.7	1.7	1.6	1.5	1.3	0.9	0.8	0.7	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0
4	LPGE	CCA Res Fund	0.0	1.1	-0.5	1.0	0.1	-0.5	-0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4	0.1
4	LPGE	PG&E gen	9.1	9.5	9.6	10.1	10.4	10.2	10.2	9.8	10.2	10.7	11.4	12.1	13.0	13.2	13.6	14.0	14.5	14.9	15.3	15.8	16.4
4	PCIA	CCA gen	7.3	7.6	7.8	8.3	8.7	9.2	9.6	10.3	11.1	12.0	12.6	13.2	13.9	14.1	14.4	14.6	14.9	15.2	15.5	15.7	16.1
4	PCIA	Exit fees	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4

4	PCIA	CCA Res Fund	0.4	0.9	0.4	0.1	0.1	-0.2	-0.6	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	PCIA	PG&E gen	10.1	10.6	10.7	11.3	11.6	11.4	11.3	10.9	11.3	11.9	12.6	13.4	14.4	14.7	15.1	15.6	16.1	16.5	17.1	17.6	18.3
4	STRS	CCA gen	8.4	9.0	9.6	10.5	11.2	12.1	12.7	13.7	14.8	16.1	16.8	17.5	18.3	18.7	19.0	19.4	19.8	20.2	20.6	21.0	21.4
4	STRS	Exit fees	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
4	STRS	CCA Res Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	STRS	PG&E gen	9.4	9.8	9.9	10.2	10.7	9.9	10.2	10.6	11.3	11.8	12.4	13.2	14.0	14.3	14.8	15.3	15.7	16.2	16.8	17.4	18.1

## Appendix E. Greenhouse Gas Emissions and Costs

In Chapter 3 of the report, MRW provided an estimate of Contra Costa County CCA's annual Greenhouse Gas (GHG) emissions and compared these with the emissions for the same load under the PG&E supply portfolio. The methodology used to calculate both figures is included in this appendix, along with an estimate of Contra Costa County CCA's cost of emissions from purchased power ("indirect emissions").

### Methodology for calculating Contra Costa County CCA's indirect GHG emissions

GHG emissions for Contra Costa County CCA will be indirect since the CCA does not plan to generate its own power (*i.e.*, the emissions are embedded in fossil-fuel power that the CCA purchases). These emissions are estimated based on (1) a forecast of the emissions rate for Contra Costa County CCA's fossil generation supply and (2) a forecast of the amount of Contra Costa County CCA's fossil generation supply, developed by subtracting expected renewable and hydroelectric generation from the projected wholesale power requirement to serve the CCA's load.<sup>33</sup>

MRW calculated the emissions rate for Contra Costa County CCA's fossil generation supply by estimating the amount of natural gas that will need to be burned to generate the CCA's fossil generation and the GHG emissions rate for natural gas combustion.<sup>34</sup> The amount of natural gas needed was estimated based on the average heat rate for the marginal generation plants on the CAISO system. MRW used public data from CAISO's OASIS platform and Platt's Gas Daily reports to calculate this average heat rate for 2015.<sup>35</sup> MRW extended the forecast to 2030 using the expected changes to the average heat rate in California from the EIA's 2016 *Annual Energy Outlook*.<sup>36</sup>

MRW estimated the total annual GHG emissions for the Contra Costa County CCA program as a product of the total energy purchased at wholesale electric market (kWh) and the rate of GHG emissions (tonnes CO<sub>2</sub>-equivalent/kWh).

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<sup>33</sup> MRW assumed no GHG emissions for the renewable and hydroelectric supply.

<sup>34</sup> The GHG emissions rate for natural gas combustion is obtained from U.S. EIA. Electric Power Annual (EPA), February 16, 2016, Table A.3. [https://www.eia.gov/electricity/annual/html/epa\\_a\\_03.html](https://www.eia.gov/electricity/annual/html/epa_a_03.html)

<sup>35</sup> MRW calculated the average heat rate of the marginal generation plants in 2015 by dividing the monthly average wholesale electric market price, net of operations and maintenance costs and GHG emissions costs, by the monthly average natural gas price. For the electricity prices, we used the average of the 2015 hourly locational marginal price for node TH\_NP15\_GEN-APND; for the natural gas prices, we used the average of burnertip natural gas price for PG&E.

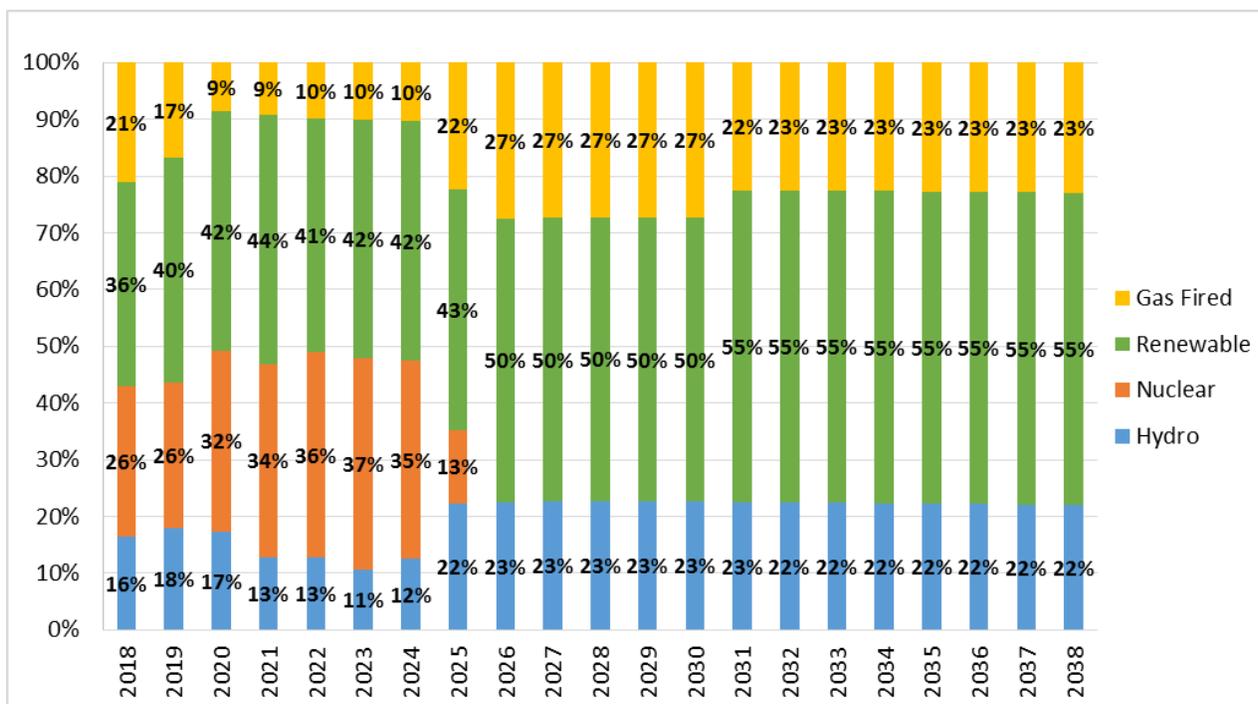
<sup>36</sup> U.S. Energy Information Administration. "2016 Annual Energy Outlook," Table 55.20, Western Electricity Coordinating Council. (Note that EIA does not provide a forecast of the marginal heat rate.)

### Methodology for calculating GHG emissions under PG&E’s supply portfolio

MRW calculated the GHG emissions for the Contra Costa County CCA load under the PG&E supply portfolio by summing the emissions from all resources in PG&E’s portfolio. MRW assumed no GHG emissions from renewable power, hydroelectric power, or nuclear generation. In order to maintain a consistent comparison, MRW used the same emissions rate to calculate the emissions from PG&E’s fossil-fuel power as used for the Contra Costa County CCA wholesale market purchases.

In order to support the analysis on Chapter 3 of the report, Figure 2 shows the PG&E portfolio. Before the closure of the Diablo Canyon, MRW estimated 80%-90% of PG&E’s generation portfolio based on non-fuel-fired resources. After 2025, the non-fuel-fired resources share falls to 70% according MRW estimates.

**Figure 2 PG&E’s generation portfolio<sup>37</sup>**



<sup>37</sup> Before 2025 the hydroelectric generation is below its potential because MRW estimated that PG&E sells the overprocurement in hydroelectric power. MRW has assumed a minimum of fuel-fired generation to facilitate the RPS integration according to PG&E’s Diablo Canyon retirement application, A.16-08-006. Table 2-3. In addition, after 2026 MRW estimated the price of the wholesale electric market below PG&E’s new RPS prices. In those conditions, according to MRW assumptions, PG&E would procure up to 50% of its portfolio from renewable resources.

## GHG allowance prices and GHG indirect costs

MRW developed a forecast of the prices for GHG allowances based on the auction floor price stipulated by the ARB's cap-and-trade regulation, consistent with recent auction outcomes.<sup>38</sup>

**Table 2 GHG Allowances price, \$ per allowance<sup>39</sup>**

	2017	2018	2019	2025	2030	2035	2038
<b>\$/tonne</b>	13.2	14.7	15.9	24.4	34.7	49.8	61.8

MRW used these GHG allowances prices to calculate both PG&E's GHG allowances costs (direct and indirect), which are included in the PG&E rate forecast, and Contra Costa County CCA's indirect GHG costs. The indirect GHG costs for Contra Costa County CCA will be included in the cost of the wholesale market energy purchases. MRW estimated that these costs will be, on average, \$12 per MWh delivered over the 2018-2038 period.

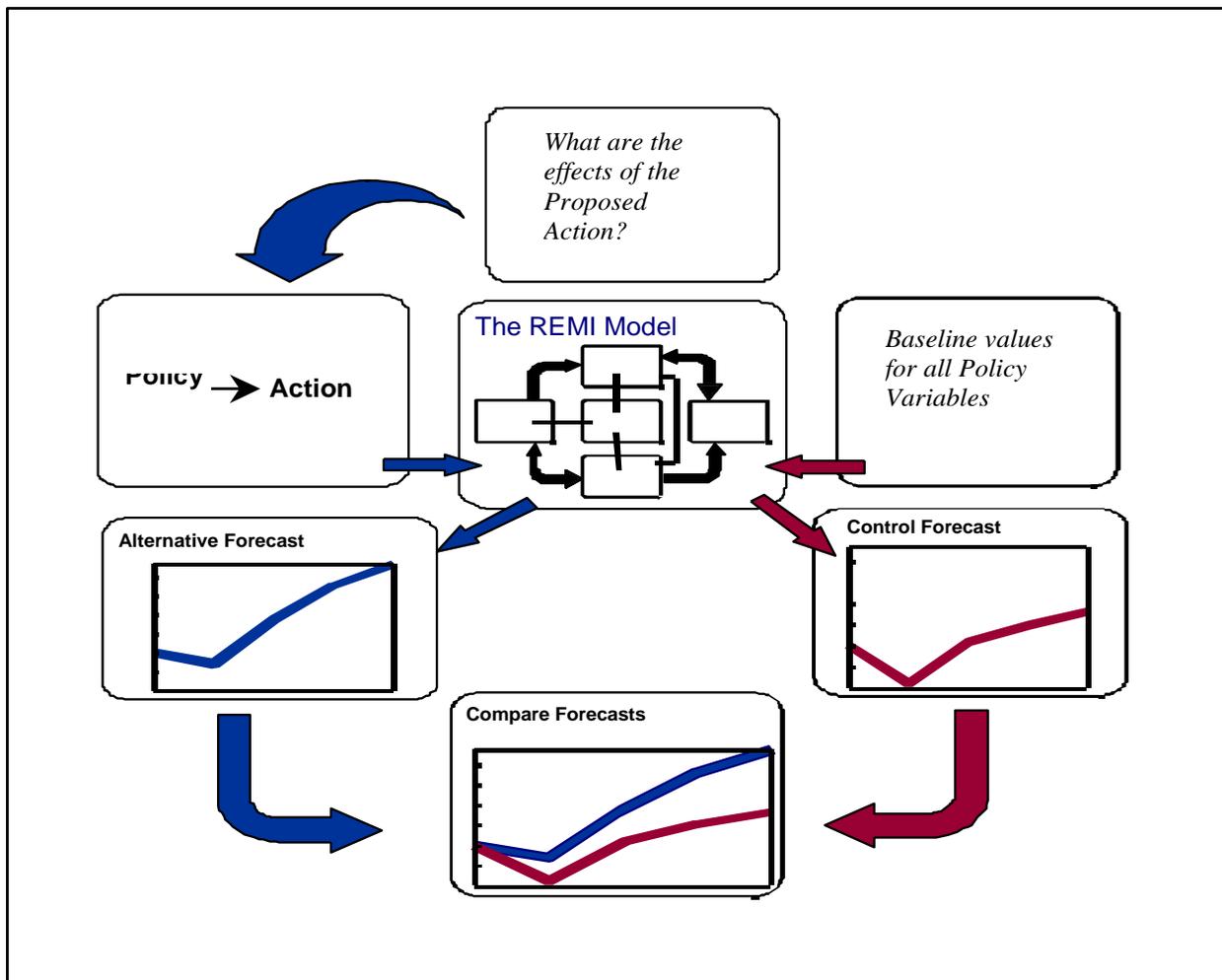
<sup>38</sup> California Code of Regulations, Title 17, Article 5, Section 95911.

<sup>39</sup> For 2017, the amount listed corresponds to the GHG allowance price for PG&E according to the most recent ERRR 2017 update. Pacific Gas & Electric ERRR 2017, A.16-06-003, Testimony November 2, 2016, Table 12-1.

## Appendix F. About the REMI Policy Insight Model

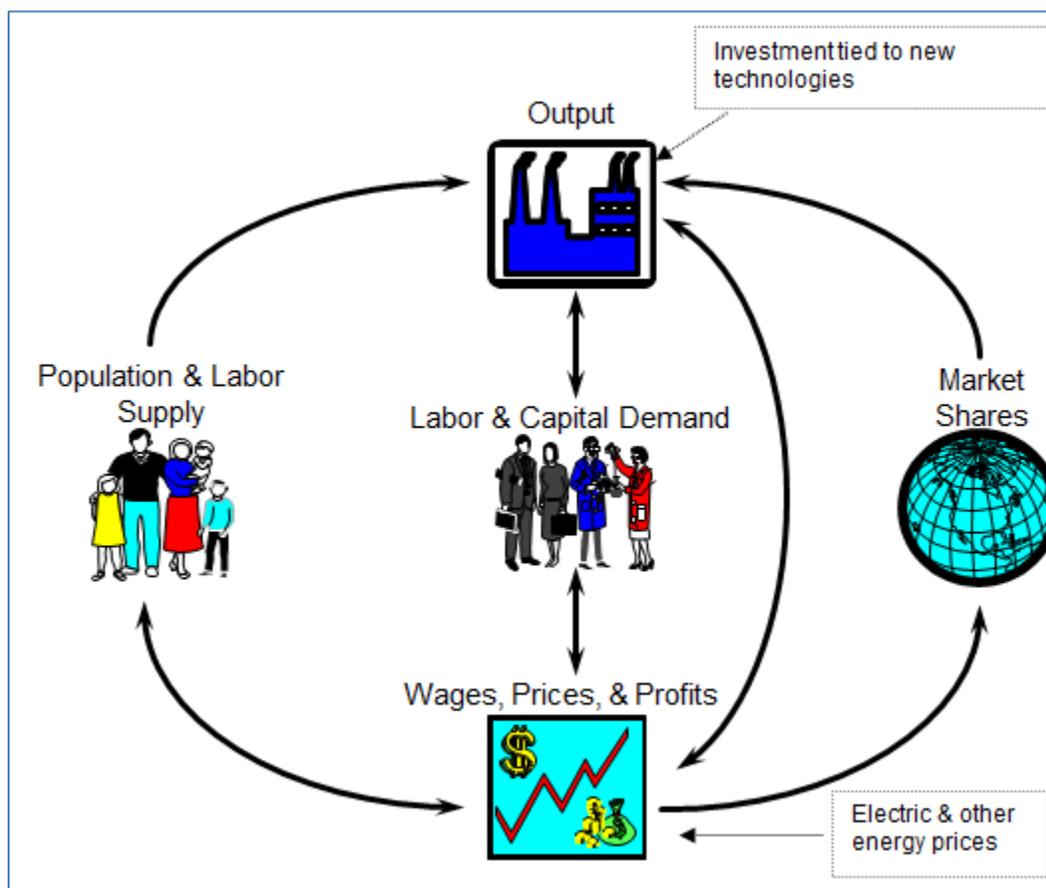
A software analysis forecasting model developed by Regional Economic Models, Inc. (REMI) of Amherst Massachusetts in the mid 1980's. It has a broad national customer base among public agencies, academic institutions, and the private-sector. It is also used in Canada (NRCan), and among other international clients. The model configuration used for this study consisted of 18 aggregate private-sector industries, plus a farm sector, a combined state/local government sector and two federal government sectors.

**Economic Impacts Identified with the REMI Model**



In the above figure, the central box “The REMI model” is the engine for predicting the economic and demographic dimensions of a *region-of-impact* (here Contra Costa County) under *no-action* (or Control forecast) and with a proposed CCA (alternative forecast). The engine is a combination structural econometric model, part input-output transactions, all with general equilibrium features – meaning *an economy can encounter a disruption (positive or negative), and over time (typically 1-3 years depending on the scale of the region and the size of the shock) re-adjust back to an equilibrium*. The diagram below depicts the organization of the REMI regional model in terms of the major blocks functioning in an economy and the arrows denote the feedback accounted for. Keep in mind this portrayal is at a very high-level, sparing the industry-specific details. Scenario specific changes are inserted through policy variable *levers* into the appropriate block of the model. There is another important dimension of economic response for the key region-of-impact that effectively layers on top of the below diagram – interactions with another regional economy. That additional region - *rest of California* - was explicitly modeled at the same time. The REMI model captures the flows of monetized goods and services, and commuter labor between regions when one (or both) is *shocked* by introduction of a CCA.

### Core Logic of the REMI Model



# Appendix G. Proforma Tables

## Scenario 1

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
<b>Expenses</b>																					
Cost of Power (including losses)	\$73,495,453	\$151,069,291	\$238,312,375	\$248,611,457	\$257,237,071	\$265,886,720	\$274,183,543	\$279,728,463	\$294,209,869	\$310,824,883	\$329,903,546	\$350,515,984	\$373,621,644	\$386,946,608	\$399,254,590	\$411,812,091	\$425,651,977	\$439,658,506	\$454,135,582	\$468,721,683	\$484,831,280
O&M&G Costs	\$9,081,989	\$11,047,477	\$14,037,456	\$14,312,982	\$14,596,957	\$14,871,929	\$15,146,845	\$15,425,482	\$15,722,408	\$16,025,074	\$16,333,641	\$16,648,197	\$16,968,859	\$17,295,746	\$17,628,978	\$17,968,678	\$18,314,999	\$18,668,042	\$19,027,938	\$19,394,819	\$19,768,820
Energy Efficiency Programming Costs																					
<b>Total Expenses</b>	<b>\$82,577,443</b>	<b>\$162,116,767</b>	<b>\$252,349,831</b>	<b>\$262,924,440</b>	<b>\$271,834,028</b>	<b>\$280,758,650</b>	<b>\$289,330,388</b>	<b>\$295,153,945</b>	<b>\$309,932,277</b>	<b>\$326,849,957</b>	<b>\$346,237,187</b>	<b>\$367,164,181</b>	<b>\$390,590,503</b>	<b>\$404,242,354</b>	<b>\$416,883,567</b>	<b>\$429,780,769</b>	<b>\$443,966,976</b>	<b>\$458,326,548</b>	<b>\$473,163,520</b>	<b>\$488,116,502</b>	<b>\$504,600,100</b>
<b>Debt Service</b>	<b>\$0</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$0</b>														
<b>Total Revenue Requirement</b>	<b>\$82,577,443</b>	<b>\$167,605,774</b>	<b>\$257,838,838</b>	<b>\$268,413,446</b>	<b>\$277,323,035</b>	<b>\$286,247,656</b>	<b>\$289,330,388</b>	<b>\$295,153,945</b>	<b>\$309,932,277</b>	<b>\$326,849,957</b>	<b>\$346,237,187</b>	<b>\$367,164,181</b>	<b>\$390,590,503</b>	<b>\$404,242,354</b>	<b>\$416,883,567</b>	<b>\$429,780,769</b>	<b>\$443,966,976</b>	<b>\$458,326,548</b>	<b>\$473,163,520</b>	<b>\$488,116,502</b>	<b>\$504,600,100</b>
<b>Total Load, MWh</b>	<b>1,177,121</b>	<b>2,366,944</b>	<b>3,607,181</b>	<b>3,623,598</b>	<b>3,641,698</b>	<b>3,652,169</b>	<b>3,659,921</b>	<b>3,666,956</b>	<b>3,680,582</b>	<b>3,694,258</b>	<b>3,707,985</b>	<b>3,721,763</b>	<b>3,735,593</b>	<b>3,749,473</b>	<b>3,763,406</b>	<b>3,777,390</b>	<b>3,791,426</b>	<b>3,805,514</b>	<b>3,819,655</b>	<b>3,833,848</b>	<b>3,848,093</b>
<b>Contra Costa CCA Customer Charges, \$/MWh (before Reserve Fund Adjustment)</b>																					
Average Contra Costa CCA generation	\$70.2	\$70.8	\$71.5	\$74.1	\$76.2	\$78.4	\$79.1	\$80.5	\$84.2	\$88.5	\$93.4	\$98.7	\$104.6	\$107.8	\$110.8	\$113.8	\$117.1	\$120.4	\$123.9	\$127.3	\$131.1
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$93.8</b>	<b>\$89.9</b>	<b>\$94.3</b>	<b>\$90.6</b>	<b>\$92.7</b>	<b>\$94.1</b>	<b>\$93.6</b>	<b>\$93.1</b>	<b>\$93.3</b>	<b>\$96.4</b>	<b>\$100.4</b>	<b>\$104.6</b>	<b>\$109.7</b>	<b>\$110.9</b>	<b>\$112.4</b>	<b>\$114.4</b>	<b>\$117.1</b>	<b>\$120.4</b>	<b>\$123.9</b>	<b>\$127.3</b>	<b>\$131.1</b>
<b>PG&amp;E average gen rate for CCA load, \$/MWh</b>	<b>\$101.5</b>	<b>\$105.7</b>	<b>\$106.6</b>	<b>\$112.7</b>	<b>\$115.5</b>	<b>\$113.8</b>	<b>\$113.3</b>	<b>\$109.2</b>	<b>\$113.2</b>	<b>\$119.2</b>	<b>\$126.3</b>	<b>\$134.2</b>	<b>\$144.0</b>	<b>\$146.7</b>	<b>\$151.0</b>	<b>\$155.7</b>	<b>\$160.8</b>	<b>\$165.0</b>	<b>\$170.5</b>	<b>\$176.0</b>	<b>\$182.5</b>
<b>Reserve Fund Adjustment</b>																					
Target	\$12,386,616	\$25,140,866	\$38,675,826	\$40,262,017	\$41,598,455	\$42,937,148	\$43,399,558	\$44,273,092	\$46,489,842	\$49,027,494	\$51,935,578	\$55,074,627	\$58,588,575	\$60,636,353	\$62,532,535	\$64,467,115	\$66,595,046	\$68,748,982	\$70,974,528	\$73,217,475	\$75,690,015
<b>Reserve Fund Adjustment</b>																					
Potential Reserve potential	\$9,037,817	\$37,373,117	\$44,318,310	\$79,873,437	\$82,994,739	\$72,190,684	\$72,076,358	\$58,860,584	\$73,135,250	\$84,142,452	\$96,221,651	\$110,201,860	\$128,194,145	\$134,215,487	\$145,270,805	\$156,288,619	\$165,801,447	\$169,687,264	\$178,229,235	\$186,523,044	\$197,789,460
Potential Reserve additions	\$9,037,817	\$16,103,049	\$13,534,960	\$1,586,191	\$1,336,438	\$1,338,693	\$462,410	\$873,533	\$2,216,750	\$2,537,652	\$2,908,084	\$3,139,049	\$3,513,948	\$2,047,778	\$1,896,182	\$1,934,580	\$2,127,931	\$2,153,936	\$2,225,546	\$2,242,947	\$2,472,540
Subtractions from reserve fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Reserve fund total</b>	<b>\$9,037,817</b>	<b>\$25,140,866</b>	<b>\$38,675,826</b>	<b>\$40,262,017</b>	<b>\$41,598,455</b>	<b>\$42,937,148</b>	<b>\$43,399,558</b>	<b>\$44,273,092</b>	<b>\$46,489,842</b>	<b>\$49,027,494</b>	<b>\$51,935,578</b>	<b>\$55,074,627</b>	<b>\$58,588,575</b>	<b>\$60,636,353</b>	<b>\$62,532,535</b>	<b>\$64,467,115</b>	<b>\$66,595,046</b>	<b>\$68,748,982</b>	<b>\$70,974,528</b>	<b>\$73,217,475</b>	<b>\$75,690,015</b>
<b>Contra Costa CCA Customer Charges, \$/MWh (with Reserve Fund Adjustment)</b>																					
Rate adjustment from Reserve Fund	\$7.7	\$6.8	\$3.8	\$0.4	\$0.4	\$0.4	\$0.1	\$0.2	\$0.6	\$0.7	\$0.8	\$0.8	\$0.9	\$0.5	\$0.5	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Average Contra Costa CCA rate	\$77.8	\$77.6	\$75.2	\$74.5	\$76.5	\$78.7	\$79.2	\$80.7	\$84.8	\$89.2	\$94.2	\$99.5	\$105.5	\$108.4	\$111.3	\$114.3	\$117.7	\$121.0	\$124.5	\$127.9	\$131.8
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$101.5</b>	<b>\$96.7</b>	<b>\$98.1</b>	<b>\$91.1</b>	<b>\$93.1</b>	<b>\$94.4</b>	<b>\$93.8</b>	<b>\$93.4</b>	<b>\$93.9</b>	<b>\$97.1</b>	<b>\$101.2</b>	<b>\$105.5</b>	<b>\$110.6</b>	<b>\$111.5</b>	<b>\$112.9</b>	<b>\$114.9</b>	<b>\$117.7</b>	<b>\$121.0</b>	<b>\$124.5</b>	<b>\$127.9</b>	<b>\$131.8</b>
<i>Note: Reserve fund revenue is used to reduce CCA rates if (i) CCA rates are lower than PG&amp;E rates or (ii) the reserve fund reaches the ceiling of half a year of expenses</i>																					
<b>Contra Costa CCA CO2 emissions</b>																					
Emissions (Tonnes/MWh)	0.04	0.03	0.02	0.02	0.02	0.02	0.02	0.04	0.05	0.05	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Total emissions (Tonnes)	48,104	76,449	70,394	71,051	71,298	72,351	73,983	158,002	195,517	194,741	195,332	196,074	197,642	162,803	163,997	165,333	166,460	167,595	168,634	170,197	171,328

# Scenario 2

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
<b>Expenses</b>																					
Cost of Power (including losses)	\$75,667,208	\$155,562,573	\$244,603,605	\$253,936,224	\$262,178,133	\$270,821,465	\$279,147,605	\$288,420,808	\$302,569,437	\$318,621,199	\$336,840,252	\$356,586,893	\$378,456,407	\$388,844,347	\$399,378,659	\$410,314,502	\$421,560,027	\$432,993,327	\$444,699,721	\$456,541,793	\$469,291,025
O&M/A&G Costs	\$9,081,989	\$11,047,477	\$14,037,456	\$14,312,982	\$14,596,957	\$14,871,929	\$15,146,845	\$15,425,482	\$15,722,408	\$16,025,074	\$16,333,641	\$16,648,197	\$16,968,859	\$17,295,746	\$17,628,978	\$18,314,999	\$18,668,042	\$19,027,938	\$19,394,819	\$19,768,820	
Energy Efficiency Programming Costs																					
<b>Total Expenses</b>	<b>\$84,749,197</b>	<b>\$166,610,049</b>	<b>\$258,641,061</b>	<b>\$268,249,207</b>	<b>\$276,775,090</b>	<b>\$285,693,394</b>	<b>\$294,294,450</b>	<b>\$303,846,289</b>	<b>\$318,291,846</b>	<b>\$334,646,273</b>	<b>\$353,173,892</b>	<b>\$373,235,090</b>	<b>\$395,425,266</b>	<b>\$406,140,093</b>	<b>\$417,007,637</b>	<b>\$428,283,180</b>	<b>\$439,875,026</b>	<b>\$451,661,369</b>	<b>\$463,727,659</b>	<b>\$475,936,612</b>	<b>\$489,059,845</b>
<b>Debt Service</b>	<b>\$0</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$5,489,006</b>	<b>\$0</b>														
<b>Total Revenue Requirement</b>	<b>\$84,749,197</b>	<b>\$172,099,056</b>	<b>\$264,130,067</b>	<b>\$273,738,213</b>	<b>\$282,264,096</b>	<b>\$291,182,400</b>	<b>\$294,294,450</b>	<b>\$303,846,289</b>	<b>\$318,291,846</b>	<b>\$334,646,273</b>	<b>\$353,173,892</b>	<b>\$373,235,090</b>	<b>\$395,425,266</b>	<b>\$406,140,093</b>	<b>\$417,007,637</b>	<b>\$428,283,180</b>	<b>\$439,875,026</b>	<b>\$451,661,369</b>	<b>\$463,727,659</b>	<b>\$475,936,612</b>	<b>\$489,059,845</b>
<b>Total Load, MWh</b>	<b>1,177,121</b>	<b>2,366,944</b>	<b>3,607,181</b>	<b>3,623,598</b>	<b>3,641,698</b>	<b>3,652,169</b>	<b>3,659,921</b>	<b>3,666,956</b>	<b>3,680,582</b>	<b>3,694,258</b>	<b>3,707,985</b>	<b>3,721,763</b>	<b>3,735,593</b>	<b>3,749,473</b>	<b>3,763,406</b>	<b>3,777,390</b>	<b>3,791,426</b>	<b>3,805,514</b>	<b>3,819,655</b>	<b>3,833,848</b>	<b>3,848,093</b>
<b>Contra Costa CCA Customer Charges, \$/MWh (before Reserve Fund Adjustment)</b>																					
Average Contra Costa CCA generation	\$72.0	\$72.7	\$73.2	\$75.5	\$77.5	\$79.7	\$80.4	\$82.9	\$86.5	\$90.6	\$95.2	\$100.3	\$105.9	\$108.3	\$110.8	\$113.4	\$116.0	\$118.7	\$121.4	\$124.1	\$127.1
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$95.7</b>	<b>\$91.8</b>	<b>\$96.1</b>	<b>\$92.1</b>	<b>\$94.1</b>	<b>\$95.4</b>	<b>\$95.0</b>	<b>\$95.5</b>	<b>\$95.6</b>	<b>\$98.5</b>	<b>\$102.2</b>	<b>\$106.2</b>	<b>\$111.0</b>	<b>\$111.4</b>	<b>\$112.5</b>	<b>\$114.0</b>	<b>\$116.0</b>	<b>\$118.7</b>	<b>\$121.4</b>	<b>\$124.1</b>	<b>\$127.1</b>
<b>PG&amp;E average gen rate for CCA load, \$/MWh</b>	<b>\$101.5</b>	<b>\$105.7</b>	<b>\$106.6</b>	<b>\$112.7</b>	<b>\$115.5</b>	<b>\$113.8</b>	<b>\$113.3</b>	<b>\$109.2</b>	<b>\$113.2</b>	<b>\$119.2</b>	<b>\$126.3</b>	<b>\$134.2</b>	<b>\$144.0</b>	<b>\$146.7</b>	<b>\$151.0</b>	<b>\$155.7</b>	<b>\$160.8</b>	<b>\$165.0</b>	<b>\$170.5</b>	<b>\$176.0</b>	<b>\$182.5</b>
<b>Reserve Fund Adjustment</b>																					
Target	\$12,712,380	\$25,814,858	\$39,619,510	\$41,060,732	\$42,339,614	\$43,677,360	\$44,144,167	\$45,576,943	\$47,743,777	\$50,196,941	\$52,976,084	\$55,985,264	\$59,313,790	\$60,921,014	\$62,551,146	\$64,242,477	\$65,981,254	\$67,749,205	\$69,559,149	\$71,390,492	\$73,358,977
<b>Reserve Fund Adjustment</b>																					
Potential Reserve potential	\$6,866,063	\$32,879,835	\$38,027,080	\$74,548,670	\$78,053,677	\$67,255,940	\$67,112,296	\$50,168,239	\$64,775,682	\$76,346,136	\$89,284,946	\$104,130,951	\$123,359,382	\$132,317,748	\$145,146,736	\$157,786,207	\$169,893,397	\$176,352,443	\$187,665,096	\$198,702,934	\$213,329,715
Potential Reserve additions	\$6,866,063	\$18,948,796	\$13,804,652	\$1,441,222	\$1,278,883	\$1,337,746	\$466,807	\$1,432,776	\$2,166,833	\$2,453,164	\$2,779,143	\$3,009,180	\$3,328,526	\$1,607,224	\$1,630,132	\$1,691,331	\$1,738,777	\$1,767,951	\$1,809,944	\$1,831,343	\$1,968,485
Subtractions from reserve fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Reserve fund total</b>	<b>\$6,866,063</b>	<b>\$25,814,858</b>	<b>\$39,619,510</b>	<b>\$41,060,732</b>	<b>\$42,339,614</b>	<b>\$43,677,360</b>	<b>\$44,144,167</b>	<b>\$45,576,943</b>	<b>\$47,743,777</b>	<b>\$50,196,941</b>	<b>\$52,976,084</b>	<b>\$55,985,264</b>	<b>\$59,313,790</b>	<b>\$60,921,014</b>	<b>\$62,551,146</b>	<b>\$64,242,477</b>	<b>\$65,981,254</b>	<b>\$67,749,205</b>	<b>\$69,559,149</b>	<b>\$71,390,492</b>	<b>\$73,358,977</b>
<b>Contra Costa CCA Customer Charges, \$/MWh (with Reserve Fund Adjustment)</b>																					
Rate adjustment from Reserve Fund	\$5.8	\$8.0	\$3.8	\$0.4	\$0.4	\$0.4	\$0.1	\$0.4	\$0.6	\$0.7	\$0.7	\$0.8	\$0.9	\$0.4	\$0.4	\$0.4	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Average Contra Costa CCA rate	\$77.8	\$80.7	\$77.1	\$75.9	\$77.9	\$80.1	\$80.5	\$83.3	\$87.1	\$91.2	\$96.0	\$101.1	\$106.7	\$108.7	\$111.2	\$113.8	\$116.5	\$119.2	\$121.9	\$124.6	\$127.6
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$101.5</b>	<b>\$99.8</b>	<b>\$99.9</b>	<b>\$92.5</b>	<b>\$94.4</b>	<b>\$95.8</b>	<b>\$95.1</b>	<b>\$95.9</b>	<b>\$96.1</b>	<b>\$99.2</b>	<b>\$103.0</b>	<b>\$107.1</b>	<b>\$111.9</b>	<b>\$111.9</b>	<b>\$112.9</b>	<b>\$114.4</b>	<b>\$116.5</b>	<b>\$119.2</b>	<b>\$121.9</b>	<b>\$124.6</b>	<b>\$127.6</b>
<i>Note: Reserve fund revenue is used to reduce CCA rates if (i) CCA rates are lower than PG&amp;E rates or (ii) the reserve fund reaches the ceiling of half a year of expenses.</i>																					
<b>Contra Costa CCA CO2 emissions</b>																					
Emissions (Tonnes/MWh)	0.04	0.03	0.02	0.02	0.02	0.02	0.02	0.04	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Total emissions (Tonnes)	48,104	76,449	70,394	71,051	71,298	72,351	73,983	158,002	195,517	194,741	179,036	161,586	144,182	144,830	145,465	146,223	146,793	147,369	147,857	148,803	149,369

# Scenario 3

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
<b>Expenses</b>																					
Cost of Power (including losses)	\$74,421,602	\$155,059,529	\$248,051,939	\$262,405,554	\$275,771,462	\$289,759,015	\$303,955,349	\$316,069,786	\$337,813,788	\$362,649,650	\$383,978,224	\$406,604,081	\$431,423,912	\$446,808,176	\$461,156,092	\$475,748,288	\$489,543,148	\$503,482,983	\$517,889,434	\$532,382,737	\$548,417,000
O&M/A&G Costs	\$9,081,989	\$11,047,477	\$14,037,456	\$14,312,982	\$14,596,957	\$14,871,929	\$15,146,845	\$15,425,482	\$15,722,408	\$16,025,074	\$16,333,641	\$16,648,197	\$16,968,859	\$17,295,746	\$17,628,978	\$17,968,678	\$18,314,999	\$18,668,042	\$19,027,938	\$19,394,819	\$19,768,820
Energy Efficiency Programming Costs																					
<b>Total Expenses</b>	<b>\$83,503,591</b>	<b>\$166,107,006</b>	<b>\$262,089,395</b>	<b>\$276,718,537</b>	<b>\$290,368,419</b>	<b>\$304,630,945</b>	<b>\$319,102,194</b>	<b>\$331,495,267</b>	<b>\$353,536,197</b>	<b>\$378,674,724</b>	<b>\$400,311,865</b>	<b>\$423,252,278</b>	<b>\$448,392,771</b>	<b>\$464,103,921</b>	<b>\$478,785,070</b>	<b>\$493,716,965</b>	<b>\$507,858,147</b>	<b>\$522,151,025</b>	<b>\$536,917,372</b>	<b>\$551,777,556</b>	<b>\$568,185,821</b>
Debt Service	\$0	\$5,489,006	\$5,489,006	\$5,489,006	\$5,489,006	\$5,489,006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenue Requirement</b>	<b>\$83,503,591</b>	<b>\$171,596,012</b>	<b>\$267,578,402</b>	<b>\$282,207,543</b>	<b>\$295,857,426</b>	<b>\$310,119,951</b>	<b>\$319,102,194</b>	<b>\$331,495,267</b>	<b>\$353,536,197</b>	<b>\$378,674,724</b>	<b>\$400,311,865</b>	<b>\$423,252,278</b>	<b>\$448,392,771</b>	<b>\$464,103,921</b>	<b>\$478,785,070</b>	<b>\$493,716,965</b>	<b>\$507,858,147</b>	<b>\$522,151,025</b>	<b>\$536,917,372</b>	<b>\$551,777,556</b>	<b>\$568,185,821</b>
<b>Total Load, MWh</b>	<b>1,177,121</b>	<b>2,366,944</b>	<b>3,607,181</b>	<b>3,623,598</b>	<b>3,641,698</b>	<b>3,652,169</b>	<b>3,659,921</b>	<b>3,666,956</b>	<b>3,680,582</b>	<b>3,694,258</b>	<b>3,707,985</b>	<b>3,721,763</b>	<b>3,735,593</b>	<b>3,749,473</b>	<b>3,763,406</b>	<b>3,777,390</b>	<b>3,791,426</b>	<b>3,805,514</b>	<b>3,819,655</b>	<b>3,833,848</b>	<b>3,848,093</b>
<b>Alameda CCA Customer Charges, \$/MWh (before Reserve Fund Adjustment)</b>																					
Average Alameda CCA generation	\$70.9	\$72.5	\$74.2	\$77.9	\$81.2	\$84.9	\$87.2	\$90.4	\$96.1	\$102.5	\$108.0	\$113.7	\$120.0	\$123.8	\$127.2	\$130.7	\$133.9	\$137.2	\$140.6	\$143.9	\$147.7
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$94.6</b>	<b>\$91.6</b>	<b>\$97.0</b>	<b>\$94.4</b>	<b>\$97.8</b>	<b>\$100.6</b>	<b>\$101.8</b>	<b>\$103.0</b>	<b>\$105.1</b>	<b>\$110.5</b>	<b>\$115.0</b>	<b>\$119.7</b>	<b>\$125.1</b>	<b>\$126.9</b>	<b>\$128.9</b>	<b>\$131.3</b>	<b>\$133.9</b>	<b>\$137.2</b>	<b>\$140.6</b>	<b>\$143.9</b>	<b>\$147.7</b>
<b>PG&amp;E average gen rate for CCA load, \$/MWh</b>	<b>\$101.5</b>	<b>\$105.7</b>	<b>\$106.6</b>	<b>\$112.7</b>	<b>\$115.5</b>	<b>\$113.8</b>	<b>\$113.3</b>	<b>\$109.2</b>	<b>\$113.2</b>	<b>\$119.2</b>	<b>\$126.3</b>	<b>\$134.2</b>	<b>\$144.0</b>	<b>\$146.7</b>	<b>\$151.0</b>	<b>\$155.7</b>	<b>\$160.8</b>	<b>\$165.0</b>	<b>\$170.5</b>	<b>\$176.0</b>	<b>\$182.5</b>
<b>Reserve Fund Adjustment</b>																					
Target	\$12,525,539	\$25,739,402	\$40,136,760	\$42,331,131	\$44,378,614	\$46,517,993	\$47,865,329	\$49,724,290	\$53,030,429	\$56,801,209	\$60,046,780	\$63,487,842	\$67,258,916	\$69,615,588	\$71,817,760	\$74,057,545	\$76,178,722	\$78,322,654	\$80,537,606	\$82,766,633	\$85,227,873
<b>Reserve Fund Adjustment</b>																					
Potential Reserve potential	\$8,111,669	\$33,382,879	\$34,578,745	\$66,079,340	\$64,460,347	\$48,318,389	\$42,304,552	\$22,519,261	\$29,531,331	\$32,317,684	\$42,146,974	\$54,113,763	\$70,391,877	\$74,353,919	\$83,369,303	\$92,352,422	\$101,910,276	\$105,862,787	\$114,475,383	\$122,861,990	\$134,203,739
Potential Reserve additions	\$8,111,669	\$17,627,733	\$14,397,358	\$2,194,371	\$2,047,482	\$2,139,379	\$1,347,336	\$1,858,961	\$3,306,139	\$3,770,779	\$3,245,571	\$3,441,062	\$3,771,074	\$2,356,673	\$2,202,172	\$2,239,784	\$2,121,177	\$2,143,932	\$2,214,952	\$2,229,028	\$2,461,240
Subtractions from reserve fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Reserve fund total</b>	<b>\$8,111,669</b>	<b>\$25,739,402</b>	<b>\$40,136,760</b>	<b>\$42,331,131</b>	<b>\$44,378,614</b>	<b>\$46,517,993</b>	<b>\$47,865,329</b>	<b>\$49,724,290</b>	<b>\$53,030,429</b>	<b>\$56,801,209</b>	<b>\$60,046,780</b>	<b>\$63,487,842</b>	<b>\$67,258,916</b>	<b>\$69,615,588</b>	<b>\$71,817,760</b>	<b>\$74,057,545</b>	<b>\$76,178,722</b>	<b>\$78,322,654</b>	<b>\$80,537,606</b>	<b>\$82,766,633</b>	<b>\$85,227,873</b>
<b>Alameda CCA Customer Charges, \$/MWh (with Reserve Fund Adjustment)</b>																					
Rate adjustment from Reserve Fund	\$6.9	\$7.4	\$4.0	\$0.6	\$0.6	\$0.6	\$0.4	\$0.5	\$0.9	\$1.0	\$0.9	\$0.9	\$1.0	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Average Alameda CCA rate	\$77.8	\$79.9	\$78.2	\$78.5	\$81.8	\$85.5	\$87.6	\$90.9	\$97.0	\$103.5	\$108.8	\$114.6	\$121.0	\$124.4	\$127.8	\$131.3	\$134.5	\$137.8	\$141.1	\$144.5	\$148.3
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$101.5</b>	<b>\$99.0</b>	<b>\$101.0</b>	<b>\$95.0</b>	<b>\$98.4</b>	<b>\$101.2</b>	<b>\$102.1</b>	<b>\$103.5</b>	<b>\$106.0</b>	<b>\$111.5</b>	<b>\$115.8</b>	<b>\$120.6</b>	<b>\$126.2</b>	<b>\$127.5</b>	<b>\$129.5</b>	<b>\$131.9</b>	<b>\$134.5</b>	<b>\$137.8</b>	<b>\$141.1</b>	<b>\$144.5</b>	<b>\$148.3</b>
<i>Note: Reserve fund revenue is used to reduce CCA rates if (i) CCA rates are lower than PG&amp;E rates or (ii) the reserve fund reaches the ceiling of half a year of expenses.</i>																					
<b>Alameda CCA CO2 emissions</b>																					
Emissions (Tonnes/MWh)	0.04	0.03	0.02	0.02	0.02	0.02	0.02	0.04	0.05	0.05	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Total emissions (Tonnes)	48,104	76,449	70,394	71,051	71,298	72,351	73,983	158,002	195,517	194,741	195,332	196,074	197,642	162,803	163,997	165,333	166,460	167,595	168,634	170,197	171,328

# Scenario 4

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
<b>Expenses</b>																					
Cost of Power (including losses)	\$77,332,918	\$162,719,907	\$262,070,819	\$279,609,557	\$297,052,506	\$315,993,039	\$336,528,138	\$362,105,625	\$391,911,928	\$427,041,105	\$449,571,955	\$473,571,311	\$500,641,660	\$511,836,324	\$523,149,117	\$534,898,122	\$546,971,922	\$559,212,625	\$571,745,163	\$584,386,818	\$598,049,458
O&M/A&G Costs	\$9,081,989	\$11,047,477	\$14,037,456	\$14,312,982	\$14,596,957	\$14,871,929	\$15,146,845	\$15,425,482	\$15,722,408	\$16,025,074	\$16,333,641	\$16,648,197	\$16,968,859	\$17,295,746	\$17,628,978	\$17,968,678	\$18,314,999	\$18,668,042	\$19,027,938	\$19,394,819	\$19,768,820
Energy Efficiency Programming Costs																					
<b>Total Expenses</b>	<b>\$86,414,907</b>	<b>\$173,767,384</b>	<b>\$276,108,275</b>	<b>\$293,922,540</b>	<b>\$311,649,463</b>	<b>\$330,864,968</b>	<b>\$351,674,983</b>	<b>\$377,531,107</b>	<b>\$407,634,337</b>	<b>\$443,066,180</b>	<b>\$465,905,596</b>	<b>\$490,219,508</b>	<b>\$517,610,519</b>	<b>\$529,132,070</b>	<b>\$540,778,094</b>	<b>\$552,866,799</b>	<b>\$565,286,921</b>	<b>\$577,880,667</b>	<b>\$590,773,101</b>	<b>\$603,781,637</b>	<b>\$617,818,279</b>
Debt Service	\$0	\$5,489,006	\$5,489,006	\$5,489,006	\$5,489,006	\$5,489,006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenue Requirement</b>	<b>\$86,414,907</b>	<b>\$179,256,390</b>	<b>\$281,597,282</b>	<b>\$299,411,546</b>	<b>\$317,138,469</b>	<b>\$336,353,975</b>	<b>\$351,674,983</b>	<b>\$377,531,107</b>	<b>\$407,634,337</b>	<b>\$443,066,180</b>	<b>\$465,905,596</b>	<b>\$490,219,508</b>	<b>\$517,610,519</b>	<b>\$529,132,070</b>	<b>\$540,778,094</b>	<b>\$552,866,799</b>	<b>\$565,286,921</b>	<b>\$577,880,667</b>	<b>\$590,773,101</b>	<b>\$603,781,637</b>	<b>\$617,818,279</b>
<b>Total Load, MWh</b>	<b>1,177,121</b>	<b>2,366,944</b>	<b>3,607,181</b>	<b>3,623,598</b>	<b>3,641,698</b>	<b>3,652,169</b>	<b>3,659,921</b>	<b>3,666,956</b>	<b>3,680,582</b>	<b>3,694,258</b>	<b>3,707,985</b>	<b>3,721,763</b>	<b>3,735,593</b>	<b>3,749,473</b>	<b>3,763,406</b>	<b>3,777,390</b>	<b>3,791,426</b>	<b>3,805,514</b>	<b>3,819,655</b>	<b>3,833,848</b>	<b>3,848,093</b>
<b>Alameda CCA Customer Charges, \$/MWh (before Reserve Fund Adjustment)</b>																					
Average Alameda CCA generation	\$73.4	\$75.7	\$78.1	\$82.6	\$87.1	\$92.1	\$96.1	\$103.0	\$110.8	\$119.9	\$125.6	\$131.7	\$138.6	\$141.1	\$143.7	\$146.4	\$149.1	\$151.9	\$154.7	\$157.5	\$160.6
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$97.1</b>	<b>\$94.8</b>	<b>\$100.9</b>	<b>\$99.2</b>	<b>\$103.7</b>	<b>\$107.8</b>	<b>\$110.7</b>	<b>\$115.6</b>	<b>\$119.8</b>	<b>\$127.9</b>	<b>\$132.7</b>	<b>\$137.7</b>	<b>\$143.7</b>	<b>\$144.2</b>	<b>\$145.4</b>	<b>\$147.0</b>	<b>\$149.1</b>	<b>\$151.9</b>	<b>\$154.7</b>	<b>\$157.5</b>	<b>\$160.6</b>
<b>PG&amp;E average gen rate for CCA load, \$/MWh</b>	<b>\$101.5</b>	<b>\$105.7</b>	<b>\$106.6</b>	<b>\$112.7</b>	<b>\$115.5</b>	<b>\$113.8</b>	<b>\$113.3</b>	<b>\$109.2</b>	<b>\$113.2</b>	<b>\$119.2</b>	<b>\$126.3</b>	<b>\$134.2</b>	<b>\$144.0</b>	<b>\$146.7</b>	<b>\$151.0</b>	<b>\$155.7</b>	<b>\$160.8</b>	<b>\$165.0</b>	<b>\$170.5</b>	<b>\$176.0</b>	<b>\$182.5</b>
<b>Reserve Fund Adjustment</b>																					
Target	\$12,962,236	\$26,888,459	\$42,239,592	\$44,911,732	\$47,570,770	\$50,453,096	\$52,751,248	\$56,629,666	\$61,145,150	\$66,459,927	\$69,885,839	\$73,532,926	\$77,641,578	\$79,369,810	\$81,116,714	\$82,930,020	\$84,793,038	\$86,682,100	\$88,615,965	\$90,567,246	\$92,672,742
<b>Reserve Fund Adjustment</b>																					
Potential Reserve potential	\$5,200,352	\$25,722,501	\$20,559,865	\$48,875,337	\$43,179,304	\$22,084,365	\$9,731,762	\$0	\$0	\$0	\$0	\$0	\$1,174,129	\$9,325,771	\$21,376,279	\$33,202,588	\$44,481,502	\$50,133,145	\$60,619,654	\$70,857,909	\$84,571,282
Potential Reserve additions	\$5,200,352	\$21,688,106	\$15,351,134	\$2,672,140	\$2,659,039	\$2,882,326	\$2,298,151	\$0	\$0	\$0	\$0	\$0	\$77,641,578	\$1,728,233	\$1,746,904	\$1,813,306	\$1,863,018	\$1,889,062	\$1,933,865	\$1,951,280	\$2,105,496
Subtractions from reserve fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,516,579	\$24,566,809	\$4,667,860	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Reserve fund total</b>	<b>\$5,200,352</b>	<b>\$26,888,459</b>	<b>\$42,239,592</b>	<b>\$44,911,732</b>	<b>\$47,570,770</b>	<b>\$50,453,096</b>	<b>\$52,751,248</b>	<b>\$29,234,669</b>	<b>\$4,667,860</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$77,641,578</b>	<b>\$79,369,810</b>	<b>\$81,116,714</b>	<b>\$82,930,020</b>	<b>\$84,793,038</b>	<b>\$86,682,100</b>	<b>\$88,615,965</b>	<b>\$90,567,246</b>	<b>\$92,672,742</b>
<b>Alameda CCA Customer Charges, \$/MWh (with Reserve Fund Adjustment)</b>																					
Rate adjustment from Reserve Fund	\$4.4	\$9.2	\$4.3	\$0.7	\$0.7	\$0.8	\$0.6	-\$6.4	-\$6.7	-\$1.3	\$0.0	\$0.0	\$20.8	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Average Alameda CCA rate	\$77.8	\$84.9	\$82.3	\$83.4	\$87.8	\$92.9	\$96.7	\$96.5	\$104.1	\$118.7	\$125.6	\$131.7	\$159.3	\$141.6	\$144.2	\$146.8	\$149.6	\$152.3	\$155.2	\$158.0	\$161.1
PG&E average exit fees for CCA load	\$23.7	\$19.1	\$22.9	\$16.6	\$16.6	\$15.7	\$14.6	\$12.6	\$9.1	\$8.0	\$7.0	\$6.0	\$5.1	\$3.1	\$1.7	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total CCA customer rate</b>	<b>\$101.5</b>	<b>\$104.0</b>	<b>\$105.2</b>	<b>\$99.9</b>	<b>\$104.4</b>	<b>\$108.6</b>	<b>\$111.3</b>	<b>\$109.2</b>	<b>\$113.2</b>	<b>\$126.6</b>	<b>\$132.7</b>	<b>\$137.7</b>	<b>\$164.5</b>	<b>\$144.7</b>	<b>\$145.8</b>	<b>\$147.4</b>	<b>\$149.6</b>	<b>\$152.3</b>	<b>\$155.2</b>	<b>\$158.0</b>	<b>\$161.1</b>
<i>Note: Reserve fund revenue is used to reduce CCA rates if (i) CCA rates are lower than PG&amp;E rates or (ii) the reserve fund reaches the ceiling of half a year of expenses.</i>																					
<b>Alameda CCA CO2 emissions</b>																					
Emissions (Tonnes/MWh)	0.04	0.03	0.02	0.02	0.02	0.02	0.02	0.04	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Total emissions (Tonnes)	48,104	76,449	70,394	71,051	71,298	72,351	73,983	158,002	195,517	194,741	179,036	161,586	144,182	144,830	145,465	146,223	146,793	147,369	147,857	148,803	149,369

## **Appendix H. MCE's Joint Powers Agreements**

**Marin Energy Authority  
- Joint Powers Agreement -**

**Effective December 19, 2008**

**As amended by Amendment No. 1 dated December 3, 2009  
As further amended by Amendment No. 2 dated March 4, 2010  
As further amended by Amendment No. 3 dated May 6, 2010  
As further amended by Amendment No. 4 dated December 1, 2011  
As further amended by Amendment No. 5 dated July 5, 2012  
As further amended by Amendment No. 6 dated September 5, 2013  
As further amended by Amendment No. 7 dated December 5, 2013  
As further amended by Amendment No. 8 dated September 4, 2014  
As further amended by Amendment No. 9 dated December 4, 2014  
As further amended by Amendment No. 10 dated April 21, 2016**

**Among The Following Parties:**

**City of American Canyon  
City of Belvedere  
City of Benicia  
City of Calistoga  
Town of Corte Madera  
City of El Cerrito  
Town of Fairfax  
City of Lafayette  
City of Larkspur  
City of Mill Valley  
City of Napa  
City of Novato  
City of Richmond  
Town of Ross  
Town of San Anselmo  
City of San Pablo  
City of San Rafael  
City of Sausalito  
City of St. Helena  
Town of Tiburon  
City of Walnut Creek  
Town of Yountville  
County of Marin  
County of Napa**

## **MARIN ENERGY AUTHORITY JOINT POWERS AGREEMENT**

This **Joint Powers Agreement** (“Agreement”), effective as of December 19, 2008, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the parties set forth in Exhibit B (“Parties”). The term “Parties” shall also include an incorporated municipality or county added to this Agreement in accordance with Section 3.1.

### **RECITALS**

1. The Parties are either incorporated municipalities or counties sharing various powers under California law, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.2 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability, energy efficiencies and local economic benefits. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Marin Energy Authority (“Authority”), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”) in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority Community Choice Aggregation, an electric service enterprise agency available to cities and counties pursuant to California Public Utilities Code Section 366.2 (“CCA Program”). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program. Regardless of whether or not Program Agreement 1 is approved and the CCA Program becomes operational, the parties intend for the Authority to continue to study, promote, develop, conduct, operate and manage other energy programs.

## AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

### ARTICLE 1 CONTRACT DOCUMENTS

- 1.1 **Definitions.** Capitalized terms used in the Agreement shall have the meanings specified in Exhibit A, unless the context requires otherwise.
- 1.2 **Documents Included.** This Agreement consists of this document and the following exhibits, all of which are hereby incorporated into this Agreement.

Exhibit A:	Definitions
Exhibit B:	List of the Parties
Exhibit C:	Annual Energy Use
Exhibit D:	Voting Shares

- 1.3 **Revision of Exhibits.** The Parties agree that Exhibits B, C and D to this Agreement describe certain administrative matters that may be revised upon the approval of the Board, without such revision constituting an amendment to this Agreement, as described in Section 8.4. The Authority shall provide written notice to the Parties of the revision of any such exhibit.

### ARTICLE 2 FORMATION OF MARIN ENERGY AUTHORITY

- 2.1 **Effective Date and Term.** This Agreement shall become effective and Marin Energy Authority shall exist as a separate public agency on the date this Agreement is executed by at least two Initial Participants after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(10). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 7.4, subject to the rights of the Parties to withdraw from the Authority.
- 2.2 **Initial Participants.** During the first 180 days after the Effective Date, all other Initial Participants may become a Party by executing this Agreement and delivering an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(10) to the Authority. Additional conditions, described in Section 3.1, may apply (i) to either an incorporated municipality or county desiring to become a Party and is not an Initial Participant and (ii) to Initial Participants that have not executed and delivered this Agreement within the time period described above.

- 2.3** **Formation.** There is formed as of the Effective Date a public agency named the Marin Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing board of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. A Party who has not agreed to assume an Authority debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Parties agree to assume the debt, liability or obligation of the Authority. Notwithstanding Section 8.4 of this Agreement, this Section 2.3 may not be amended unless such amendment is approved by the governing board of each Party.
- 2.4** **Purpose.** The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Party to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs, and to exercise all other powers necessary and incidental to accomplishing this purpose. Without limiting the generality of the foregoing, the Parties intend for this Agreement to be used as a contractual mechanism by which the Parties are authorized to participate as a group in the CCA Program, as further described in Section 5.1. The Parties intend that subsequent agreements shall define the terms and conditions associated with the actual implementation of the CCA Program and any other energy programs approved by the Authority.
- 2.5** **Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:
- 2.5.1** make and enter into contracts;
  - 2.5.2** employ agents and employees, including but not limited to an Executive Director;
  - 2.5.3** acquire, contract, manage, maintain, and operate any buildings, works or improvements;
  - 2.5.4** acquire by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
  - 2.5.5** lease any property;
  - 2.5.6** sue and be sued in its own name;
  - 2.5.7** incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Section 53850 et seq. and authority under the Act;
  - 2.5.8** issue revenue bonds and other forms of indebtedness;
  - 2.5.9** apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state or local public agency;

- 2.5.10** submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
- 2.5.11** adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority (“Operating Rules and Regulations”); and
- 2.5.12** make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services.
- 2.6** **Limitation on Powers.** As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the County of Marin.
- 2.7** **Compliance with Local Zoning and Building Laws.** Notwithstanding any other provisions of this Agreement or state law, any facilities, buildings or structures located, constructed or caused to be constructed by the Authority within the territory of the Authority shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed.

### **ARTICLE 3 AUTHORITY PARTICIPATION**

- 3.1** **Addition of Parties.** Subject to Section 2.2, relating to certain rights of Initial Participants, other incorporated municipalities and counties may become Parties upon (a) the adoption of a resolution by the governing body of such incorporated municipality or such county requesting that the incorporated municipality or county, as the case may be, become a member of the Authority, (b) the adoption, by an affirmative vote of the Board satisfying the requirements described in Section 4.9.1, of a resolution authorizing membership of the additional incorporated municipality or county, specifying the membership payment, if any, to be made by the additional incorporated municipality or county to reflect its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership, (c) the adoption of an ordinance required by Public Utilities Code Section 366.2(c)(10) and execution of this Agreement and other necessary program agreements by the incorporated municipality or county, (d) payment of the membership payment, if any, and (e) satisfaction of any conditions established by the Board. Notwithstanding the foregoing, in the event the Authority decides to not implement a CCA Program, the requirement that an additional party adopt the ordinance required by Public Utilities Code Section 366.2(c)(10) shall not apply. Under such circumstance, the Board resolution authorizing membership of an additional incorporated municipality or county shall be adopted in accordance with the voting requirements of Section 4.10.

- 3.2 **Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition and/or withdrawal or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 3.1. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

## **ARTICLE 4 GOVERNANCE AND INTERNAL ORGANIZATION**

- 4.1 **Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2.
- 4.2 **Appointment and Removal of Directors.** The Directors shall be appointed and may be removed as follows:
- 4.2.1 The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party also shall appoint and designate in writing one alternate Director who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the Director or the alternate Director shall be a member of the governing body of the Party.
- 4.2.2 The Operating Rules and Regulations, to be developed and approved by the Board in accordance with Section 2.5.11, shall specify the reasons for and process associated with the removal of an individual Director for cause. Notwithstanding the foregoing, no Party shall be deprived of its right to seat a Director on the Board and any such Party for which its Director and/or alternate Director has been removed may appoint a replacement.
- 4.3 **Terms of Office.** Each Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the position of the previous Director in accordance with the provisions of Section 4.2 within 90 days of the date that such position becomes vacant.
- 4.4 **Quorum.** A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with law.

- 4.5 Powers and Function of the Board.** The Board shall conduct or authorize to be conducted all business and activities of the Authority, consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law.
- 4.6 Executive Committee.** The Board may establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the executive committee such authority as the Board might otherwise exercise, subject to limitations placed on the Board's authority to delegate certain essential functions, as described in the Operating Rules and Regulations. The Board may not delegate to the Executive Committee or any other committee its authority under Section 2.5.11 to adopt and amend the Operating Rules and Regulations.
- 4.7 Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement.
- 4.8 Director Compensation.** Compensation for work performed by Directors on behalf of the Authority shall be borne by the Party that appointed the Director. The Board, however, may adopt by resolution a policy relating to the reimbursement of expenses incurred by Directors.
- 4.9 Board Voting Related to the CCA Program.**
- 4.9.1.** To be effective, on all matters specifically related to the CCA Program, a vote of the Board shall consist of the following: (1) a majority of all Directors shall vote in the affirmative or such higher voting percentage expressly set forth in Sections 7.2 and 8.4 (the "percentage vote") and (2) the corresponding voting shares (as described in Section 4.9.2 and Exhibit D) of all such Directors voting in the affirmative shall exceed 50%, or such other higher voting shares percentage expressly set forth in Sections 7.2 and 8.4 (the "percentage voting shares"), provided that, in instances in which such other higher voting share percentage would result in any one Director having a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter.
- 4.9.2.** Unless otherwise stated herein, voting shares of the Directors shall be determined by combining the following: (1) an equal voting share for each Director determined in accordance with the formula detailed in Section 4.9.2.1, below; and (2) an additional voting share determined in accordance with the formula detailed in Section 4.9.2.2, below.
- 4.9.2.1 Pro Rata Voting Share.** Each Director shall have an equal voting share as determined by the following formula: (1/total number of

Directors) multiplied by 50, and

**4.9.2.2** Annual Energy Use Voting Share. Each Director shall have an additional voting share as determined by the following formula: (Annual Energy Use/Total Annual Energy) multiplied by 50, where (a) “Annual Energy Use” means, (i) with respect to the first 5 years following the Effective Date, the annual electricity usage, expressed in kilowatt hours (“kWhs”), within the Party’s respective jurisdiction and (ii) with respect to the period after the fifth anniversary of the Effective Date, the annual electricity usage, expressed in kWhs, of accounts within a Party’s respective jurisdiction that are served by the Authority and (b) “Total Annual Energy” means the sum of all Parties’ Annual Energy Use. The initial values for Annual Energy use are designated in Exhibit C, and shall be adjusted annually as soon as reasonably practicable after January 1, but no later than March 1 of each year

**4.9.2.3** The voting shares are set forth in Exhibit D. Exhibit D may be updated to reflect revised annual energy use amounts and any changes in the parties to the Agreement without amending the Agreement provided that the Board is provided a copy of the updated Exhibit D.

**4.10** Board Voting on General Administrative Matters and Programs Not Involving CCA. Except as otherwise provided by this Agreement or the Operating Rules and Regulations, each member shall have one vote on general administrative matters, including but not limited to the adoption and amendment of the Operating Rules and Regulations, and energy programs not involving CCA. Action on these items shall be determined by a majority vote of the quorum present and voting on the item or such higher voting percentage expressly set forth in Sections 7.2 and 8.4.

**4.11** Board Voting on CCA Programs Not Involving CCA That Require Financial Contributions. The approval of any program or other activity not involving CCA that requires financial contributions by individual Parties shall be approved only by a majority vote of the full membership of the Board subject to the right of any Party who votes against the program or activity to opt-out of such program or activity pursuant to this section. The Board shall provide at least 45 days prior written notice to each Party before it considers the program or activity for adoption at a Board meeting. Such notice shall be provided to the governing body and the chief administrative officer, city manager or town manager of each Party. The Board also shall provide written notice of such program or activity adoption to the above-described officials of each Party within 5 days after the Board adopts the program or activity. Any Party voting against the approval of a program or other activity of the Authority requiring financial contributions by individual Parties may elect to opt-out of participation in such program or activity by

providing written notice of this election to the Board within 30 days after the program or activity is approved by the Board. Upon timely exercising its opt-out election, a Party shall not have any financial obligation or any liability whatsoever for the conduct or operation of such program or activity.

**4.12 Meetings and Special Meetings of the Board.** The Board shall hold at least four regular meetings per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law. All meetings of the Board shall be conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code Section 54950 et seq.).

**4.13 Selection of Board Officers.**

**4.13.1 Chair and Vice Chair.** The Directors shall select, from among themselves, a Chair, who shall be the presiding officer of all Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The office of either the Chair or Vice Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies, resigns, or the Party that the person represents removes the person as its representative on the Board or (b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement.

**4.13.2 Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

**4.13.3 Treasurer and Auditor.** The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. If the Board so designates, and in accordance with the provisions of applicable law, a qualified person may hold both the office of Treasurer and the office of Auditor of the Authority. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer and/or Auditor to

file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time. The duties and obligations of the Treasurer are further specified in Article 6.

- 4.14 Administrative Services Provider.** The Board may appoint one or more administrative services providers to serve as the Authority's agent for planning, implementing, operating and administering the CCA Program, and any other program approved by the Board, in accordance with the provisions of a written agreement between the Authority and the appointed administrative services provider or providers that will be known as an Administrative Services Agreement. The Administrative Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the CCA Program and other approved programs. The Administrative Services Agreement shall set forth the term of the Agreement and the circumstances under which the Administrative Services Agreement may be terminated by the Authority. This section shall not in any way be construed to limit the discretion of the Authority to hire its own employees to administer the CCA Program or any other program.

## ARTICLE 5

### IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

#### **5.1 Preliminary Implementation of the CCA Program.**

- 5.1.1 Enabling Ordinance.** Except as otherwise provided by Section 3.1, prior to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(10) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.
- 5.1.2 Implementation Plan.** The Authority shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Board in the manner provided by Section 4.9.

**5.1.3 Effect of Vote On Required Implementation Action.** In the event that two or more Parties vote to approve Program Agreement 1 or any earlier action required for the implementation of the CCA Program (“Required Implementation Action”), but such vote is insufficient to approve the Required Implementation Action under Section 4.9, the following will occur:

**5.1.3.1** The Parties voting against the Required Implementation Action shall no longer be a Party to this Agreement and this Agreement shall be terminated, without further notice, with respect to each of the Parties voting against the Required Implementation Action at the time this vote is final. The Board may take a provisional vote on a Required Implementation Action in order to initially determine the position of the Parties on the Required Implementation Action. A vote, specifically stated in the record of the Board meeting to be a provisional vote, shall not be considered a final vote with the consequences stated above. A Party who is terminated from this Agreement pursuant to this section shall be considered the same as a Party that voluntarily withdrew from the Agreement under Section 7.1.1.1.

**5.1.3.2** After the termination of any Parties pursuant to Section 5.1.3.1, the remaining Parties to this Agreement shall be only the Parties who voted in favor of the Required Implementation Action.

**5.1.4 Termination of CCA Program.** Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

**5.2 Authority Documents.** The Parties acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board through Board resolution, including but not necessarily limited to the Operating Rules and Regulations, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties’ right to withdraw from the Authority as described in Article 7.

**ARTICLE 6  
FINANCIAL PROVISIONS**

- 6.1 Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.
- 6.2 Depository.**
- 6.2.1** All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.
- 6.2.2** All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6505 of the Act.
- 6.2.3** All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.
- 6.3 Budget and Recovery Costs.**
- 6.3.1 **Budget.**** The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Authority Document as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Rules and Regulations.
- 6.3.2 **County Funding of Initial Costs.**** The County of Marin shall fund the Initial Costs of the Authority in implementing the CCA Program in an amount not to exceed \$500,000 unless a larger amount of funding is approved by the Board of Supervisors of the County. This funding shall be paid by the County at the times and in the amounts required by the Authority. In the event that the CCA Program becomes operational, these Initial Costs paid by the County of Marin shall be included in the customer charges for electric services as provided by Section 6.3.4 to the extent permitted by law, and the County of Marin shall be reimbursed from the

payment of such charges by customers of the Authority. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County of Marin shall not be entitled to any reimbursement of the Initial Costs it has paid from the Authority or any Party.

**6.3.3 CCA Program Costs.** The Parties desire that, to the extent reasonably practicable, all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric services under the CCA Program, including the establishment and maintenance of various reserve and performance funds, shall be recovered through charges to CCA customers receiving such electric services.

**6.3.4 General Costs.** Costs that are not directly or indirectly attributable to the provision of electric services under the CCA Program, as determined by the Board, shall be defined as general costs. General costs shall be shared among the Parties on such basis as the Board shall determine pursuant to an Authority Document.

**6.3.5 Other Energy Program Costs.** Costs that are directly or indirectly attributable to energy programs approved by the Authority other than the CCA Program shall be shared among the Parties on such basis as the Board shall determine pursuant to an Authority Document.

## **ARTICLE 7 WITHDRAWAL AND TERMINATION**

### **7.1 Withdrawal.**

#### **7.1.1 General.**

**7.1.1.1** Prior to the Authority's execution of Program Agreement 1, any Party may withdraw its membership in the Authority by giving no less than 30 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. To permit consideration by the governing body of each Party, the Authority shall provide a copy of the proposed Program Agreement 1 to each Party at least 90 days prior to the consideration of such agreement by the Board.

**7.1.1.2** Subsequent to the Authority's execution of Program Agreement 1, a Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 6

months advance written notice of its election to do so, which notice shall be given to the Authority and each Party, and upon such other conditions as may be prescribed in Program Agreement 1.

**7.1.2 Amendment.** Notwithstanding Section 7.1.1, a Party may withdraw its membership in the Authority following an amendment to this Agreement in the manner provided by Section 8.4.

**7.1.3 Continuing Liability; Further Assurances.** A Party that withdraws its membership in the Authority may be subject to certain continuing liabilities, as described in Section 7.3. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. The Operating Rules and Regulations shall prescribe the rights if any of a withdrawn Party to continue to participate in those Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party.

**7.2 Involuntary Termination of a Party.** This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement or the Authority Documents upon an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.9.1, shall be no less than 67%, excluding the vote and voting shares of the Party subject to possible termination. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or the Authority Documents that the Party has allegedly violated. The Party subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in Section 7.3. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 rather than Section 4.9.1.

**7.3 Continuing Liability; Refund.** Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such

Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.

- 7.4 Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 7.1.
- 7.5 Disposition of Property upon Termination of Authority.** Upon termination of this Agreement as to all Parties, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred under this Agreement and under any program documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

## **ARTICLE 8 MISCELLANEOUS PROVISIONS**

- 8.1 Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Should such efforts to settle a dispute, after reasonable efforts, fail, the dispute shall be settled by binding arbitration in accordance with policies and procedures established by the Board.
- 8.2 Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 et seq. Nothing in this section shall be construed to limit the defenses

available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

- 8.3 Indemnification of Parties.** The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Parties and the public. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.
- 8.4 Amendment of this Agreement.** This Agreement may be amended by an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.9.1, shall be no less than 67%. The Authority shall provide written notice to all Parties of amendments to this Agreement, including the effective date of such amendments. A Party shall be deemed to have withdrawn its membership in the Authority effective immediately upon the vote of the Board approving an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board. As described in Section 7.3, a Party that withdraws its membership in the Authority in accordance with the above-described procedure may be subject to continuing liabilities incurred prior to the Party's withdrawal. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 rather than Section 4.9.1.
- 8.5 Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 8.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 8.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.
- 8.6 Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

- 8.7 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.
- 8.8 Execution by Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.
- 8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties.

## **Exhibit A**

### **To the Joint Powers Agreement Marin Energy Authority**

#### **-Definitions-**

“AB 117” means Assembly Bill 117 (Stat. 2002, ch. 838, codified at Public Utilities Code Section 366.2), which created CCA.

“Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*)

“Administrative Services Agreement” means an agreement or agreements entered into after the Effective Date by the Authority with an entity that will perform tasks necessary for planning, implementing, operating and administering the CCA Program or any other energy programs adopted by the Authority.

“Agreement” means this Joint Powers Agreement.

“Annual Energy Use” has the meaning given in Section 4.9.2.2.

“Authority” means the Marin Energy Authority.

“Authority Document(s)” means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.

“Board” means the Board of Directors of the Authority.

“CCA” or “Community Choice Aggregation” means an electric service option available to cities and counties pursuant to Public Utilities Code Section 366.2.

“CCA Program” means the Authority’s program relating to CCA that is principally described in Sections 2.4 and 5.1.

“Director” means a member of the Board of Directors representing a Party.

“Effective Date” means the date on which this Agreement shall become effective and the Marin Energy Authority shall exist as a separate public agency, as further described in Section 2.1.

“Implementation Plan” means the plan generally described in Section 5.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the

California Public Utilities Commission for the purpose of describing a proposed CCA Program.

“Initial Costs” means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of an Executive Director and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority’s initial activities or in support of the negotiation, preparation and approval of one or more Administrative Services Provider Agreements and Program Agreement 1. Administrative and operational costs incurred after the approval of Program Agreement 1 shall not be considered Initial Costs.

“Initial Participants” means, for the purpose of this Agreement, the signatories to this JPA as of May 5, 2010 including City of Belvedere, Town of Fairfax, City of Mill Valley, Town of San Anselmo, City of San Rafael, City of Sausalito, Town of Tiburon and County of Marin.

“Operating Rules and Regulations” means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.

“Parties” means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.2 or 3.2 such that it is considered a member of the Authority.

“Party” means, singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.2 or 3.2 such that it is considered a member of the Authority.

“Program Agreement 1” means the agreement that the Authority will enter into with an energy service provider that will provide the electricity to be distributed to customers participating in the CCA Program.

“Total Annual Energy” has the meaning given in Section 4.9.2.2.

**Exhibit B**

**To the  
Joint Powers Agreement  
Marin Energy Authority**

**-List of the Parties-**

City of American Canyon  
City of Belvedere  
City of Benicia  
City of Calistoga  
Town of Corte Madera  
City of El Cerrito  
Town of Fairfax  
City of Larkspur  
City of Lafayette  
City of Mill Valley  
City of Napa  
City of Novato  
City of Richmond  
Town of Ross  
Town of San Anselmo  
City of San Pablo  
City of San Rafael  
City of Sausalito  
City of St. Helena  
Town of Tiburon  
City of Walnut Creek  
Town of Yountville  
County of Marin  
County of Napa

## **Appendix I. MCE's approval for inclusion of Contra Costa**



Kathrin Sears, Chair  
County of Marin

Tom Butt, Vice Chair  
City of Richmond

Bob McCaskill  
City of Belvedere

Alan Schwartzman  
City of Benicia

Sloan C. Bailey  
Town of Corte Madera

Greg Lyman  
City of El Cerrito

Barbara Coler  
Town of Fairfax

Kevin Haroff  
City of Larkspur

Brandt Andersson  
City of Lafayette

Sashi McEntee  
City of Mill Valley

Brad Wagenknecht  
County of Napa

Denise Athas  
City of Novato

P. Rupert Russell  
Town of Ross

Ford Greene  
Town of San Anselmo

Genoveva Calloway  
City of San Pablo

Andrew McCullough  
City of San Rafael

Ray Withy  
City of Sausalito

Emmett O'Donnell  
Town of Tiburon

Bob Simmons  
City of Walnut Creek

1125 Tamalpais Avenue  
San Rafael, CA 94901

1 (888) 632-3674  
mceCleanEnergy.org

November 8, 2016

John Kopchik, Director of Conservation and Development  
Contra Costa County  
30 Muir Road  
Martinez, CA 94553

Dear Mr. Kopchik:

As you may be aware, MCE is currently serving customers in many jurisdictions of Contra Costa County with clean electricity choices at competitive rates for customers. We have been in touch with staff representatives from the County and we are familiar with the technical study currently underway to consider community choice options in other parts of the county not currently served. As part of this process MCE has been asked to clarify what the cost and process would be for new jurisdictions interested in joining MCE.

To respond to this request the MCE Board recently held a Special Meeting to discuss the inclusion process and costs for new jurisdictions within the borders of Contra Costa County. We are pleased to inform you that our Board has approved a six-month "inclusion period" that would allow no-cost membership consideration if your membership application is completed between December 1, 2016 and May 31, 2017.

Membership application requirements are attached here and include the following:

- Adoption of a resolution requesting membership
- Adoption of the ordinance required by the Public Utilities Code Section 366.2(c) (10)
- Executed Memorandum of Understanding
- Signed request for load data from PG&E
- County assessor data for all building stock in jurisdiction
- Designation of a staff person from your county to serve as a liaison to MCE

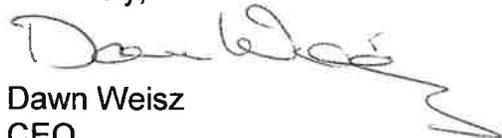
If you are interested in submitting a membership application please notify Alex DiGiorgio, MCE's Community Development Manager, and he will assist you with any questions you may have as you complete the checklist. You can reach Alex by email at: [adiorgio@mcecleanenergy.org](mailto:adiorgio@mcecleanenergy.org) or by phone at: 415-464-6031.

Please note that (1) adoption of your Ordinance to join MCE will be subject to approval by the MCE Board, and (2) MCE will conduct an economic feasibility analysis prior to approving membership. Also, if membership is approved, timing of procurement and customer enrollment would be determined by the MCE Board. We will remain in close contact with your county about the most likely target dates for each process.

To streamline communications and policy setting, participating jurisdictions may consolidate voting representation on the MCE Board. If you choose this option, the selected representative would have a weighted vote based on the combined customer load of all the jurisdictions which voted to consolidate.

We are happy to meet with you or your council to answer questions or provide additional information. We look forward to the opportunity to work with you on your membership application for MCE service. Please let me know if we can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Dawn Weisz", with a long, sweeping tail extending to the right.

Dawn Weisz  
CEO

## **Appendix J. EBCE's Joint Powers Agreement**

**East Bay Community Energy Authority**

**- Joint Powers Agreement –**

Effective \_\_\_\_\_

Among The Following Parties:

## EAST BAY COMMUNITY ENERGY AUTHORITY

### JOINT POWERS AGREEMENT

This Joint Powers Agreement (“Agreement”), effective as of \_\_\_\_\_, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 *et seq.*) of the California Government Code relating to the joint exercise of powers among the parties set forth in Exhibit A (“Parties”). The term “Parties” shall also include an incorporated municipality or county added to this Agreement in accordance with Section 3.1.

#### RECITALS

1. The Parties are either incorporated municipalities or counties sharing various powers under California law, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse gas emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 1.1.16 below) entering into this Agreement include securing electrical energy supply for customers in participating jurisdictions, addressing climate change by reducing energy related greenhouse gas emissions, promoting electrical rate price stability, and fostering local economic benefits such as jobs creation, community energy programs and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to State, regional and local solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the East Bay Community Energy Authority (“Authority”), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*) (“Act”) in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 (“CCA Program”). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
  - (a) Provide electricity rates that are lower or competitive with those offered by PG&E for similar products;

- (b) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may “opt-up” and voluntarily participate;
- (c) Develop an electric supply portfolio with a lower greenhouse gas (GHG) intensity than PG&E, and one that supports the achievement of the parties’ greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;
- (d) Establish an energy portfolio that prioritizes the use and development of local renewable resources and minimizes the use of unbundled renewable energy credits;
- (e) Promote an energy portfolio that incorporates energy efficiency and demand response programs and has aggressive reduced consumption goals;
- (f) Demonstrate quantifiable economic benefits to the region (e.g. union and prevailing wage jobs, local workforce development, new energy programs, and increased local energy investments);
- (g) Recognize the value of workers in existing jobs that support the energy infrastructure of Alameda County and Northern California. The Authority, as a leader in the shift to a clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a “just transition” to the new clean energy economy;
- (h) Deliver clean energy programs and projects using a stable, skilled workforce through such mechanisms as project labor agreements, or other workforce programs that are cost effective, designed to avoid work stoppages, and ensure quality;
- (i) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- (j) Provide and manage lower cost energy supplies in a manner that provides cost savings to low-income households and promotes public health in areas impacted by energy production; and
- (k) Create an administering agency that is financially sustainable, responsive to regional priorities, well managed, and a leader in fair and equitable treatment of employees through adopting appropriate best practices employment policies, including, but not limited to, promoting efficient consideration of petitions to unionize, and providing appropriate wages and benefits.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

### **ARTICLE 1** **CONTRACT DOCUMENTS**

**1.1** **Definitions.** Capitalized terms used in the Agreement shall have the meanings specified below, unless the context requires otherwise.

- 1.1.1** “AB 117” means Assembly Bill 117 (Stat. 2002, ch. 838, codified at Public Utilities Code Section 366.2), which created CCA.
- 1.1.2** “Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*)
- 1.1.3** “Agreement” means this Joint Powers Agreement.
- 1.1.4** “Annual Energy Use” has the meaning given in Section 1.1.23.
- 1.1.5** “Authority” means the East Bay Community Energy Authority established pursuant to this Joint Powers Agreement.
- 1.1.6** “Authority Document(s)” means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.
- 1.1.7** “Board” means the Board of Directors of the Authority.
- 1.1.8** “Community Choice Aggregation” or “CCA” means an electric service option available to cities and counties pursuant to Public Utilities Code Section 366.2.
- 1.1.9** “CCA Program” means the Authority’s program relating to CCA that is principally described in Sections 2.4 and 5.1.
- 1.1.10** “Days” shall mean calendar days unless otherwise specified by this Agreement.
- 1.1.11** “Director” means a member of the Board of Directors representing a Party, including an alternate Director.
- 1.1.12** “Effective Date” means the date on which this Agreement shall become effective and the East Bay Community Energy Authority shall exist as a separate public agency, as further described in Section 2.1.

- 1.1.13** “Ex Officio Board Member” means a non-voting member of the Board of Directors as described in Section 4.2.2. The Ex Officio Board Member may not serve on the Executive Committee of the Board or participate in closed session meetings of the Board.
- 1.1.14** “Implementation Plan” means the plan generally described in Section 5.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the California Public Utilities Commission for the purpose of describing a proposed CCA Program.
- 1.1.15** “Initial Costs” means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of a Chief Executive Officer and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority’s initial formation activities or in support of the negotiation, preparation and approval of power purchase agreements. The Board shall determine the termination date for Initial Costs.
- 1.1.16** “Initial Participants” means, for the purpose of this Agreement the County of Alameda, the Cities of Albany, Berkeley, Emeryville, Oakland, Piedmont, San Leandro, Hayward, Union City, Newark, Fremont, Dublin, Pleasanton and Livermore.
- 1.1.17** “Operating Rules and Regulations” means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- 1.1.18** “Parties” means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.2 or 3.1 such that it is considered a member of the Authority.
- 1.1.19** “Party” means, singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.2 or 3.1 such that it is considered a member of the Authority.
- 1.1.20** “Percentage Vote” means a vote taken by the Board pursuant to Section 4.12.1 that is based on each Party having one equal vote.
- 1.1.21** “Total Annual Energy” has the meaning given in Section 1.1.23.
- 1.1.22** “Voting Shares Vote” means a vote taken by the Board pursuant to Section 4.12.2 that is based on the voting shares of each Party described in Section 1.1.23 and set forth in Exhibit C to this Agreement. A Voting Shares vote cannot take place on a matter unless the matter first receives an affirmative or tie Percentage Vote in the manner required by Section 4.12.1 and three or more Directors immediately thereafter request such vote.

**1.1.23** “Voting Shares Formula” means the weight applied to a Voting Shares Vote and is determined by the following formula:

(Annual Energy Use/Total Annual Energy) multiplied by 100, where (a) “Annual Energy Use” means (i) with respect to the first two years following the Effective Date, the annual electricity usage, expressed in kilowatt hours (“kWh”), within the Party’s respective jurisdiction and (ii) with respect to the period after the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within a Party’s respective jurisdiction that are served by the Authority and (b) “Total Annual Energy” means the sum of all Parties’ Annual Energy Use. The initial values for Annual Energy use are designated in Exhibit B and the initial voting shares are designated in Exhibit C. Both Exhibits B and C shall be adjusted annually as soon as reasonably practicable after January 1, but no later than March 1 of each year subject to the approval of the Board.

**1.2** **Documents Included.** This Agreement consists of this document and the following exhibits, all of which are hereby incorporated into this Agreement.

- Exhibit A: List of the Parties
- Exhibit B: Annual Energy Use
- Exhibit C: Voting Shares

**1.3** **Revision of Exhibits.** The Parties agree that Exhibits A, B and C to this Agreement describe certain administrative matters that may be revised upon the approval of the Board, without such revision constituting an amendment to this Agreement, as described in Section 8.4. The Authority shall provide written notice to the Parties of the revision of any such exhibit.

## **ARTICLE 2** **FORMATION OF EAST BAY COMMUNITY ENERGY AUTHORITY**

**2.1** **Effective Date and Term.** This Agreement shall become effective and East Bay Community Energy Authority shall exist as a separate public agency on December 1, 2016, provided that this Agreement is executed on or prior to such date by at least three Initial Participants after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 7.3, subject to the rights of the Parties to withdraw from the Authority.

**2.2 Initial Participants.** Until December 31, 2016, all other Initial Participants may become a Party by executing this Agreement and delivering an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(12) to the Authority. Additional conditions, described in Section 3.1, may apply (i) to either an incorporated municipality or county desiring to become a Party that is not an Initial Participant and (ii) to Initial Participants that have not executed and delivered this Agreement within the time period described above.

**2.3 Formation.** There is formed as of the Effective Date a public agency named the East Bay Community Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing board of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. A Party who has not agreed to assume an Authority debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Parties agree to assume the debt, liability or obligation of the Authority. Notwithstanding Section 8.4 of this Agreement, this Section 2.3 may not be amended unless such amendment is approved by the governing boards of all Parties.

**2.4 Purpose.** The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Party and any other powers granted to the Authority under state law to participate as a group in the CCA Program pursuant to Public Utilities Code Section 366.2(c)(12); to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs; and, to exercise all other powers necessary and incidental to accomplishing this purpose.

**2.5 Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:

- 2.5.1** to make and enter into contracts, including those relating to the purchase or sale of electrical energy or attributes thereof;
- 2.5.2** to employ agents and employees, including but not limited to a Chief Executive Officer and General Counsel;
- 2.5.3** to acquire, contract, manage, maintain, and operate any buildings, works or improvements, including electric generating facilities;
- 2.5.4** to acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
- 2.5.5** to lease any property;
- 2.5.6** to sue and be sued in its own name;

- 2.5.7 to incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Section 53850 *et seq.* and authority under the Act;
- 2.5.8 to form subsidiary or independent corporations or entities, if appropriate, to carry out energy supply and energy conservation programs at the lowest possible cost consistent with the Authority's CCA Program implementation plan, risk management policies, or to take advantage of legislative or regulatory changes;
- 2.5.9 to issue revenue bonds and other forms of indebtedness;
- 2.5.10 to apply for, accept, and receive all licenses, permits, grants, loans or other assistance from any federal, state or local public agency;
- 2.5.11 to submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
- 2.5.12 to adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority ("Operating Rules and Regulations");
- 2.5.13 to make and enter into service, energy and any other agreements necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services; and
- 2.5.14 to negotiate project labor agreements, community benefits agreements and collective bargaining agreements with the local building trades council and other interested parties.

**2.6 Limitation on Powers.** As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the City of Emeryville and any other restrictions on exercising the powers of the Authority that may be adopted by the Board.

**2.7 Compliance with Local Zoning and Building Laws.** Notwithstanding any other provisions of this Agreement or state law, any facilities, buildings or structures located, constructed or caused to be constructed by the Authority within the territory of the Authority shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed and comply with the California Environmental Quality Act ("CEQA").

**2.8 Compliance with the Brown Act.** The Authority and its officers and employees shall comply with the provisions of the Ralph M. Brown Act, Government Code Section 54950 *et seq.*

**2.9 Compliance with the Political Reform Act and Government Code Section 1090.** The Authority and its officers and employees shall comply with the Political Reform Act (Government Code Section 81000 *et seq.*) and Government Code Section 1090 *et seq.*, and shall adopt a Conflict of Interest Code pursuant to Government Code Section 87300. The Board of Directors may adopt additional conflict of interest regulations in the Operating Rules and Regulations.

### **ARTICLE 3** **AUTHORITY PARTICIPATION**

**3.1 Addition of Parties.** Subject to Section 2.2, relating to certain rights of Initial Participants, other incorporated municipalities and counties may become Parties upon (a) the adoption of a resolution by the governing body of such incorporated municipality or county requesting that the incorporated municipality or county, as the case may be, become a member of the Authority, (b) the adoption by an affirmative vote of a majority of all Directors of the entire Board satisfying the requirements described in Section 4.12, of a resolution authorizing membership of the additional incorporated municipality or county, specifying the membership payment, if any, to be made by the additional incorporated municipality or county to reflect its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership, (c) the adoption of an ordinance required by Public Utilities Code Section 366.2(c)(12) and execution of this Agreement and other necessary program agreements by the incorporated municipality or county, (d) payment of the membership fee, if any, and (e) satisfaction of any conditions established by the Board.

**3.2 Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition and/or withdrawal or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 3.1. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

### **ARTICLE 4** **GOVERNANCE AND INTERNAL ORGANIZATION**

**4.1 Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2.

**4.2 Appointment of Directors.** The Directors shall be appointed as follows:

**4.2.1** The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party also shall appoint and designate in writing one alternate Director who may vote on matters when the regular Director is absent

from a Board meeting. The person appointed and designated as the regular Director shall be a member of the governing body of the Party. The person appointed and designated as the alternate Director shall also be a member of the governing body of the Party.

- 4.2.2 The Board shall also include one non-voting ex officio member as defined in Section 1.1.13 (“Ex Officio Board Member”). The Chair of the Community Advisory Committee, as described in Section 4.9 below, shall serve as the Ex Officio Board Member. The Vice Chair of the Community Advisory Committee shall serve as an alternate Ex Officio Board Member when the regular Ex Officio Board Member is absent from a Board meeting.
- 4.2.3 The Operating Rules and Regulations, to be developed and approved by the Board in accordance with Section 2.5.12 may include rules regarding Directors, such as meeting attendance requirements. No Party shall be deprived of its right to seat a Director on the Board.

**4.3 Terms of Office.** Each regular and alternate Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the position of the previous Director in accordance with the provisions of Section 4.2 within 90 days of the date that such position becomes vacant.

**4.4 Quorum.** A majority of the Directors of the entire Board shall constitute a quorum, except that less than a quorum may adjourn a meeting from time to time in accordance with law.

**4.5 Powers and Function of the Board.** The Board shall conduct or authorize to be conducted all business and activities of the Authority, consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law. Board approval shall be required for any of the following actions, which are defined as “Essential Functions”:

- 4.5.1 The issuance of bonds or any other financing even if program revenues are expected to pay for such financing.
- 4.5.2 The hiring of a Chief Executive Officer and General Counsel.
- 4.5.3 The appointment or removal of an officer.
- 4.5.4 The adoption of the Annual Budget.
- 4.5.5 The adoption of an ordinance.
- 4.5.6 The initiation of resolution of claims and litigation where the Authority will be the defendant, plaintiff, petitioner, respondent, cross complainant or cross petitioner, or intervenor; provided, however, that the Chief Executive Officer or General Counsel, on behalf of the Authority, may

intervene in, become party to, or file comments with respect to any proceeding pending at the California Public Utilities Commission, the Federal Energy Regulatory Commission, or any other administrative agency, without approval of the Board. The Board shall adopt Operating Rules and Regulations governing the Chief Executive Officer and General Counsel's exercise of authority under this Section 4.5.6.

**4.5.7** The setting of rates for power sold by the Authority and the setting of charges for any other category of service provided by the Authority.

**4.5.8** Termination of the CCA Program.

**4.6 Executive Committee.** The Board shall establish an Executive Committee consisting of a smaller number of Directors. The Board may delegate to the Executive Committee such authority as the Board might otherwise exercise, subject to limitations placed on the Board's authority to delegate certain Essential Functions, as described in Section 4.5 and the Operating Rules and Regulations. The Board may not delegate to the Executive Committee or any other committee its authority under Section 2.5.12 to adopt and amend the Operating Rules and Regulations or its Essential Functions listed in Section 4.5. After the Executive Committee meets or otherwise takes action, it shall, as soon as practicable, make a report of its activities at a meeting of the Board.

**4.7 Director Compensation.** Directors shall receive a stipend of \$100 per meeting, as adjusted to account for inflation, as provided for in the Authority's Operating Rules and Regulations.

**4.8 Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement. The Board may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

**4.9 Community Advisory Committee.** The Board shall establish a Community Advisory Committee consisting of nine members, none of whom may be voting members of the Board. The function of the Community Advisory Committee shall be to advise the Board of Directors on all subjects related to the operation of the CCA Program as set forth in a work plan adopted by the Board of Directors from time to time, with the exception of personnel and litigation decisions. The Community Advisory Committee is advisory only, and shall not have decision-making authority, or receive any delegation of authority from the Board of Directors. The Board shall publicize the opportunity to serve on the Community Advisory Committee, and shall appoint members of the Community Advisory Committee from those individuals expressing interest in serving, and who represent a diverse cross-section of interests, skill sets and geographic regions. Members of the Community Advisory Committee shall serve staggered four-year terms (the first term of three of the members shall be two years, and four years

thereafter), which may be renewed. A member of the Community Advisory Committee may be removed by the Board of Directors by majority vote. The Board of Directors shall determine whether the Community Advisory Committee members will receive a stipend and/or be entitled to reimbursement for expenses.

**4.10 Chief Executive Officer.** The Board of Directors shall appoint a Chief Executive Officer for the Authority, who shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The Chief Executive Officer may exercise all powers of the Authority, including the power to hire, discipline and terminate employees as well as the power to approve any agreement, if the expenditure is authorized in the Authority's approved budget, except the powers specifically set forth in Section 4.5 or those powers which by law must be exercised by the Board of Directors. The Board of Directors shall provide procedures and guidelines for the Chief Executive Officer exercising the powers of the Authority in the Operating Rules and Regulations.

**4.11 General Counsel.** The Board of Directors shall appoint a General Counsel for the Authority, who shall be responsible for providing legal advice to the Board of Directors and overseeing all legal work for the Authority.

**4.12 Board Voting.**

**4.12.1 Percentage Vote.** Except when a supermajority vote is expressly required by this Agreement or the Operating Rules and Regulations, action of the Board on all matters shall require an affirmative vote of a majority of all Directors on the entire Board (a "Percentage Vote" as defined in Section 1.1.20). A supermajority vote is required by this Agreement for the matters addressed by Section 8.4. When a supermajority vote is required by this Agreement or the Operating Rules and Regulations, action of the Board shall require an affirmative Percentage Vote of the specified supermajority of all Directors on the entire Board. No action can be taken by the Board without an affirmative Percentage Vote. Notwithstanding the foregoing, in the event of a tie in the Percentage Vote, an action may be approved by an affirmative "Voting Shares Vote," as defined in Section 1.1.22, if three or more Directors immediately request such vote.

**4.12.2 Voting Shares Vote.** In addition to and immediately after an affirmative percentage vote, three or more Directors may request that, a vote of the voting shares shall be held (a "Voting Shares Vote" as defined in Section 1.1.22). To approve an action by a Voting Shares Vote, the corresponding voting shares (as defined in Section 1.1.23 and Exhibit C) of all Directors voting in the affirmative shall exceed 50% of the voting share of all Directors on the entire Board, or such other higher voting shares percentage expressly required by this Agreement or the Operating Rules

and Regulations. In the event that any one Director has a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter. When a voting shares vote is held, action by the Board requires both an affirmative Percentage Vote and an affirmative Voting Shares Vote. Notwithstanding the foregoing, in the event of a tie in the Percentage Vote, an action may be approved on an affirmative Voting Shares Vote. When a supermajority vote is required by this Agreement or the Operating Rules and Regulations, the supermajority vote is subject to the Voting Share Vote provisions of this Section 4.12.2, and the specified supermajority of all Voting Shares is required for approval of the action, if the provision of this Section 4.12.2 are triggered.

**4.13 Meetings and Special Meetings of the Board.** The Board shall hold at least four regular meetings per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special and Emergency meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956 and 54956.5. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.

**4.14 Officers.**

**4.14.1 Chair and Vice Chair.** At the first meeting held by the Board in each calendar year, the Directors shall elect, from among themselves, a Chair, who shall be the presiding officer of all Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The Chair and Vice Chair shall hold office for one year and serve no more than two consecutive terms, however, the total number of terms a Director may serve as Chair or Vice Chair is not limited. The office of either the Chair or Vice Chair shall be declared vacant and the Board shall make a new selection if: (a) the person serving dies, resigns, or ceases to be a member of the governing body of the Party that the person represents; (b) the Party that the person represents removes the person as its representative on the Board, or (c) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement.

**4.14.2 Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

**4.14.3 Treasurer and Auditor.** The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. The same person may not simultaneously hold both the office of Treasurer and the office of the Auditor of the Authority. Unless otherwise exempted from such

requirement, the Authority shall cause an independent audit to be made annually by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depositary of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer and/or Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested, the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

**4.15 Administrative Services Provider.** The Board may appoint one or more administrative services providers to serve as the Authority's agent for planning, implementing, operating and administering the CCA Program, and any other program approved by the Board, in accordance with the provisions of an Administrative Services Agreement. The appointed administrative services provider may be one of the Parties. The Administrative Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the CCA Program and other approved programs. The Administrative Services Agreement shall set forth the term of the Agreement and the circumstances under which the Administrative Services Agreement may be terminated by the Authority. This section shall not in any way be construed to limit the discretion of the Authority to hire its own employees to administer the CCA Program or any other program.

**4.16 Operational Audit.** The Authority shall commission an independent agent to conduct and deliver at a public meeting of the Board an evaluation of the performance of the CCA Program relative to goals for renewable energy and carbon reductions. The Authority shall approve a budget for such evaluation and shall hire a firm or individual that has no other direct or indirect business relationship with the Authority. The evaluation shall be conducted at least once every two years.

## **ARTICLE 5**

### **IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS**

#### **5.1 Implementation of the CCA Program.**

**5.1.1 Enabling Ordinance.** Prior to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.

**5.1.2 Implementation Plan.** The Authority shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Board in the manner provided by Section 4.12.

**5.1.3 Termination of CCA Program.** Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

**5.2 Other Authority Documents.** The Parties acknowledge and agree that the operations of the Authority will be implemented through various documents duly adopted by the Board through Board resolution or minute action, including but not necessarily limited to the Operating Rules and Regulations, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties' right to withdraw from the Authority as described in Article 7.

**5.3 Integrated Resource Plan.** The Authority shall cause to be prepared an Integrated Resource Plan in accordance with CPUC regulations that will ensure the long-term development and administration of a variety of energy programs that promote local renewable resources, conservation, demand response, and energy efficiency, while maintaining compliance with the State Renewable Portfolio standard and customer rate competitiveness. The Authority shall prioritize the development of energy projects in Alameda and adjacent counties. Principal aspects of its planned operations shall be in a Business Plan as outlined in Section 5.4 of this Agreement.

**5.4 Business Plan.** The Authority shall cause to be prepared a Business Plan, which will include a roadmap for the development, procurement, and integration of local renewable energy resources as outlined in Section 5.3 of this Agreement. The Business Plan shall include a description of how the CCA Program will contribute to fostering local economic benefits, such as job creation and community energy programs. The Business Plan shall identify opportunities for local power development and how the CCA Program can achieve the goals outlined in Recitals 3 and 6 of this Agreement. The Business Plan shall include specific language detailing employment and labor standards that relate to the execution of the CCA Program as referenced in this Agreement. The Business Plan shall identify clear and transparent marketing practices to be followed by the CCA Program, including the identification of the sources of its electricity and explanation of the various types of electricity procured by the Authority. The Business Plan shall cover the first five (5) years of the operation of the CCA Program. The Business Plan shall be completed by the Authority no later than eight (8) months after the seating of the Authority Board of Directors. Progress on the implementation of the Business Plan shall be subject to annual public review.

**5.5 Labor Organization Neutrality.** The Authority shall remain neutral in the event its employees, and the employees of its subcontractors, if any, wish to unionize.

**5.6 Renewable Portfolio Standards.** The Authority shall provide its customers energy primarily from Category 1 eligible renewable resources, as defined under the California RPS and consistent with the goals of the CCA Program. The Authority shall not procure energy from Category 3 eligible renewable resources (unbundled Renewable Energy Credits or RECs) exceeding 50% of the State law requirements, to achieve its renewable portfolio goals. However, for Category 3 RECs associated with generation facilities located within its service jurisdiction, the limitation set forth in the preceding sentence shall not apply.

## **ARTICLE 6**

### **FINANCIAL PROVISIONS**

**6.1 Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.

**6.2 Depository.**

**6.2.1** All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.

**6.2.2** All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times.

**6.2.3** All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

**6.3 Budget and Recovery Costs.**

**6.3.1 Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Authority Document as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Rules and Regulations.

**6.3.2 Funding of Initial Costs.** The County shall fund the Initial Costs of establishing and implementing the CCA Program. In the event that the

CCA Program becomes operational, these Initial Costs paid by the County and any specified interest shall be included in the customer charges for electric services to the extent permitted by law, and the County shall be reimbursed from the payment of such charges by customers of the Authority. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County shall not be entitled to any reimbursement of the Initial Costs.

**6.3.4 Additional Contributions and Advances.** Pursuant to Government Code Section 6504, the Parties may in their sole discretion make financial contributions, loans or advances to the Authority for the purposes of the Authority set forth in this Agreement. The repayment of such contributions, loans or advances will be on the written terms agreed to by the Party making the contribution, loan or advance and the Authority.

## **ARTICLE 7** **WITHDRAWAL AND TERMINATION**

### **7.1 Withdrawal.**

**7.1.1 General Right to Withdraw.** A Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.

**7.1.2 Withdrawal Following Amendment.** Notwithstanding Section 7.1.1, a Party may withdraw its membership in the Authority following an amendment to this Agreement provided that the requirements of this Section 7.1.2 are strictly followed. A Party shall be deemed to have withdrawn its membership in the Authority effective 180 days after the Board approves an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board.

**7.1.3 The Right to Withdraw Prior to Program Launch.** After receiving bids from power suppliers for the CCA Program, the Authority must provide to the Parties a report from the electrical utility consultant retained by the Authority comparing the Authority's total estimated electrical rates, the estimated greenhouse gas emissions rate and the amount of estimated renewable energy to be used with that of the incumbent utility. Within 30 days after receiving this report, through its City Manager or a person expressly authorized by the Party, any Party may immediately withdraw

its membership in the Authority by providing written notice of withdrawal to the Authority if the report determines that any one of the following conditions exists: (1) the Authority is unable to provide total electrical rates, as part of its baseline offering to customers, that are equal to or lower than the incumbent utility, (2) the Authority is unable to provide electricity in a manner that has a lower greenhouse gas emissions rate than the incumbent utility, or (3) the Authority will use less qualified renewable energy than the incumbent utility. Any Party who withdraws from the Authority pursuant to this Section 7.1.3 shall not be entitled to any refund of the Initial Costs it has paid to the Authority prior to the date of withdrawal unless the Authority is later terminated pursuant to Section 7.3. In such event, any Initial Costs not expended by the Authority shall be returned to all Parties, including any Party that has withdrawn pursuant to this section, in proportion to the contribution that each made. Notwithstanding anything to the contrary in this Agreement, any Party who withdraws pursuant to this section shall not be responsible for any liabilities or obligations of the Authority after the date of withdrawal, including without limitation any liability arising from power purchase agreements entered into by the Authority.

**7.2 Continuing Liability After Withdrawal; Further Assurances; Refund.** A Party that withdraws its membership in the Authority under either Section 7.1.1 or 7.1.2 shall be responsible for paying its fair share of costs incurred by the Authority resulting from the Party's withdrawal, including costs from the resale of power contracts by the Authority to serve the Party's load and any similar costs directly attributable to the Party's withdrawal, such costs being limited to those contracts executed while the withdrawing Party was a member, and administrative costs associated thereto. The Parties agree that such costs shall not constitute a debt of the withdrawing Party, accruing interest, or having a maturity date. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's costs described above. Any amount of the Party's funds held by the Authority for the benefit of the Party that are not required to pay the Party's costs described above shall be returned to the Party. The withdrawing party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. A withdrawing party has the right to continue to participate in Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party until the withdrawal's effective date.

**7.3 Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 7.1.

**7.4 Disposition of Property upon Termination of Authority.** Upon termination of this Agreement as to all Parties, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred

under this Agreement and under any Authority Documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

## **ARTICLE 8**

### **MISCELLANEOUS PROVISIONS**

**8.1 Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties and the Authority shall engage in nonbinding mediation in the manner agreed upon by the Party or Parties and the Authority. The Parties agree that each Party may specifically enforce this section 8.1. In the event that nonbinding mediation is not initiated or does not result in the settlement of a dispute within 120 days after the demand for mediation is made, any Party and the Authority may pursue any remedies provided by law.

**8.2 Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 *et seq.* Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

**8.3 Indemnification of Parties.** The Authority shall acquire such insurance coverage as the Board deems necessary to protect the interests of the Authority, the Parties and the public. Such insurance coverage shall name the Parties and their respective Board or Council members, officers, agents and employees as additional insureds. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

**8.4 Amendment of this Agreement.** This Agreement may be amended in writing by a two-thirds affirmative vote of the entire Board satisfying the requirements described in Section 4.12. Except that, any amendment to the voting provisions in Section 4.12 may only be made by a three-quarters affirmative vote of the entire Board. The Authority shall provide written notice to the Parties at least 30 days in advance of any proposed amendment being considered by the Board. If the proposed amendment is adopted by the Board, the Authority shall provide prompt written notice to all Parties of the effective date of such amendment along with a copy of the amendment.

**8.5 Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 8.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 8.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

**8.6 Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

**8.7 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.

**8.8 Execution by Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

**8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 72 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. In addition, a duplicate copy of all notices provided pursuant to this section shall be provided to the Director and alternate Director for each Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties. All notices required hereunder shall be delivered to:

The County of Alameda

Director, Community Development Agency

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

if to [PARTY No. \_\_\_\_ ]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Party: \_\_\_\_\_

**EXHIBIT A**

**-LIST OF THE PARTIES**

**(This draft exhibit is based on the assumption that all of the Initial Participants will become Parties. On the Effective Date, this exhibit will be revised to reflect the Parties to this Agreement at that time.)-**

-



**DRAFT EXHIBIT C**

**- VOTING SHARES**

**(This draft exhibit is based on the assumption that all of the Initial Participants will become Parties. On the Effective Date, this exhibit will be revised to reflect the Parties to this Agreement at that time.)**

This Exhibit C is effective as of \_\_\_\_\_.

<b>Party</b>	<b>kWh ([YEAR]*)</b>	<b>Voting Share Section 4.11.2</b>
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**Total**

\*Data provided by PG&E

## **Appendix K. EBCE's offer for inclusion of Contra Costa**



February 21, 2017

John Kopchik  
Director, Department of Conservation and Development  
Contra Costa County  
30 Muir Street  
Martinez, CA 94553

Dear Mr. Kopchik:

This letter is in response to your request for East Bay Community Energy (EBCE) to indicate its desire to expand beyond Alameda County and its willingness to engage interested Contra Costa County jurisdictions as EBCE members. This letter also outlines the terms of EBCE membership.

As you may know, the EBCE Board of Directors met for the first time on January 30, 2017. During that meeting, the Board had a robust discussion on this topic and was strongly in favor of formally inviting Contra Costa County and its Cities to join EBCE. The general sense was that it would be an exciting and positive development to have a more regionally focused East Bay Community Choice Energy (CCE) program. Some EBCE Board members expressed a willingness to present at your upcoming Board of Supervisors and City Council meetings as Contra Costa County officials deliberate on which CCE option would be in the best interests of their constituents.

With regards to the terms of membership, the EBCE Board discussed each of the points your letter raised, and we can provide you the following feedback:

- **Cost to Join:** The Board agreed that there would be no cost for Contra Costa County jurisdictions to join the JPA. EBCE will absorb all of the initial launch expenses, including load data analysis, communications costs and noticing requirements. The Board believes these one-time costs are offset by the longer-term value of including Contra Costa County communities in order to form a larger, regional program. We do request, however, that new member jurisdictions identify appropriate municipal staff to assist in coordinating the JPA resolution and Agreement, passage of the CCE ordinance and help with local public outreach, such as organizing workshops and having a presence at community events.
- **Required actions and steps in the membership process:** The Board agreed that the steps for joining EBCE would be the same as for the Alameda County jurisdictions, namely that the prospective members must pass the required CCA ordinance, authorize access to their load data, hold at least two duly noticed public hearings, and pass the JPA resolution in order to become a party to the EBCE Joint Powers Agreement. A copy of the CCE ordinance, JPA Agreement and JPA resolution are attached for your reference. For the purposes of completing EBCE's implementation plan, conducting public outreach, and procuring power for customers in new member jurisdictions, we request that interested jurisdictions cast deciding votes by June 30, 2017. It should be noted that there will be additional opportunities to join EBCE in 2018, if that is preferred. See below for more information regarding timing.

Letter to John Kopchik, Director  
Department of Conservation and Development  
Contra Costa County  
February 21, 2017

- **Representation on EBCE Board:** Each Contra Costa County jurisdiction choosing to join EBCE will have a seat on its Board, which is the same manner of representation as other Alameda County members. As you may know, EBCE has a two-tiered voting structure, the first being one-city/one-vote with simple majority to carry the vote. In this case, every jurisdiction will have one equal vote, and it is anticipated that most votes will proceed in this fashion. However, if at least three members call for a weighted vote, then each city's voting share would be determined by its electrical load; weighted votes may only be used to overturn an affirmative vote and may not be used to resurrect or overturn a negative vote. Please see Attachment 4 for a comparison of EBCE and CCCo jurisdictional loads. New Board members can be seated once the JPA resolution has been passed, and the first and second readings of the CCE ordinance are complete.
- **Estimated date of service commencement:** Your letter asked for a date when electric service could begin. As of this writing, it is likely that EBCE will begin serving Phase 1 customers (a subset of the total number of accounts) in Spring of 2018. Phase 2 customers, including additional Contra Costa County accounts, would be enrolled in the Summer or Fall of 2018. Cities that join after the June 30th deadline or in 2018 will be enrolled in Phase 3, likely to be the late Fall of 2018 or Spring of 2019.

The EBCE Board is excited about the prospect of creating a regional East Bay Community Energy program. A member of our Board and Alameda County interim staff will attempt to attend as many of your upcoming presentations as possible, including the Board of Supervisors meeting on March 21. If possible, we would very much like the opportunity to make a more formal presentation at that meeting if the Contra Costa County Board of Supervisors and staff are agreeable.

Finally, for the purposes of planning, it would be helpful to know how many Contra Costa County jurisdictions would be interested in joining EBCE. As noted above, we are requesting that the County and any interested cities complete their decision-making and passage of the required resolution and ordinance by June 30, 2017 if they are interested in a Spring/Summer 2018 enrollment period.

We hope this addresses your questions on behalf of Contra Costa County and interested cities. Please don't hesitate to contact us if you'd like to discuss any of these matters further.

Sincerely Yours,



Chris Bazar  
Director, Alameda County Community Development Agency

Cc: EBCE Board of Directors

Attachments:

- 1) EBCE JPA Agreement and sample resolution
- 2) Copy of CCE ordinance
- 3) PG&E Attestation form for load data authorization
- 4) Load size / voting shares comparison by jurisdiction

<b>Contra Costa County Community Choice Program DRAFT Implementation Budget (1)</b>	
<b>Project Management and JPA Formation</b>	
Project planning, program development and strategy support	\$150,000
JPA Agreement, CCE ordinance, General Counsel Services	\$100,000
Executive/staff salaries (initial 8 months)	\$400,000
Start up administrative costs (office rent, equipment, insurance, etc.)	\$150,000
<b>TOTAL:</b>	<b>\$800,000</b>
<b>Technical and Energy Services</b>	
Technical Feasibility Study/Comparative Analysis	\$175,000
Implementation Plan Development	\$50,000
Update operating budget; revenue modeling for finance discussions	\$10,000
Power Supply RFP, vendor selection and contract negotiations	\$50,000
Rate Design/Rate Setting	\$50,000
Utility Service Fees	\$75,000
Assistance with NEM/FIT programs, registrations and compliance	\$50,000
CCE Bond	\$100,000
<b>TOTAL:</b>	<b>\$560,000</b>
<b>Communications/Customer Enrollment*</b>	
Logo/Branding/Style Guide	\$25,000
Interactive website with 3 translations	\$45,000
Multilingual Collateral Design/Video	\$40,000
Printing	\$75,000
Earned and Paid Media	\$250,000
Community Outreach/Materials for Tabling	\$25,000
Customer Notifications (2 @ \$1.00 each)	\$400,000
<b>TOTAL:</b>	<b>\$860,000</b>
<b>Finance/Legal</b>	
Banking and Credit Services - RFP, Selection, Negotiation and Paperwork	\$45,000
Power Supply Contract - Legal Services	\$75,000
<b>TOTAL:</b>	<b>\$120,000</b>
<b>Regulatory/Legislative</b>	
Participation in Regulatory Proceedings/Legal	\$50,000
Monitoring and Reporting	\$25,000
<b>TOTAL:</b>	<b>\$75,000</b>
<b>Miscellaneous/Contingency</b>	
<b>TOTAL:</b>	<b>\$100,000</b>
<b>TOTAL:</b>	<b>\$2,515,000</b>

\*Assumes 2 notices to 200,000 customers in eligible cities and unincorporated County; includes cost of design, print and postage

**(1) Notes & Assumptions:**

1. All costs associated with program implementation are fully recoverable through early program revenues
2. This budget provides an estimate of project hard costs and does not include internal staff time
3. Approximately \$1.0 M of this budget could be covered by a third party line of credit put into place ~ 6 months prior to launch; pre-revenue credit will require a guaranty
4. This budget does not include the credit requirements for the cost of power, utility and supplier deposits, or Agency operational expenses

## **Initial MCE Comments re: Draft Technical Study for Community Choice Aggregation in Contra Cost County**

### **Primary Issues to Address**

#### **1. Deviation from the intent of the County's Request For Proposals (RFP)**

The Draft Study deviates from the original intent of the RFP (i.e., to compare the risks and benefits of three potential CCE options).

- The Draft Study gives disproportionate attention to assessing the feasibility of a 'Stand-Alone Contra Costa CCE,' while providing scant analysis on MCE's operational program. For language of the RFP (see bottom of p.4):  
<http://www.cccounty.us/DocumentCenter/View/43037>
- Only one of nine chapters (Chapter 7) specifically provides a 'Comparative Analysis of CCE Options'
- Example: P.69 provides a list of East Bay Community Energy's (EBCE) proposed vision, but nothing similar detailing MCE's current, actual accomplishments

#### **2. West Contra Costa communities under-represented in Draft Study's definition of 'Local Control'**

- The Draft Study misrepresents MCE's governance structure, current Board member composition, and the degree of local control Contra Costa County and its cities would exercise through their voting shares if they were to join MCE.
- Table 29 of the Draft Study should be revised to include the cities of Richmond, San Pablo, El Cerrito, Lafayette and Walnut Creek within the "TOTAL CONTRA COSTA COUNTY" section, instead of the 'Rest of MCE' section. Corresponding load and voting shares should be adjusted to reflect this.

#### **3. Contra Costa County would have the largest Board vote on MCE Board**

- There is relatively little acknowledgment that with MCE, Contra Costa County and its largest cities would be the largest municipalities within MCE's service area. Their Board voting shares would reflect this. With EBCE, Oakland, Fremont and Hayward are all larger.
- Currently, Walnut Creek holds the largest vote on the MCE Board.
- Currently, the five Contra Costa cities that have already joined MCE represent 1/3 of the MCE Board vote.
- If all 14 eligible cities and the County were to join MCE, their combined Board vote would be 62% of the voting share, a larger voting share larger than the rest of MCE's current communities.
- If Contra Costa County joined MCE, it would take the largest voting share on the Board, representing double the weight of any other party.

**4. No analysis of MCE's local renewable and energy projects**

- MCE's development of renewable energy projects within its service area—and specifically within Contra Costa County—is missing from the Draft Study
- These include multiple Feed-in Tariff (FIT) projects, as well as MCE's 10.5 MW 'Solar 1' project in Richmond, scheduled for completion in 2017. Please see the attached list of MCE's local projects (i.e., built within 100 miles of MCE's service area).
- MCE's \$1M annual allocation in Energy Efficiency revenue from the CPUC is not disclosed, nor is the Low Income funding for Energy Efficiency for \$3.6 M. Both of these revenue streams result in local energy efficiency projects, related energy cost savings for customers and related job creation.

**5. No analysis of MCE's support for customer-sited solar**

- MCE's Net Energy Metering (NEM) "cash out" for local solar customers goes completely unmentioned. This year, MCE paid its own NEM customers over \$1,000,000 for the surplus renewable energy they generated. Beneficiaries include cities, schools, businesses, non-profits, etc.
- MCE's Solar Rebate Program: Partnered with GRID Alternatives to provide 57 (so far) to low-income solar customers—many of whom reside in Contra Costa County—totaling over \$35,000.

**6. No mention of MCE's local workforce development**

- Contracts with RichmondBUILD = \$100,000+
- MCE's 10.5 MW 'Solar 1' project in Richmond has a local hire requirement ensuring at least half of the project's labor force must reside within the cities of Richmond, San Pablo or unincorporated North Richmond .
- MCE has partnered with Rising Sun energy Center to install LED lights and water-saving devices at multi-family buildings in San Pablo and El Cerrito. Through this program, Rising Sun has employed 9 youths from both cities and has served 71 units so far.
- MCE's bank, located in Walnut Creek, has partnered with MCE to support local programs including an on-bill repayment program for energy efficiency upgrades.

**7. No mention of MCE's new California-based energy supply and corresponding support union labor and in-state job creation**

As of October 2016, MCE's renewable energy projects have:

- Supported more than 2,800 California jobs;
- Supported 2,700 union jobs
- Created 1.2 million union labor hours

- Committed \$1.4 Billion to build 813 MW of new, California-based renewable energy projects. This includes: \$723 million for in-State solar; \$665 million for in-State wind; 17.4 million for in-State biogas projects.
- In 2016, MCE contracted with four California solar companies to build 445 MW of new solar capacity.
- In 2016, MCE contracted with two California wind farms to build 167 MW of new wind capacity.

**8. Projected job creation of a ‘Stand-Alone CCE’ relies on stable or declining power supply market**

- If increasing power supply costs, the PCIA and other line-item charges outside CCA control change, customer rate-savings, projected local job creation could be substantially diminished or eliminated. This should be disclosed.

**9. Inconsistent analysis and speculation re: PCIA and other variable bill charges**

- Footnote 4 states the PCIA will level off in 2018. This is assumption is contradicted on pages 37, 39, 72, 82 and elsewhere when the Draft Study acknowledges a higher future PCIA could negatively impact rate competitiveness.

**10. Missing items re: MCE inclusion process & requirements**

- Page 70 of the Draft Study states the second reading of a city or county ordinance to join MCE occurs after the MCE Board votes to include a new city or county. Current Policy is for both readings of ordinance to be completed prior to MCE Board membership vote.
- Prospective new MCE communities also need to provide County Assessor data. This is used to help facilitate MCE’s Energy Efficiency program and other customer programs.

**11. No mention of collateral requirements for CCA start-up**

**12. Table ES-5/Table 25 (‘Comparison of Contra Costa CCE Options’) would benefit from revision and/or further explanation**

- Why would MCE score lower in the category of ‘Local Control/Governance’ than the other two options? If Contra Costa County were to join MCE, it would become the largest single vote on MCE’s Board. Please see #3 above.
- Why would MCE score lower in the category of ‘Local Economic Benefits’ than the other two options? MCE already administers a well-established Feed-in Tariff (FIT); Net Energy Metering (NEM) program; Energy Efficiency Program; Low Income Solar Program; and supports local job training and apprentice programs. These MCE programs are already helping to develop local projects, create local jobs, and reduce

locally generated GHGs in Contra Costa County. These are real and current benefits; why would they measure less favorably than the aspirational—and uncertain—benefits of the other two potential options?

- Was MCE’s established credit profile considered when comparing the cost and pace at which each CCE option could deliver local project developments? This would allow MCE to make greater and quicker local investments than either of the other two potential CCE options.
- “Level of Effort” includes related cost, correct? Please state this.
- “Program Risks” includes potential costs, correct? Please state this.
- It is assumed the Start Up Costs/Costs to Join EBCE would likely be nothing; on what is this expectation based?
- Contra Costa County and its cities could join MCE as early as mid-2017. The table currently says “Late 2017” - please revise.
- Footnote #8 states the “Start-up costs incurred by the County or others are likely to be reimbursed by the JPA.” What is this assumption based on? When would this be likely to occur? Please quantify the anticipated amount of these start-up costs and state them in this section so they can be directly compared to the other options.
- In the category of “GHG Reduction Potential Over Forecast Period,” MCE should rank higher, considering it has adopted a policy (as indicated in MCE’s Integrated Resource Plan) to achieve a 95% carbon free content by 2025. The timeline of the other two options is uncertain at this time.

## **Secondary Issues to Address**

### **1. Reference to a “Contra Costa-Only CCE”**

- Obscures fact that five Contra Costa cities are currently MCE members.
- It would be more accurate to refer to a “Partial Contra Costa CCE” or a “Split Contra Costa CCE.” Even reference to a “Stand-Alone CCE” obscures the fact that the County’s service area will be split if the jurisdictions evaluated in this study form a separate program.

### **2. Failure to identify MCE’s five Contra Costa communities by name**

- Although the cities are mentioned in an early footnote, there are numerous points at which the failure to name these cities obscures the fact that a substantial portion of Contra Costa County is already served by MCE.

### **3. Three year phase-in of ‘Stand-Alone CCE’ underemphasized**

- If the remaining Contra Costa jurisdictions form their own CCA, some customers will not receive service until 2020 at the earliest.

- 4. The ability of MCE member-communities to combine their weighted voting share would be more accurately referred to as “consolidation,” than dilution (p.67).**
  - As the Draft Report indicates, all of Napa County’s municipalities are represented by a single MCE Board member. As such, the City of Calistoga is represented by a much larger weighted Board vote than it would otherwise.
  
- 5. Please reference “MCE”**
  - MCE is referred to throughout the Draft Study as “MCE Clean Energy” and “Marin Clean Energy (MCE)” – neither is currently accurate.
  - MCE acronym not included among list of acronyms (both EBCE and PG&E are included here)
  - Suggested revision: Refer to “MCE” with a footnote describing origins in Marin County, and now providing service to all of Napa, Benicia, and the following five cities within Contra Costa County: Richmond, San Pablo, El Cerrito, Lafayette, and Walnut Creek.

### **Outstanding Questions**

- 1. Did MRW contact City staff in Richmond, San Pablo, El Cerrito, Lafayette or Walnut Creek to learn more about their experience working with MCE, or the service MCE has provided to their ratepayers?**
  - If not, MCE kindly requests MRW do so. We are happy to provide names and contact information for these purposes.
  
- 2. Were CCA collateral cash on hand and posting requirements considered in the start-up and operating costs for a new CCE?**
  - If not, please revise to include these costs.
  
- 3. What are the anticipated funding and credit sources for the proposed local build out in year 1 (p.33 of Draft Study)?**
  - Who pays the upfront costs for these construction projects? Who builds and manages them?
  - Was MCE’s established credit profile considered anywhere within the Draft Study? Bonds cannot be issued without a credit profile, and it will take time for newly launching CCAs to establish this.
  
- 4. Diablo Canyon was referenced but PG&E’s new proposed “Clean Energy Charges” to be imposed on CCA customers appear to not have been factored into pricing estimates?**
  - If not, please revise to include these costs.

## **Addendum to MCE Comments re: Draft Technical Study for Community Choice Aggregation in Contra Cost County**

### **Outstanding questions to consider**

1. With regard to the Draft Study's rate comparison, what are the specific cost of power inputs (conventional, renewable and carbon free) and other programmatic cost inputs (administration and staffing, insurance, regulatory compliance, financing costs, building occupancy, etc.) used in projecting the customer rate comparisons?
2. Have the Draft Study's cost/rate assumptions been updated since PG&E's rate change on January 1, 2017, and the corresponding increase to the Power Charge Indifference Adjustment (PCIA)?
3. How would local build out of renewable energy projects be accomplished in year 1 given the need for permits, interconnection approvals, site control, financing procurement, hiring and development?
4. Which entity would provide funds or financing for local build out, and what would be the total costs of financing prior to 2027?
5. Why are GHG allowance purchases included in the report given that none of the three scenarios contemplates point source emissions from the CCA?

### **Additional issues to address**

#### **1. The Draft Study's pricing for local renewable projects in Contra Costa County does not reflect current market conditions.**

The Draft Study estimates the generation cost for local solar to be \$68/MWh. This estimate is substantially below the actual pricing MCE has encountered while developing local solar projects in the County. At this time, MCE has completed two 1 MW solar projects through its Feed-in Tariff (FIT) in Richmond, and has another 10.5 MW solar project under construction in the City. The range in cost for the FIT projects has been \$136-120/MWh, and about \$85-92/MWh for the larger project.

For this reason, it would be helpful to clarify whether the Draft Study's estimated generation costs for local development include the following:

- Land acquisition costs
- Brownfield remediation costs (where applicable)
- PG&E interconnection costs
- Union/Prevailing wage costs
- Financing costs

If these costs were omitted from the Draft Study's original estimate, please provide a revised estimate that includes them.

**2. The PPT summary of the Draft Study (presented in Concord at the January 10 City Council meeting) identifies a 'New Contra Costa CCE' as having the "Greatest potential for local economic development." But an operational program could make greater and quicker local investments, due to its established credit profile and operational programs.**

MCE's established credit profile will allow it to issue bonds and access municipal interest rates quicker than a new program that would have to develop its credit worthiness over time. This would allow MCE to develop local projects and create local construction jobs in Contra Costa County more rapidly and cost-effectively than a new or emerging program.

Additionally, MCE's operational FIT, NEM, and Energy Efficiency programs have already begun catalyzing local economic development in Contra Costa County. Examples include the following:

- In 2016, MCE offered \$250,000 in NEM 'cash-out' payments to solar customers in Richmond, San Pablo and El Cerrito;
- MCE provided \$85,000 in funding to the Rising Sun Energy Center to train San Pablo and El Cerrito youth in energy efficiency installations in 2016;
- MCE has supported RichmondBUILD's job training academy through contracts worth approximately \$100,000;
- MCE's two operational solar FIT projects supported 23 local jobs, 85% of which were minority, and 30% of which had a history with the justice system;
- MCE paid the West Contra Costa School District (WCCUSD) \$28,000 for the surplus renewable energy generated by the District's solar array in 2015;
- MCE has provided \$35,400 in solar rebates to low-income energy customers in Contra Costa County.

Please consider including this relevant data in the final version of the County's Technical Study.

**3. Draft Study does not address risk of customer confusion if separate CCA programs operate within the same County**

If two separate CCA programs operate within the County, there is a substantial risk of customer confusion. This risk is particularly acute where city borders are not contiguous, or where unincorporated areas are surrounded on many sides by incorporated jurisdictions. The City of Richmond, for example, has pockets of unincorporated areas within it. These include communities in El Sobrante, North Richmond and elsewhere. Similarly, the Walnut Knolls neighborhood of Walnut Creek is outside the City's incorporated borders, and the unincorporated community of Kensington borders El Cerrito to its west and north.

While providing service to Richmond, San Pablo, El Cerrito, Lafayette and Walnut Creek, MCE staff has frequently encountered residents who thought they lived within one of these incorporated jurisdictions, only to discover they live just outside them. Questions often arise when a group of homes receives notices in the mail about MCE service, while neighboring homes—sometimes those directly across the street—do not. If two separate CCA programs were to operate under these circumstances, it would likely exacerbate the challenge of helping customers understand rate comparisons to PG&E, as well as programmatic offerings like energy efficiency and rebates for low-income solar installations. This would introduce a barrier for customers to make informed decisions about their energy options. In its current form, the Draft Study fails to address this issue.

**4. Study does not address risk and delay costs (measured in potential greenhouse gas emissions reductions) of waiting to form or join a new CCA, rather than joining MCE’s operational program.**

According to its Climate Action Plan (CAP), Contra Costa County has a goal to reduce greenhouse gas (GHG) emissions to be 15% below 2005 levels (e.g., reduce 213,240 MTCO<sub>2</sub>e). If the County had enrolled in MCE at the start of 2015, electricity-related GHG emissions would have dropped by 57,972 MTCO<sub>2</sub>e compared to 2005. This assumes a 10% drop out rate in the first year (roughly the average for Contra Costa communities currently within MCE’s service area), with 89% of customers choosing MCE’s default 50% renewable Light Green service, and 1% choosing MCE’s voluntary 100% renewable Deep Green service. Under these conditions, the County would achieve 27% of its overall 2020 CAP emissions target within the first year of service. These figures could be increased further by encouraging more energy consumers to opt-up to MCE’s 100% renewable Deep Green service and eliminate the GHG emissions associated with their electricity usage.

On the other hand, if the County forms or joins a new CCA program, these levels of GHG reductions will not be possible until the new program is operational and enrollment rates have met those of MCE.

## Comments Regarding Contra Costa CCE Technical Study

Submitted by IBEW Local 1245

As the largest utility union in California, IBEW 1245 has been actively involved in Community Choice Aggregation for the better part of a decade, and we have been working diligently to ensure that any new CCAs in California live up to the promises made by their proponents.

We have carefully reviewed the “technical study” prepared by MRW, EDRG and Sage, and our feedback is outlined below. We noticed that much of this report is strikingly similar to the report that MRW and EDRG compiled for Alameda County. As members of the Alameda CCA steering committee, our feedback and objections to that study have already been submitted and discussed at length with representatives from EDRG, but since we are seeing much of the same flawed application in the Contra Costa report, it bears repeating, so for the benefit of the Board of Supervisors, City Councils and leadership in Contra Costa, we will once again identify the specific components that strike us as erroneous or misguided.

Our primary concerns with this report relate to the cost projections (and the related jobs analysis) and the promises of greenhouse gas emissions reduction. As detailed below, the claims in this report -- which state that a CCA in Contra Costa could reduce GHG emissions by 50% within the specified cost parameters equal to or lower than PG&E -- are largely flawed and fail to take into account the realities of the current energy market.

### COST PROJECTIONS

We take issue with much of the power cost projections included in this report. As any expert in the field can tell you, future power costs are difficult to forecast due to constantly changing dynamics and unanticipated factors, and projecting past the next 7 to 8 years is essentially impossible.

We have seen previous estimates fail repeatedly. For example, Enron et. al. banked on power costs rising on average 20% every five years after deregulation, as did the banks, which is why they loaned Enron and many other Independent Power Producers hundreds of millions of dollars to buy/sell power and build plants in CA. After a five-year period from 1996-2000 produced a 30+% increase in electricity costs, electricity costs fell sharply between 2001-2004, due to a number of unanticipated factors, including the dot.com bust, aftermath of energy crisis, etc. This is evidence that there is simply no way to accurately provide long-term assessments on energy costs in realistic terms.

This report makes a false and deceptive prediction that PG&E's generation costs will continue to go up. While it is accurate to assume that PG&E rates will continue to increase over time, the generation component – the “apples to apples” comparison – fluctuates greatly, and is actually going down at present. So while this report suggests that Contra Costa can move forward and succeed as a CCA, the Executive Summary warns that electricity rates are expected to be close to or the same as PG&E rates, thereby undermining every other conclusion made in the study.

With so many factors contributing to the cost of electricity, any estimates past 2024 are merely guesses, and the fact that this report endeavors to offer projections out to 2038 is reason to be suspect, for the following reasons:

- Fuel (natural gas) remains a big factor on electricity costs. Lower natural gas prices amounts to a significant reduction in electricity costs in CA. We are experiencing that right now, and expect it to continue at below-average for several more years due to a surplus of natural gas on the market. Eventually this cost will rise, increasing the cost of all electricity.
- Renewable energy development is a highly subsidized market, particularly solar. But these subsidies are not permanent, and are absolutely going to change at the Federal level. Federal tax breaks are by far the biggest subsidy, making that cost of newly developed renewables higher, and potentially significantly higher, over time. As an established, large-scale utility, PG&E enjoys many large contracts of extremely low-cost (3 and 4 cents a kWh) wind and solar power. For this reason, PG&E's renewable portfolio will be lower cost than any start-up CCA would be able to secure, and that will be true for many years. PG&E will be able to re-new these contracts at good (but higher) costs after the current PPA expires.
- In regards to Table ES-2, reliance on the NEM and new rooftop solar generation is completely misplaced. The NEM is shifting costs from solar customers to the rest of the PG&E (IOU) customers, effectively allowing wealthier customers to have their electricity subsidized by less affluent customers. This will be reversed in 2018 – the low income advocates and consumer advocates know what is going on, and are already lobbying the CPUC on the issue. Depending on exactly how the costs for solar were calculated, Table ES-2 is almost certainly wrong.
- This study claims that much of the power will come from Hydroelectric power – which was clearly a way to demonstrate a reduction in cost, as hydro is relatively inexpensive. However, the report does not specify where all this hydro will come from. The fact is, there is no hydro left in CA – it is all already conscribed. In fact, there is almost no Hydro left in the entire Northwest – same situation. There are no new large dams being constructed anywhere in this region. Dams are actually being torn down in Northern California, reducing slightly the amount of hydro power generated. There is a very limited amount of BC Hydro currently available, and it comes at a very high price. A hydro-dependent CCA in Contra Costa will not lower costs, and there will be very little power available. By comparison, PG&E already has quite a bit of hydro, and will get close to 20% of its power from its hydro facilities this year, at an estimated average of 4.5 cents per kW/hr. That is extremely inexpensive.

- Figure ES 2 assumes that the PCIA remains relatively low for the next five years, and then fades away after 10 years. However, the future of the PCIA is unknown, and therefore this projection is false. The PCIA is the device used by the CPUC to assure that future power costs contracted by PG&E for customers that subsequently leave to join a CCA are fairly distributed to those customers. In other words, customers can't get out of paying for power that has been bought for them by joining a CCA so the CCA assesses this charge monthly. The PCIA is set annually and fluctuates year by year. By design, the PCIA will increase as more customers leave PG&E. At some point, customers would go without paying, but that point has not been determined, and will be different for each group of customers that leave to join a CCA based on when they left. This means that Marin Clean Energy's (MCE) original customers should expect to stop paying a PCIA at some point. But MCE customers in San Pablo that joined the CCA five years later would continue to pay the PCIA. So Figure ES 2 is inherently flawed.
- Figure ES 2 also does not take into account the impending Diablo Canyon closure settlement. Whether this is a separate assessment OR included in the PCIA is not determined, but every PG&E customer from 1985 (when Diablo Canyon's first unit went into service) until 2025 (when Diablo Canyon's second unit will shut down) will pay to help decommission the plant. Every customer has paid a small portion of this already, but more cost will inevitably be added to the bills. This cost is not reflected in the estimates provided in this report, and this oversight is disconcerting.

The jobs analysis provided in this report is predicated mostly on lower energy costs creating a small rent (economic version) and giving smaller business employers the opportunity to invest that savings in the form of more hiring. It also includes increased job creation by the County CCA, if it decides to build renewable energy generation in County. Both of these factors are highly unreliable. As we note above, there is no indication that there will be a substantive difference between PG&E and CoCo CCA future power costs – and without cost savings, there's no real benefit to employment, and no funds left for hiring. We also must underscore that if there are good locations for solar and wind development in the County, PG&E or some other utility will develop those areas, regardless as to whether a CCA is operating in the County. Renewable energy development is marching up the San Joaquin Valley as the cheaper land is eaten up by new renewable plants. We agree with the study location criteria that there are a number of very good sites for solar and a few for wind in the County. When they become cost competitive, those sites will be developed, and County residents will benefit, but the CCA is absolutely not necessary for this to happen.

## GREENHOUSE GAS EMISSIONS

This report estimates GHG emissions reductions of 50% below PG&E, largely based on the availability of hydro power to supply 40% to 60% of the County CCA's load. This could possibly be viable during the first year of operation, when the number of customers is minimal, but is simply not sustainable over the long term because, as previously outlined above, there simply isn't enough inexpensive hydro on the market. The only other way that the CoCo CCA could possibly reach 50% less GHG emissions than PG&E would involve the use of Renewable Energy Credits or RECs (as Marin Clean Energy does). However, the

enactment of AB 1110 -- which will force CCAs to fully disclose of their GHG emissions portfolio – means that “greenwashing” with RECs is no longer an option.

We also observed that the comparisons to PG&E in this report appear to be dated and disingenuous. When we look at the most recent data available from 2016, PG&E has reached 32% RPS; it receives between 20%-23% of its power annually from Diablo Canyon; and this year was an above-average hydro year, so it will receive 15%-18% from hydro. Aggregate these GHG-free sources, and PG&E is providing at least 70% of its power from GHG-free sources this year. Since it uses natural gas for the remainder, PG&E has an exceedingly low GHG emissions rate. The Technical study appears to have used 2013 or 2014 PG&E information, each of which were very low hydro production years. Additionally, in 2013, Diablo Canyon had two outages, resulting in far less power from nuclear than usual. Plus, PG&E RPS was in the low 20s during these years. Even if we were to look at 2015, the lowest hydro year on record at 8%, PG&E was still at 56% GHG-free power.

Lastly, as PG&E loses load (which it has and will continue to do), the amount of GHG-emitting sources will be reduced, and the percentage of their RPS and other non-GHG emission sources will increase. For example, this years’ 70% GHG-free would actually amount to 75% in three years, due to decreased load but the same amount of power procured. The big driver of this reduction of load is Distributive Generation and the Alameda CCA – they have more load in the County than all the rest of the existing CCAs put together. PG&E will be supplying less and less power annually, and that makes their GHG emissions rate drop even lower.

Assuming that Contra Costa’s CCA can get 35% RPS and exclude nuclear, the County would have to procure almost 100% non-GHG power or 60+% of their power from Hydro, which simply is not available. The only way to procure this amount of hydro would involve the County outbidding other existing contracts, making the cost projections entirely unachievable.

In closing, our analysis concludes that there is simply no way to achieve both the GHG emissions reductions at the costs that are projected in this report. We urge the Board of Supervisors, City Councils and decision-makers to closely evaluate the numbers presented in this report, put them into the context of the present energy market, and get a more realistic interpretation of what a CCA could feasibly accomplish in the County.

Questions pertaining to these comments may be directed to IBEW 1245 staffer Hunter Stern, [hls5@ibew1245.com](mailto:hls5@ibew1245.com) or (415) 517-0318.

**Print**

**Community Choice Energy Draft Technical Study Draft Comments - Submission  
#14843**

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**Date Submitted: 12/1/2016**

**Please use this form to provide us with your comments regarding the Community Choice Energy Draft Technical Study, ask questions, or to be added to the e-mail list for Community Choice Energy**

**Please provide us with the following information if you would like us to contact you:**

**Name:**

Jim Moita

**Phone:**

(925) 788-9571

**Community Name**

Clayton

Please provide the name of the city or community you live in

**Email\*:**

jmi-acorn@sbcglobal.net

**Comments**

We have a 1 MW rooftop project ready to go on line in Brentwood today atop Acorn Self Storage located at 6900 Lone Tree Way. I would like to invite any Supervisor or staff member to look at the project. I believe it will be very informative from a solar developer perspective. PG&E does not pay enough to make the project feasible - so it sits. And, in 2019 the 30% federal tax credit expires. In 2019 all of the suppliers will raise their prices. I am hopeful that Contra Costa County acts quickly to join MCE or start a community choice entity. If you wait too long you will have blocked the job and green power growth you want. Please expedite. If you have any question please contact me.  
Thank you for making a green future a reality,  
Jim Moita

**\*You will be added to the project e-mail list unless you check the box below. We do not share your e-mail addresses and you can opt out of e-mails at any time.**

**Do NOT add me to the project e-mail list**

**Jason Crapo**

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**From:** Carol Weed <cccleanenergy@gmail.com>  
**Sent:** Monday, January 30, 2017 8:19 PM  
**To:** federal.glover@bos.cccounty.us; Karen Mitchoff; John Gioia; Candace Andersen; Diane Burgis  
**Cc:** John Kopchik; Jason Crapo; Jody London; Joellen Bergamini; shawnmarshall@leanenergyus.org; sbaruch@carbonomicsonline.com  
**Subject:** The CCC CCE Draft Technical Study and the Need for Fuller Consideration of All Studied Options  
**Attachments:** Rafferty Draft Study Comments.pdf; ATT00001.htm

January 30, 2017

Contra Costa County Board of Supervisors  
651 Pine Street  
Martinez, CA 94553  
via electronic mail

Re: The CCE Draft Technical Study and the Need for Fuller Consideration of All Studied Options

Dear Members of the Contra Costa Board of Supervisors:

We, the undersigned, represent organizations that have been following the progress made by the cities and County of Contra Costa as they decide how to implement Community Choice Energy. We do not share a preference for any one of the three options outlined in the Draft Technical Study, but we do share the following concerns about the adequacy of that study and the public process that has unfolded in its aftermath.

- 1) We are highly critical of the current Draft Technical Study prepared by MRW, as well as the very cursory presentations made by the county and the consultants. Neither the study nor the presentations include enough necessary information or the specificity of detail required in order for the cities and the County to make fully informed decisions with lifelong consequences. To cite one such example, when addressing the very basic question of risks associated with the startup costs, the study actually neglects to mention that to date, all CCEs in California have paid back their loans in less than a year.
- 2) We are, moreover, extremely troubled by the premature decision of the Board of Supervisors on January 17, 2017, to eliminate the stand-alone Community Choice Energy option, which the draft study identified (in Table ES-5) as offering the “greatest” amount of local governance and local economic benefit. The decision to exclude the in-county (stand-alone) option unnecessarily limits the choices offered to residents and businesses in unincorporated areas of the County, and preempts input from leaders, residents, and businesses in the incorporated cities before they have had the opportunity to question and comment on the study. Seven cities contributed to the study’s cost and are entitled to one that fully addresses the impacts to their respective cities—

e.g., what amount of buildout is reasonably possible in the Concord Naval Weapons Depot over a ten-year period, and what its economic impact would be. We therefore urge you to reconsider your decision to remove the in-county option from consideration.

3) We would like to know why neither the Contra Costa study nor the presentations have answered this fairly simple question: Why did the study for Alameda County done by the same MRW Consulting firm give a much more robust analysis of the economic benefits of local buildout?

4) We would also like to know why, if the technical studies of six other Bay Area counties (Sonoma, San Francisco, San Mateo, Santa Clara, Alameda, and Yolo) show the stand-alone option to be superior, this would not also be the case in Contra Costa.

5) Unfortunately, the Draft Feasibility Study does not enable the reader to determine which option, in the choice between MCE and EBCE, might result in the greater buildout and job development within Contra Costa. In fact, the study does not indicate that any such buildout or job development will occur by joining either MCE or EBCE. We strongly encourage the county to communicate with both MCE and EBCE about these issues.

Attached is a letter from Scott Rafferty addressing in much more detail some additional concerns about missing or misrepresented facts in the current Contra Costa Draft Technical Study, including the paucity of current information about MCE. This is not an attempt to indicate that MCE is a bad choice, but rather to point out that relevant information about MCE that is available to the public is not included in the draft study. We understand that information about both a stand-alone option and EBCE is necessarily limited because neither yet exists.

Here are some of the points that Scott Rafferty makes:

a) He agrees with MCE's criticisms that the analyst provides "scant analysis of MCE's operational program," and "no analysis" of MCE's local renewable program, customer-sited solar, job creation, and other benefits. But despite some impressive claims about past performance, MCE doesn't really provide much insight into its forward-looking plan. He suggests that MCE may bring more legacy costs than synergies to our county.

b) MCE wants credit for \$4.6m in subsidies from the CPUC for energy development (that have already been fully committed to programs in Richmond or outside CCC). An independent CC-CCE program would probably be better positioned to seek equivalent subsidies from CPUC than MCE would be in getting them increased proportionally, which MCE does not suggest is likely.

c) He argues that the Supervisors have relied too heavily on the consultant's analysis of the more obvious "first order" effects of piggybacking on MCE—less "effort" and greater risk on "start-up costs," which the consultant concedes are small. The risk to which the BOS is averse, therefore, might be political. If things go awry, they can share responsibility with the existing local bodies.

d) He also rejects MCE's notion that El Cerrito and Richmond have an identity of interests with the rest of CCC or that there will be brand confusion. On the contrary, they share the climate and rate structure of Marin and Oakland, which is very different from the rest of Contra Costa County and Alameda east of the I-680.

e) Neither MCE nor, at this stage, our BOS has clear direction on how to weigh competing objectives—low electric rates, GHG mitigation, progressive rate design (including low-income and residential preferences), job creation and economic benefits, worker and public safety and service reliability. MCE is self-regulating and subject to very significant shifts in voting power.

f) The jury is still out on MCE's effectiveness in dealing with regulators. It settled very quickly with PG&E in a pending rate case, with limited concessions for clean energy or consumer rate relief. At the state level, two voices will likely have more clout than one—a statement MCE itself has made.

g) As the Governor's attempts at CAISO regionalization have made clear, larger geographic scale does not always increase the GHG benefits. Neither MCE nor the consultants have yet developed a measure of environmental benefit that accurately accommodates displacement to PG&E and other utilities.

For all the above reasons, we strongly urge the Board of Supervisors to reconsider what we believe was a premature narrowing of the choices. We request that more complete information be shared in future presentations, especially as regards the potential for local buildout and the economic benefits of each of the three proposed CCE choices, and that the final technical study include far more concrete information which the cities will need to make a truly informed choice.

Very sincerely yours,

Peter Ericson  
Contra Costa Clean Energy Alliance

Lynda Deschambault  
Generation Green / Contra Costa County Climate Leaders (4CL)

Peter Dragovich  
Contra Costa Progressives

Bill Pinkham  
350 Bay Area

Shoshana Wechsler  
Sunflower Alliance

Pélló Walker  
Pleasant Hill Chamber of Commerce Green Group

Carol Weed  
Contra Costa Chapter Organizing for Action

Jan Warren

Interfaith Climate Action Network of Contra Costa County

cc:

John Kopchik

Jason Crapo

Jody London

LEAN Energy US

Cities of Antioch, Brentwood, Clayton, Concord, Danville, Hercules, Martinez, Moraga, Oakley, Orinda, Pinole, Pittsburg, Pleasant Hill, San Ramon

Attachment: 1/25 /17 Scott Rafferty letter re: "Establishing a County-Only Clean Energy Authority"



Serving Alameda, Contra Costa, Marin and San Francisco counties

January 31, 2017

President Glover and Members of the Board of Supervisors  
Contra Costa County  
651 Pine Street  
Martinez, California 94553

**RE: Community Choice Aggregation**

Dear President Glover and Supervisors:

The Sierra Club is concerned with the decision made by the Board of Supervisors at its January 17, 2017 meeting regarding the exclusion of considering a standalone Community Choice program for Contra Costa County.

While the Sierra Club does not have a preference for any of the three options outlined in the technical study, we are interested in evaluating all three options through a transparent process with the public and incorporated cities in order to determine the best option. Therefore, we urge you to reconsider the standalone option.

We appreciate the opportunity to comment on this matter, and we look forward to working with you in ensuring Contra Costa County and its cities are served by a Community Choice program that reflects the values of the residents and businesses it serves.

Sincerely,

Luis Amezcua  
Co-Chair  
Energy and Climate Committee

David McCoard  
Co-Chair  
Energy and Climate Committee



1/29/17

To the Board of Supervisors  
C. C. County  
651 Pine St.  
Martinez, Ca. 94553

RECEIVED  
JAN 30 2017  
By Clerk of the Board

Dear Board of Supervisors,

Re.: MCE Electric Generation

The above re. MCE is providing service (electric at 5153 Hilltop Dr., El Sobrante, Ca. 94803, or at least trying to wait for your Board authorization P. G. & E. bill # xxx 1599-2 (this last digit means 2 addresses (the other one is the above in San Pablo and which are combined and under my name. Thus, hereby I'm requesting your help (since represents a saving for us) to authorize, as soon as possible, said authorization for MCE incorporation to P. & E. into our bill.

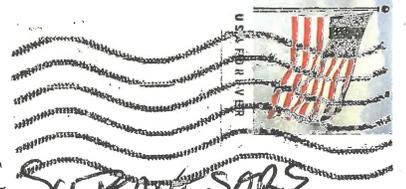
Thanking you in advance,

Sincerely,

cc: BOS  
CAO - B. Riveira, J. Enea  
DCD - J. King-Reaves  
BGO

Mr Edgar Perry  
2540 Market Ave  
San Pablo, CA 94806-4542

OAKLAND CA 945



27 JAN 2017 PM 6 L

TO THE BOARD OF SUPERVISORS  
C.C. COUNTY  
651 PINE ST.  
MARTINEZ, CA. 94553

RECEIVED  
JAN 30 2017  
By Clerk of the Board

94553-122901



**SCOTT J. RAFFERTY, ESQ.**  
1913 WHITECLIFF COURT  
WALNUT CREEK CA 94596  
(202)-380-5525      RAFFERTY@GMAIL.COM

January 25, 2017

Board of Supervisors for Contra Costa County  
651 Pine Street  
Martinez CA 94553  
via electronic mail

Re:    Establishing a County-Only Clean Energy Authority

Dear Supervisors:

I write to express concern with the Board's apparent direction that the staff limit further consideration of establishing a community choice energy (CCE) authority to serve the unincorporated areas of the county and those municipalities that elect to join (hereinafter, "county authority"). The studies conducted by staff and its consultant<sup>1</sup>, combined with the input provided by Marin Clean Energy (MCE) and other parties, leave many critical questions unanswered. For this reason, it is premature to deliver the bulk of our county either to MCE or to the authority in formation by the Alameda County government. Unless further answers to the concerns and questions stated below show otherwise, the proposed county authority will prove to be more effective in achieving our county's policy goals, more economically efficient and accountable, and more resilient in the face of external risks.

The direction to limit consideration of the county-only authority flies in the face of one of the most critical conclusions of the three consulting firms. Each of these firms concludes unequivocally that local economic benefits of a county authority are the "greatest" of the alternatives presented. [Presentation, at 18](#). The comparison chart finds no difference in the relative effectiveness of the three alternatives in achieving the environmental goal of greenhouse gas (GHG) reduction. The chart concedes that any incremental start-up costs of a county-authority would be "low." The consultants note that an expansion of MCE could saddle Contra Costa with "expensive legacy contracts," but fail to quantify the impact on our ratepayers. [Presentation, 20](#). Despite these negatives, the consultants persist in arguing that the "program risks" of going it alone would be high. They provide little quantitative support or specificity as to why they believe this might be the case.

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<sup>1</sup> Three consulting firms produced a draft report dated November 30, 2016 ([http://64.166.146.245/docs/2017/BOS/20170117\\_872/28354\\_Attachment%20A\\_Draft%20Technical%20Study%201Dec2016.pdf](http://64.166.146.245/docs/2017/BOS/20170117_872/28354_Attachment%20A_Draft%20Technical%20Study%201Dec2016.pdf)). The staff made a presentation dated January 17, 2017 ([http://64.166.146.245/docs/2017/BOS/20170117\\_872/28354\\_Attachment%20D\\_BOS%20CCE%20Presentation.pdf](http://64.166.146.245/docs/2017/BOS/20170117_872/28354_Attachment%20D_BOS%20CCE%20Presentation.pdf)) (hereinafter, "Presentation"). Most of the pages of this presentation have a heading with the logo of one of the consulting firms, MRW.

The Board's movement toward limiting further consideration of a county-specific authority ignores the largest risk of all – that a multi-county authority will not be subject to effective supervision, leading to economic inefficiency and lack of public control over policy. A confab of 35 elected officials from four different counties meeting for a few hours nine times a year can do little to influence, let alone regulate, actions taken by the management, which this Board would place in charge of more than a quarter billion dollars in funds annually collected from ratepayers. Even though Contra Costa county would comprise well over half of MCE's load, it may be difficult for county experts and residents to understand or influence its governance. MCE board meetings are an hour drive from our county seat (twice as long by public transportation), and even more remote for most residents.<sup>2</sup>

A THE COUNTY AUTHORITY CAN BE MORE EFFICIENT AND ACCOUNTABLE.

Publicly owned utilities lack the market discipline of private ownership, the disclosure enforced by the Securities and Exchange Commission (SEC), and most of the regulatory supervision provided by the California Public Utilities Commission (CPUC). The Board needs to substitute a governance structure that will ensure that the authority is driven by economic efficiency and fidelity to the policy goals that the Board sets. Without effective political supervision, management may have incentives to increase its scale and geographic footprint without regard to the interests of its customers and constituents.

The structure assumed for a multi-county entity may combine the worst of both private and public governance. Management will report to a complex and changing board of directors potentially growing to include almost three dozen political actors from multiple counties with very different climactic, economic, and policy conditions. The Board may change every time any of the member jurisdictions has an election, resignation, or vacancy. There may be little continuity and, more critically, no single regulator focused exclusively on the performance and planning objectives set forth by the management. In the case of an Alameda-Contra Costa entity, the consultants note ([Presentation, 21](#)), we would be “small fish” in a larger pond dominated by Oakland and Hayward. But the larger concern is that no governing body can effectively control or even scrutinize decisions of the management when it is comprised of 30-35 elected officials delegated from as many different jurisdictions

By contrast, this Board has staggered elections and a record of continuity. It has the capacity to delegate to a single expert. This expert would have the capacity to review management plans critically and to provide direction subject to review by the Board. A single-county regulator would be the most economical solution, as he or she would retain

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<sup>2</sup> Google maps advises leaving Martinez at 6:05 by car or 5:12pm by transit to reach the 7pm meeting in San Rafael.

staff or consultants only as necessary. In short, the Board would separate the managerial functions of the authority from its regulation - something that MCE has talked about doing, but never implemented.<sup>3</sup> Municipalities participating in a joint powers authority for our county would be well-advised to delegate regulatory supervision to this Board and the regulator it appoints.

In designing an appropriate structure for a county clean energy authority, our Transportation Authority (CCTA) provides a point of departure.<sup>4</sup> Unlike most utility districts, CCTA is appointed, not elected. Like every clean energy authority in California other than MCE, it is confined to a single county. However, the Board has limited representation on CCTA, which is a federation with representation from ten cities and two special districts. The lack of unified direction reflects CCTA's need to "balance" the interests of different localities, which also justifies the strict allocation of funds among regions of the county. By contrast, residents of central and east Contra Costa county generally have common objectives with regard to clean energy. In contrast to road repairs, there will likely be a consensus that some areas in the county are more appropriate for the development of non-rooftop alternative energy generation. The employment impacts are county-wide (but not as broad as MCE's potential footprint). The electric rate structure is uniform within the proposed area, but very different from Marin County and the parts of east Contra Costa County that MCE already serves. These circumstances confirm the need for regulation and political supervision by the Board. (Municipalities participating in a joint powers authority would be well-advised to delegate to the county.)

#### B. SEPARATE COUNTY AUTHORITIES ARE LIKELY TO BE MORE INNOVATIVE AND RESILIENT.

The consultants' suggestions that a county authority will entail "effort," "risk," and "substantial resources" (e.g., [Presentation at 19](#)) are vague and fundamentally inconsistent with their conclusion that there would be little added start-up cost. If Contra Costa acceded to MCE or an Alameda joint power authority, there would be 14 new county and municipal directors, each requiring staff in order to make any well-informed decision. The salary of an expert regulator reporting to this Board is almost certainly less than any reasonable cost allocation based on those commitments.

Constituents of both MCE and new authorities in Alameda and Contra Costa will benefit if their aggregators compete and benchmark against each other. In contrast to a utility based on shared facilities (e.g., power distribution, water, or wastewater), there are few economies of scale associated with generating renewable energy and aggregating

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<sup>3</sup> The [2014 implementation plan provided \(at 12\)](#): "MCE may also establish an 'Energy Commission' formed of Board-selected designees. The Energy Commission would have responsibility for evaluating various issues that may affect MCE and its customers, including rate setting, and would provide analytical support and recommendations to the Board in these regards."

<sup>4</sup> CCTA was created by referendum, and is not a joint powers authority.

energy demand. The existence of multiple authorities will encourage innovation, identify alternative practices, and highlight both successes and failures. By contrast, consolidation could reduce efficiency by creating a single, large public monopoly with no peers. The merged entity may blame its own shortcomings on external risks. The Board should avoid this temptation to eliminate the transparency that multiple entities would create.

This consideration is critical, because all clean energy authority face significant external risks that are probably increasing. Federal policy may become more favorable to fossil fuels, and state support for clean energy development may be curtailed. Hydropower is increasingly variable. Locally produced clean energy substitutes for fuels that are subject to national and global market pricing. If MCE or another established entity clearly has the best strategy for addressing these risks, it can be emulated. But where alternative approaches may have merit, newly formed authorities for Alameda and Contra Costa can try them as well.

Finally, a number of allied county authorities acting in concert will likely have more political influence to support clean energy at the state level. MCE wants credit for \$4.6m in subsidies from the CPUC for energy development (that have already been fully committed to programs in Richmond or outside Contra Costa). The CPUC has made clear that it will *not* increase grants to MCE in proportion to the increase of its customer base.<sup>5</sup> New county authorities in Alameda and Contra Costa may be better placed to lobby their legislators to encourage similar grants than that the single Marin-based entity has been in persuading regulators to increase the subsidies that it alone receives.

#### C. THE COUNTY AUTHORITY CAN BE MORE TRANSPARENT AND MORE EFFECTIVE IN PROMOTING COUNTY POLICY GOALS.

I accept MCE's criticism that the Board's [consultants](#) have provided "scant analysis of MCE's operational program," and "no analysis" of MCE's local renewable program, customer-sited solar, job creation, and other benefits. But MCE does not dispute the consultants' warning that it has "expensive legacy contracts." MCE also fails to provide much insight into its forward-looking plan, which may have been changed by the accession of Walnut Creek and Lafayette (and would be further changed if the rest of the county joined).

MCE has no financial disclosures on file with the SEC, since it is not a public company, nor the IRS, since it is not a public charity. MCE attempts to comply with the Brown Act,<sup>6</sup> but basic information (such as the geographical distribution of load and voting shares) can be difficult to locate on its website. Although MCE provides some

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<sup>5</sup> CPUC has rejected MCE's suggestion that its energy efficiency budget be increased proportionally to the expansion of its customer base. Agenda ID #14791, modifying D.14-10-046, <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M159/K757/159757199.PDF#page=11> Conclusions 1 and 3

<sup>6</sup> As of Jan. 23, 2017, the link for the agenda packet of the Jan. 19, 2017 meeting was broken. Screenshots are on file.

data to the CPUC, it is not subject to rate case regulation. Management effectively decides its own revenue requirement and designs the rates it recovers from each customer class.

A county-specific authority could also be more responsive to the economic needs of Contra Costa's middle class. Some MCE directors represent jurisdictions with average household incomes that are more than double that for Contra Costa County.<sup>7</sup> Generally, MCE mirrors PG&E rates, but the rates and baselines for much of Marin and West Contra Costa County differ significantly from the warmer areas of central and east Contra Costa that are involved in this proposal.<sup>8</sup> As the consultants' sensitivity analysis notes, there are scenarios where CCE rates may increase and significantly exceed those that would have been available had the customer remained with PG&E. In such a circumstance, Contra Costa policy may require rate designs that provide some relief to working families; wealthier jurisdictions may have a different view. MCE management has also recently committed to provide concessions to retain large business customers. PG&E cannot implement such potentially regressive rates with careful review by the CPUC, from which MCE is immune. By preserving its authority over a county-only authority, this Board can ensure that rates paid by residents in Contra Costa are progressive and cost-based.

D. MCE HAS COMMITTED ITSELF ***NOT*** TO UPDATE ITS BUSINESS PLAN TO CONSIDER OUR COUNTY'S LOCAL ECONOMIC NEEDS AND POLICY PRIORITIES.

It may be a particularly inopportune time to consider joining MCE. Last week, MCE filed its quadrennial [business plan](#) with the CPUC, following a schedule that it has known for some time. Throughout this business plan, MCE stresses the divergent characteristics of its five non-contiguous service areas (Marin, Napa, Benicia, West Contra Costa, and Walnut Creek/Lafayette). It also emphasizes its "competitive advantage" over PG&E because "MCE's programs take a flexible approach to the ***uniquely*** local characteristics."<sup>9</sup> [emphasis added] The business plan makes no mention of the pending discussions regarding Contra Costa County and contains no data regarding any part of the county that MCE does not already serve. Yet, the proposed accession would almost double MCE's size, as measured by load.

In a related application, MCE reveals that it expects to escape any CPUC review of the impact of the proposed accession. Remarkably, it again makes no mention of the negotiations with our County to double its size. But MCE does propose that ***any*** enlargement to the service area occur without revision to its business plan in ***any*** respect.

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<sup>7</sup> E.g., [Ross average family income \\$200,833 v. Contra Costa \\$95,083](#).

<sup>8</sup> [https://www.pge.com/nots/rates/PGECZ\\_90Rev.pdf](https://www.pge.com/nots/rates/PGECZ_90Rev.pdf)

<sup>9</sup> Business plan at 21. [https://www.mcecleanenergy.org/wp-content/uploads/2017/01/EE-BusinessPlan2017\\_20160105\\_filing.pdf#page=21](https://www.mcecleanenergy.org/wp-content/uploads/2017/01/EE-BusinessPlan2017_20160105_filing.pdf#page=21)

MCE anticipates that including new communities will generally not require a reconsideration of the logic or fundamental approach articulated in its Business Plan. However, updating the Business Plan to reflect a newly included community would require considerable administrative work through an application filing and a resulting proceeding.<sup>10</sup>

Instead, MCE proposes that, after any expansion, it would file an “advice letter,” with no more than a “current service area map with associated market characterization information to reflect any new communities.” (The CPUC may not approve this approach, which would allow its staff to increase subsidy allocations to MCE with minimal review.) While I do not question the motives of MCE management, the proposal (if adopted by the CPUC) could place MCE in the odd position of *being forced* to tell this Board that it could not consider any changes based the economic needs or policy decisions of Contra Costa County. Doing so would be inconsistent with the CPUC-approved business plan, which is based on “unique local characteristics” of *other* communities.

#### CONCLUSION

A gathering of 30-35 elected officials from multiple counties with different climates, different demographics, and different policy preferences cannot effectively govern a utility. Such a diffuse governing body cannot effectively promote environmental and economic objectives, or reconcile the trade-offs that they inevitably entail. I fully respect MCE’s success as a pioneer of community choice. However, unless MCE or the consultants provide a more compelling justification, or offer proposals to mitigate concerns about public accountability, a multicounty authority does not appear consistent with the public interest. Instead, this Board should (1) facilitate the creation of a Contra Costa-only community choice aggregator and (2) recruit an expert to regulate its business plans, rates, and practices, always subject to ultimate review by the Board itself.

Sincerely,



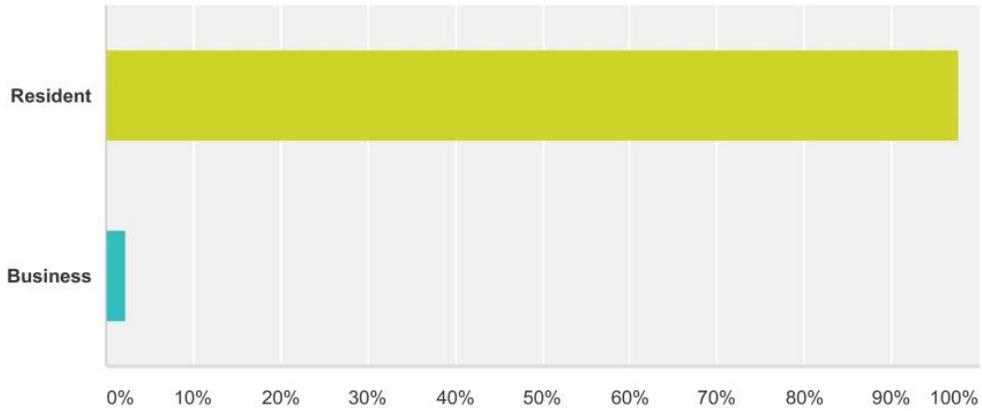
Scott J. Rafferty

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<sup>10</sup> Application at 27. <https://www.mcecleanenergy.org/wp-content/uploads/2017/01/01-17-17-MCE-EE-Application-with-Verification.pdf#page=27>

### Q1 Are you answering this survey as a resident of Contra Costa County, or in the interest of a business located in the County?

Answered: 316 Skipped: 1



Answer Choices	Responses
Resident	97.78% 309
Business	2.22% 7
<b>Total</b>	<b>316</b>

#	Your name or business name (optional):	Date
1	Ed Burke	1/31/2017 3:41 PM
2	Maria Sanders	1/30/2017 7:21 PM
3	Nancy Libbey	1/30/2017 5:40 PM
4	Jennifer Anderson	1/30/2017 1:19 PM
5	Mike Passaglia	1/30/2017 12:58 PM
6	Peggie Eaton	1/30/2017 12:04 PM
7	Marcus Marcel Ashley	1/30/2017 11:57 AM
8	Mrs Vargas	1/30/2017 11:08 AM
9	Dale Smith	1/30/2017 11:02 AM
10	Mary feddersen	1/30/2017 11:00 AM
11	John Nielson	1/30/2017 10:53 AM
12	Jesse Dela Cruz	1/30/2017 8:05 AM
13	andrew chiu	1/28/2017 7:53 AM
14	Mike Lyons	1/27/2017 6:17 AM
15	Since you don't list my unincorporated community below, I'll indicate it here: Kensington.	1/26/2017 5:49 PM
16	Janet Thomas	1/26/2017 3:15 AM
17	Sandra Marquez	1/25/2017 8:17 AM

## Community Choice Energy In Contra Costa County

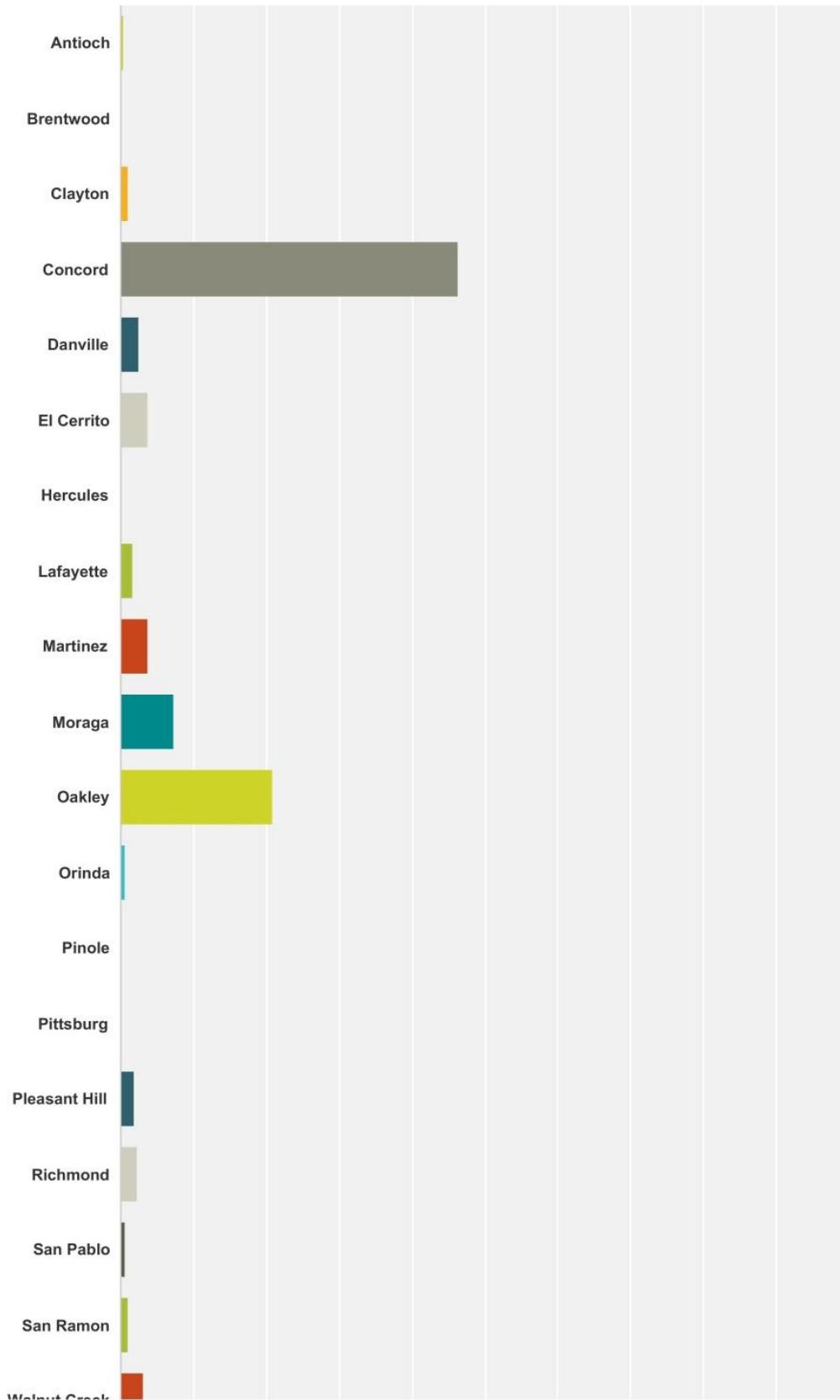
SurveyMonkey

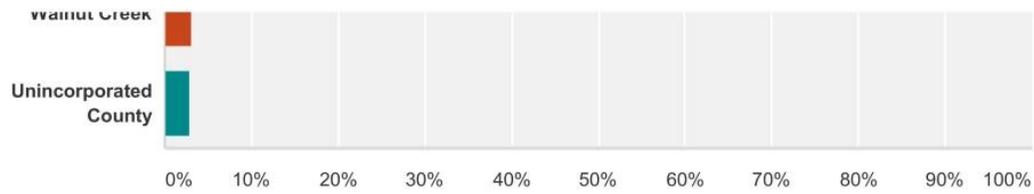
18	StephencanyLM	1/23/2017 7:18 AM
19	Yelena Myakisheva	1/20/2017 6:08 PM
20	Robert and Debra Field	1/17/2017 2:14 PM
21	Marti Roach	1/13/2017 3:00 PM
22	Ellen Beans	1/13/2017 2:48 PM
23	Monica Medina-Campos	1/13/2017 12:04 PM
24	Dan Yek	1/12/2017 6:09 PM
25	Melissa	1/12/2017 2:16 PM
26	Saint Mary's College	1/11/2017 4:00 PM
27	Aaron McHugh	1/11/2017 12:20 PM
28	Marianne Callahan	1/2/2017 10:47 AM
29	Peter & Martha Dragovich	12/24/2016 5:34 PM
30	Tom Schnurr	12/21/2016 9:51 AM
31	Donavan Sell	12/20/2016 2:43 PM
32	Robert Brooks	12/17/2016 11:06 AM
33	Emperatris Vega	12/16/2016 11:06 AM
34	Caroline Wood	12/15/2016 9:50 PM
35	Maggie Metcalf	12/15/2016 12:03 PM
36	michael briant	12/15/2016 10:28 AM
37	Sam altshuler	12/12/2016 2:54 PM
38	kare marchand	12/11/2016 12:48 AM
39	Kerry Pay	12/10/2016 7:25 PM
40	Aaron	12/10/2016 2:09 PM
41	Kenneth Hambrick	12/9/2016 10:27 AM
42	Gina Arino	12/9/2016 9:02 AM
43	Barry whiffin	12/9/2016 7:52 AM
44	Walter	12/9/2016 12:33 AM
45	Paul Williams	12/8/2016 9:52 PM
46	Dorothy Himel	12/8/2016 7:02 PM
47	Richard Soderholm	12/8/2016 5:31 PM
48	Serge	12/8/2016 4:03 PM
49	Jim Donton	12/8/2016 12:14 PM
50	Christophe Fromy	12/8/2016 11:55 AM
51	Marge Rosenberg	12/8/2016 11:44 AM
52	Marcy Busse	12/8/2016 11:26 AM
53	sweetland	12/8/2016 11:14 AM
54	Tracy Hooper	12/8/2016 10:56 AM
55	Kenji Yamada	12/8/2016 10:23 AM
56	Stan Stansbury	12/8/2016 10:17 AM
57	Janel Sams	12/8/2016 7:44 AM
58	Robbie Bush	12/7/2016 6:58 PM

59	Andrew Elias	12/7/2016 4:43 PM
60	steve dunn	12/7/2016 4:24 PM
61	dave	12/7/2016 2:26 PM
62	Philip Wallbridge	12/7/2016 2:19 PM
63	Andrew Osborn	12/7/2016 9:34 AM
64	Edwin Walters	12/7/2016 7:35 AM
65	William Moisson Sr	12/7/2016 6:19 AM
66	Betty Dankas	12/6/2016 9:23 PM
67	Karen Wendt	12/6/2016 9:11 PM
68	Quincey Koziol	12/6/2016 8:12 PM
69	Steve Swihart	12/6/2016 7:32 PM
70	Jon Webster	12/6/2016 6:22 PM
71	Eliana Kollgaard	12/6/2016 3:59 PM
72	Barbara morrison	12/6/2016 2:42 PM
73	James Gingras	12/6/2016 2:31 PM
74	Sheila Bishop	12/6/2016 2:16 PM
75	Joel F. Carico	12/6/2016 2:09 PM
76	Louise McGuire	12/6/2016 2:05 PM
77	Robert Woods	12/6/2016 12:41 PM
78	Marian Shostrom	12/3/2016 2:46 PM

## Q2 In which area do you do business and/or live in?

Answered: 315 Skipped: 2

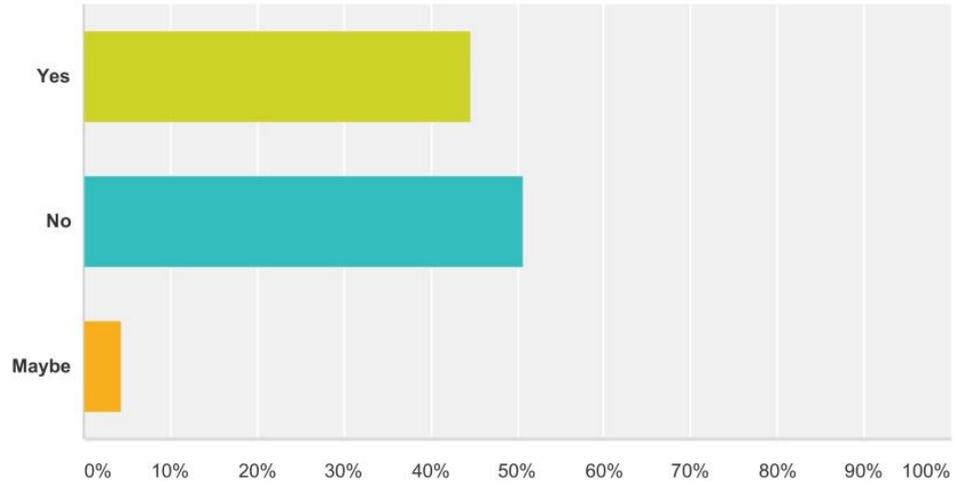




Answer Choices	Responses
Antioch	0.32% 1
Brentwood	0.00% 0
Clayton	0.95% 3
Concord	46.35% 146
Danville	2.54% 8
El Cerrito	3.81% 12
Hercules	0.00% 0
Lafayette	1.59% 5
Martinez	3.81% 12
Moraga	7.30% 23
Oakley	20.95% 66
Orinda	0.63% 2
Pinole	0.00% 0
Pittsburg	0.00% 0
Pleasant Hill	1.90% 6
Richmond	2.22% 7
San Pablo	0.63% 2
San Ramon	0.95% 3
Walnut Creek	3.17% 10
Unincorporated County	2.86% 9
<b>Total</b>	<b>315</b>

### Q3 Before today, have you ever heard of the term "Community Choice Aggregation" or "Community Choice Energy"?

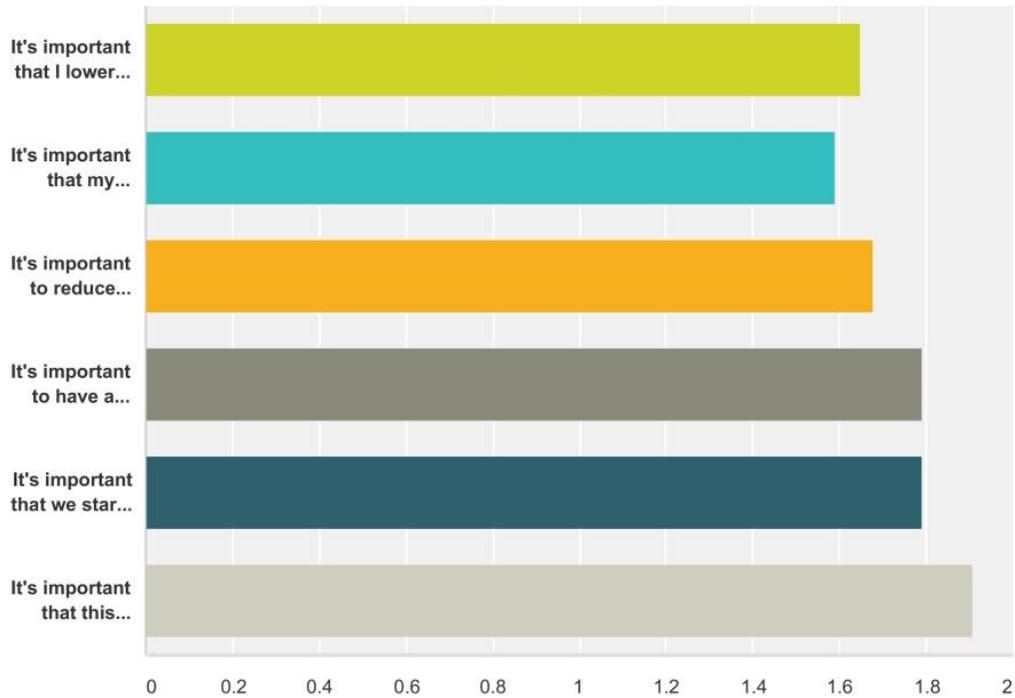
Answered: 315 Skipped: 2



Answer Choices	Responses
Yes	44.76% 141
No	50.79% 160
Maybe	4.44% 14
<b>Total</b>	<b>315</b>

### Q4 How important to you is each of the following?

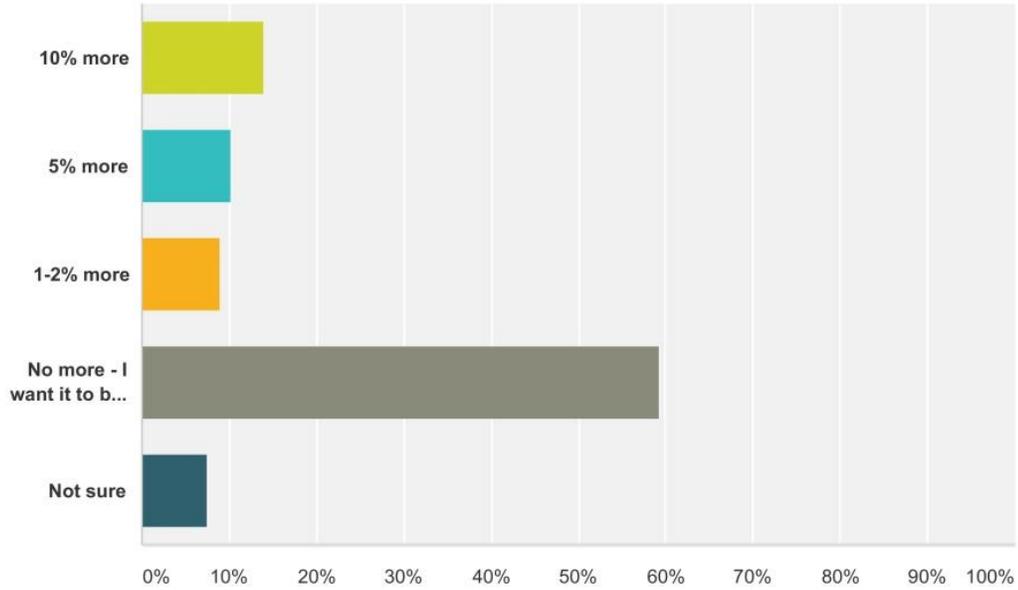
Answered: 314 Skipped: 3



	Very Important	Moderately Important	Not Very Important	Not Important	No Opinion	Total	Weighted Average
It's important that I lower my electric bill	54.37% 168	30.74% 95	10.68% 33	3.88% 12	0.32% 1	309	1.65
It's important that my electricity rates remain stable from year to year	54.34% 169	36.66% 114	5.79% 18	2.25% 7	0.96% 3	311	1.59
It's important to reduce greenhouse gas emissions and use cleaner energy	62.38% 194	19.61% 61	7.40% 23	9.32% 29	1.29% 4	311	1.68
It's important to have a choice about where my energy comes from and how clean it is	58.79% 184	18.53% 58	8.63% 27	12.78% 40	1.28% 4	313	1.79
It's important that we start producing more clean power sources like wind and solar within the County's borders	58.25% 180	19.09% 59	8.74% 27	12.94% 40	0.97% 3	309	1.79
It's important that this program create more local jobs and local investments	42.90% 133	36.13% 112	9.68% 30	10.00% 31	1.29% 4	310	1.91

### Q5 Compared to your current energy expenses, how much more would you be willing to pay for green power?

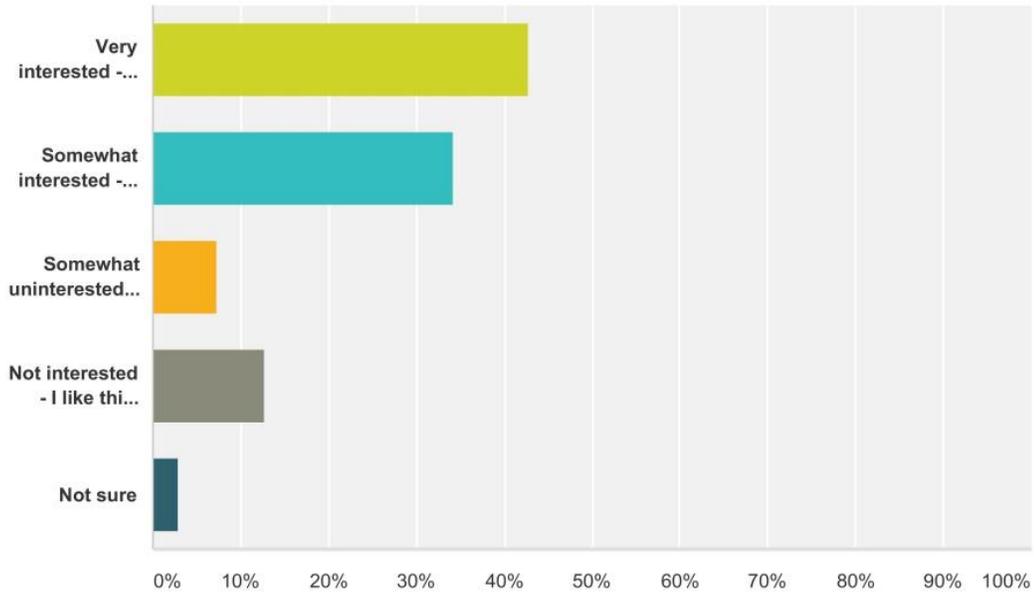
Answered: 315 Skipped: 2



Answer Choices	Responses
10% more	13.97% 44
5% more	10.16% 32
1-2% more	8.89% 28
No more - I want it to be the same or cheaper	59.37% 187
Not sure	7.62% 24
<b>Total</b>	<b>315</b>

### Q6 Based on what you know to date, please rank your interest level in CCE for Contra Costa County:

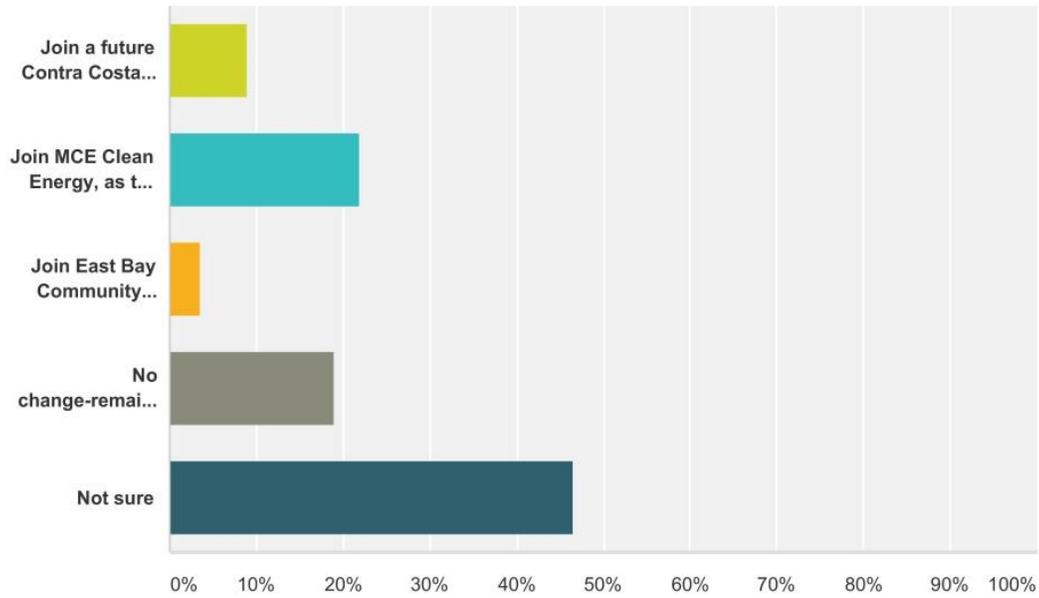
Answered: 313 Skipped: 4



Answer Choices	Responses
Very interested - I want electric choice	42.81% 134
Somewhat interested - I would like to know more	34.19% 107
Somewhat uninterested - I'm disinclined	7.35% 23
Not interested - I like things the way they are	12.78% 40
Not sure	2.88% 9
<b>Total</b>	<b>313</b>

### Q7 If you have an opinion, please tell us which CCE program option you prefer:

Answered: 311 Skipped: 6



Answer Choices	Responses
Join a future Contra Costa County-only program	9.00% 28
Join MCE Clean Energy, as the cities of Richmond, San Pablo, El Cerrito, Lafayette and Walnut Creek have done	21.86% 68
Join East Bay Community Energy, a new CCE program forming in Alameda County	3.54% 11
No change-remain with PG&E	18.97% 59
Not sure	46.62% 145
<b>Total</b>	<b>311</b>

Community Choice Energy In Contra Costa County

Attachment L

Comments Submitted through On-Line Survey

answered question 111

skipped question 206

Number	Response Date	Response Text
1	Jan 31, 2017 8:56 PM	Thank you for considering this and making it happen!
2	Jan 31, 2017 12:31 PM	Any changes adopted MUST be lower cost to the customer...
3	Jan 31, 2017 6:52 AM	As much as I would like green energy I CANNOT and will NOT pay extra for it.
4	Jan 31, 2017 3:04 AM	I currently have solar for my home. Any type of incentive or reward for solar customers would be great for homeowners. We currently have a low electricity bill except in the winter time, but this would be an advantage for homeowners who go solar, if a CCE program could offer some sort of incentive program. It makes no sense to buy electricity from PG&E then resell to the consumer, yet PG&E owns and operates the infrastructure that delivers the electricity. I see no savings in that methodology. The whole thing looks like a scam.[] Norm Ruddick[] 4621 Oak Forest Ave.[] Oakley, Ca. 94561
5	Jan 31, 2017 12:06 AM	
6	Jan 30, 2017 11:21 PM	East County should stay out of the energy business. It will only raise rates.
7	Jan 30, 2017 11:19 PM	We currently have solar on our home.
8	Jan 30, 2017 9:12 PM	Leave our power alone. My choice is to stay with PG&E!
9	Jan 30, 2017 8:58 PM	Hi there! You can reach me and my wife, Tania, at 925-783-8949. Using alternative methods for electricity is paramount to us. PG&E is a great company that has helped the Bay Area grow to such a diverse model it is... now you want to push it aside! Seems very sad! PG&e has used clean alternatives for years but with laws being passed had to sell off some of them. All short sighted by greedy politicians!
10	Jan 30, 2017 8:25 PM	Unless we get full disclosure on costs this is not something I would vote for.
11	Jan 30, 2017 8:22 PM	I think it is utter BS that the lawmakers made the CCE the default and REQUIRES us to OPT OUT to stay with PG&E...sounds like both counties and politicians are getting a little grease for the squeaky wheel since most people won't go through the motions to OPT OUT and will end up with something they really don't want or care about in the first place.[] [] Way to go guys, appreciate getting hosed![] []
12	Jan 30, 2017 8:16 PM	mjdavis1987@yahoo.com
13	Jan 30, 2017 8:10 PM	PG&E is actually cleaner than these others!
14	Jan 30, 2017 8:01 PM	What is this going to cost and how will it be paid for. In addition who will be responsible for the spending control. I firmly that most monies are miss handled.. I hate the fact you have to opt out instead of having residents opt in. Many seniors will not understand and will get included without knowing. I also think the fact that these companies can buy energy certs is WRONG.
15	Jan 30, 2017 7:08 PM	Why are the politicians digging into something that has been proven not to work?
16	Jan 30, 2017 6:53 PM	MCE has been terrific in San Pablo and El Cerrito. They work with business, residents and youth, and offer paid employment experience for young people in our community.
17	Jan 30, 2017 6:35 PM	I work for San Pablo and live in El Cerrito and both are in MCE territory. I have been very happy with their program and I think it would make sense for the County to join an existing successful program. That way, we have more power as a larger entity and can procure more contracts that benefit the ratepayers.
18	Jan 30, 2017 6:25 PM	forcing people to opt out in order to keep what they have should be illegal. The green movement is nothing but a political shell game with tax payers money. This is one big scam and having to opt out is proof that no one really wants this crap. Most people wont even notice it in the mail and will be opted in by default. Crooked.
19	Jan 30, 2017 4:05 PM	Why don't you explain each program and the costs for each by putting it in the paper so we can read and compare costs for each one?
20	Jan 28, 2017 12:40 AM	ANYTHING THAT MAKES THE MONTHLY PAYMENT CHEAPER IS INTERESTING, BUT THE WHOLE GREENHOUSE/CLIMATE/CLEAN THING IS A BUNCH OF BS SO I REALLY DONT CARE.
21	Jan 27, 2017 8:53 PM	
22	Jan 27, 2017 6:41 PM	If this program is implemented, we need to have the choice about which provider we want to use and not be forced to take any action.

Number	Response Date	Response Text
23	Jan 27, 2017 5:22 PM	<p>You misspelled borders in question #4 - you wrote "boarders". Boarders are people who rent a room; borders are boundaries of a given area. Thank you for asking for my opinion.¶</p> <p>¶</p> <p>I think energy self-sufficiency has enormous potential for Contra Costa County. Although it will require more work to implement, ultimately this option is less risky than relying on energy produced elsewhere and transmitted over an aging grid.¶</p> <p>¶</p> <p>The economic development possibilities for building clean energy infrastructure in Contra Costa County, and the resulting revenue that would accrue as the county becomes a net producer of energy, are two compelling arguments for adopting a stand-alone program. EBCE has blazed the way, and those who advocated for it for over a decade can offer valuable assistance to help CCCo set up a similar program.¶</p> <p>¶</p> <p>Why the Board of Supervisors voted (illegally?) to take this option off the table in advance of scheduled informational meetings, as well as before the cut-off date of this very survey, is unusual if not suspect.¶</p> <p>¶</p> <p>Thanks again for asking for my comments.¶</p> <p>¶</p> <p>Janet Johnson¶ electricista545@gmail.com¶ 510-331-3985</p>
24	Jan 27, 2017 2:30 AM	<p>First, I'm really disturbed that the BOS took the County-only option off the table before any further workup had been done on it in the final study. This premature decision prevented a full democratic process from taking place. Now, don't get me wrong: I'm not betting on any particular horse yet, but I do want to be able to do due diligence and make a decision about what to lobby for based on which option can enable the greatest amount of clean energy development and green job growth in Contra Costa. I want the County to lead in this area and not merely take the most expedient and cautious approach. Let's actively invest in local green buildout. Can MCE take us there? EBCE? We need far more data than that provided in the draft study in order to make the best choice. The BOS needs to reconsider its poor decision to kill a stand-alone JPA before we fully understood what it could do for us. Besides, wasn't that 1/17 meeting noticed to the public as informational-only? (Brown Act, anyone?)</p>
25	Jan 27, 2017 1:49 AM	<p>contact: swechs@sonic.net</p>
26	Jan 26, 2017 5:47 PM	<p>What is MCE Clean Energy? Community Choice Aggregation (CCA) or Community Choice Energy (CCE) as it's known here in Contra Costa, is a highly complex topic, but one that could have long lasting ramifications.¶</p> <p>The decision about the future of energy here must not be taken lightly. In addition, any company that comes in with fancy marketing materials and high-paid consultants should not sway us. We need to evaluate the facts.¶</p> <p>MCE may seem appealing, and the marketing campaign they present is compelling, but I have done some research and realized they have failed to fulfill the promises they have made about cleaner, greener power and good jobs.¶</p> <p>The power they're providing to their customers isn't 'greener' - in fact, most of it is procured from Shell Oil in Texas, and they use these phony devices called "Unbundled Renewable Energy Certificates" to make it seem like its cleaner, when it's not. Experts refer to this practice as "greenwashing."¶</p> <p>When compared to what we have right now, PG&amp;E has much more power coming from greenhouse-gas-free sources than MCE over the last 5 years. If MCE stopped using these phony Renewable Energy Certificates to offset their emissions rate (as the California Air Resources Board Guidelines call for), PG&amp;E power would have a lower emissions rate. ¶</p> <p>MCE also promised to create good jobs, which of course everyone wants - but in reality, they are doing the opposite. They have been outsourcing good, local, high-road jobs, and the promises they made to buy and develop power locally have not quite come to fruition. They will point to a handful of tiny projects, but in reality, that account for few jobs and a tiny fragment of the power they are selling to customers.¶</p> <p>We have other options.¶</p> <p>In contrast to Marin, Alameda County is also going through the process to set up a CCA, and at this point, they seem to be far more transparent and worker-friendly. If we have to choose a county to emulate or join up with, Alameda is a better choice than Marin. ¶</p> <p>Alternatively, we could choose to go our own way and really focus on implementing a program that will keep and even create jobs, reduce greenhouse gas emissions and protect the ratepayers in our community.¶</p> <p>Either way, we need to recognize that there are people in the County -including elected officials --who have an agenda and stand to profit from this decision, and our communities should not be swayed by them.¶</p>
27	Jan 26, 2017 4:16 PM	
28	Jan 26, 2017 11:15 AM	<p>MCE is a very experienced, efficient provider and does a wonderful job educating residents about all aspects of their program.</p>
29	Jan 24, 2017 8:17 PM	<p>I moved to Concord from San Francisco where we have CleanPowerSF. I am a big supporter of this program and am looking forward to having a similar one in Concord. Please include me on your mailing list: greengwynn@yahoo.com</p> <p>MCE is not appropriately regulated to promote the policy goals of our county. Walnut Creek opted in precipitously, without providing existing solar users information about the consequences. Don't abdicate the county's responsibility to the independent management of MCE, which would not be effectively supervised by 35 elected officials meeting once every few months. Scott Rafferty 202-380-5525</p>
30	Jan 24, 2017 5:04 AM	
32	Jan 21, 2017 2:08 AM	<p>I would prefer to join an existing energy group than have the county start its own, but I don't have all the information</p> <p>We have been thrilled with the Deep Green MCE program in El Cerrito. We don't have solar and appreciate that we can get 100% renewable energy. MCE also has great customer service. Let's keep expanding options for Contra Costa residents!</p>
33	Jan 19, 2017 5:16 AM	

Number	Response Date	Response Text
		I am currently a MCE Deep Green customer in El Cerrito and have been so thrilled. From community education prior to launch, seamless roll-out process, great customer service, re-investment in local solar, outreach to low-income communities, engagement with local groups, and the MCE Community Power Coalition, I have been very impressed with MCE. As MCE has been up and running for several years and has worked through many of the bumps and challenges of operating a CCA, it seems to be the easiest choice for the county. That said, in my professional capacity I am involved with EBCE. I feel that the community voice of EBCE is unique and critical to ensuring engagement of disenfranchised communities who have been left out of the process. I encourage County to seek a commitment to local clean energy build out for jobs and community benefits.[]
34	Jan 18, 2017 11:12 PM	On a separate note, I responded to the survey as a ratepayer. Although I, personally, can afford a higher electricity bill, I do want CCE in Contra Costa to be accessible by the whole community and feel that local, affordable, renewable energy is critical.
35	Jan 14, 2017 11:25 PM	I am very interested in lowering my elcercity bill. PG&E keeps raising its prices. We have never paid \$435 for a bill before until recently.
36	Jan 13, 2017 11:00 PM	I think the full benefits of local control, best pathway for ensuring a CCE can be part of stimulus for local energy production. Most important to me is that there is commitment to build out in our County. I want local clean energy from my County or region to be a key goal.
37	Jan 13, 2017 10:48 PM	Since we have had solar panels for over 10 years, we are eager for others to have access to clean energy as well, even though they may not have solar panels on their house or business. ellen.beans@gmail.com
38	Jan 13, 2017 9:51 PM	I would like a tool that allows me to enter my data about my PG&E consumption and see how that compares with what another company would provide.
39	Jan 13, 2017 8:04 PM	What are the benefits of joining a future CCC program, or to Join MCE or EBCE?[] I want to make sure the rates dont go up.Not a PG&E Fan!
40	Jan 13, 2017 2:09 AM	As solar panel cost and pay back becomes more viable, why would I want to jump from the frying pan into the fire? You are merely going from one state sanctioned private monopoly to a local government monopoly.
41	Jan 12, 2017 10:16 PM	I think it's critical to develop a LOCAL clean energy program that reduces our GHG while developing our local resources and jobs. Joining EBCE could be a good option. Prefer to narrow options to a Contra Costa Program or joining EBCE.
42	Jan 12, 2017 9:51 PM	I have lived in Concord for 20+ years and in the last 3 Yrs, my PG&E has nearly doubled. I qualify for a income discount, but 30 days later I received a letter warning of penalty fees will be starting for using more than average useage. We use smart thermostats & appliances, but I have 3 small children so I use my heat some. I'm already paying \$400-500/Month or more in the summer on PG&E, now I'm to pay more? Please bring a competitive option to our residents to give utility companies a reason to keep their pricing within reason. There has got to be a better way.
43	Jan 12, 2017 3:38 PM	I think encouragement of renewables, along with aggregation of distributed generation growing rapidly on rooftops, is hugely important. But the price points of wind and solar today are such that it should not cost any more than PG&E. How much financial risk is involved for customers and for Contra Costa / Concord if the energy mix selected is primarily solar and we have a "year without a summer" such as occurred in 1816? If there is risk, is there a way to hedge that risk with a purchasing agreement option for nuclear or other power, or with some kind of pricing insurance?[]
44	Jan 11, 2017 8:20 PM	Email: ahmchugh@gmail.com[] Mobile: 408-666-3813
45	Jan 6, 2017 10:53 PM	I am very interested in clean energy. I want there to be a future for our children. Please put all of your resources into making this happen - the sooner the better!!
46	Dec 23, 2016 7:51 PM	I think it is important to grow CCE group(s) as large as possible, to give the organization a stronger voice. I believe that we should start a new group only if an independent CC County CCE program would provide additional environmental benefits that are not available in an existing group.
47	Dec 22, 2016 12:41 AM	Just how is this money to be saved? Where is the investment capital to come from? What happens to PG&E delivery rates when there profits from selling gas and electricity dry up?
48	Dec 22, 2016 12:28 AM	I don't expect my local government to be involved in this topic. I particularly dislike having to opt out of the program to stay with PG&E. The state needs only to regulate how clean PG&E will be.
49	Dec 21, 2016 5:51 PM	Without knowledge of what a Contra Costa program offers- I can not choose between MCE or a new plan
50	Dec 20, 2016 10:43 PM	I wish there was more public knowledge of what CCE is and how it affects everybody
51	Dec 17, 2016 7:06 PM	robndonna@sbcglobal.net
52	Dec 16, 2016 8:05 PM	Choice #1 would be to join MCE because it exists and works. Choice #2 would be to Contra-Costa or other East Bay program
53	Dec 15, 2016 9:45 PM	MCE is a great organization with several Contra Costa communities already enrolled and serving customers with affordable choices for electricity from renewable energy sources. They have been excellent at community outreach and communication and their commitment to local energy development (and local job development) like the 10MW "Solar One" project in Richmond. While starting a new CCA provider is also a good option, in the case of Contra Costa, it makes more sense to join MCE
54	Dec 15, 2016 8:03 PM	countywide (like Napa and Marin counties) to avoid unnecessary confusion and to benefit from the excellent work and experience MCE has developed already. I have solar panels and annually supply just a bit more than I use.
55	Dec 12, 2016 10:54 PM	I doubt if CCE will result in more wind or solar power plants as the utilities are already mandated to grow their green portfolio. Dedicating green power to subscribed customers seems to be a marketing ploy and rip off. What's needed are energy storage devices such as pumped storage, batteries, and or hydrogen generating facilities using green power. Biomass burning power plants could be included as well. The problem is demonstrated by the duck curve. We need to be able to use green power when the sun goes down and the wind isn't blowing. Energy storage is critical to make this happen. And don't give up on nuclear power.

Number	Response Date	Response Text
		There is not enough information to answer Question 7. []
		I'm extremely interested in his program. When we had the choice many years ago, I opted for Enron. I loved their service - they were a great electrical supplier, but not a good corporate citizen. []
56	Dec 12, 2016 6:48 AM	WE NEED CHOICE - not what PG&E wants to take from us!! I can be reached at: 925-246-5231 or MAMoros@LifelineSolutions.net.
57	Dec 11, 2016 8:48 AM	the most important thing to me is clean energy ! ok if it costs more but i am very poor and live on social security so don't have much room in my budget ! kd.mars@sbcglobal.net
58	Dec 11, 2016 3:25 AM	Renewable energy with no emissions most important as I will use candles walk to save environment
59	Dec 10, 2016 10:09 PM	I would need to know much more about program works. The various CCE proposals are all scams. None deliver energy that is any cleaner than PG&E. Their claim of clean energy is purely on paper through the use of
60	Dec 9, 2016 6:27 PM	Renewable Energy Certificates
61	Dec 9, 2016 3:52 PM	I'm going solar. Screw pg&e. Your survey questions are rigged. You use buzzwords like 'clean' energy, but do not define it. You tie the lowering of greenhouse gases to 'clean' energy. The only alternative you offer is wind and solar. More humans have died due to solar energy than have ever died due to nuclear energy. We, as a state, need modern nuclear energy. There is no way around that, Moving forward as population increases and demand, alternative energy will be insufficient to meet demand, and its far more destructive to rely on coal and oil than to invest in modern nuclear plants, such as LFTR, molten salt, and traveling wave reactors which are inherently safe, and can even burn 99% of waste from existing, outdated reactors.
62	Dec 9, 2016 8:33 AM	why not just use solar panels on the roof?
63	Dec 9, 2016 5:52 AM	Marin Clean Energy is mostly fraud about Green source.
64	Dec 9, 2016 1:31 AM	I do not care where my energy is coming from, I'd like the flat rate per KW and not the masked robbery called tiered rate by PG&E
65	Dec 9, 2016 12:03 AM	I'd like to know more information, benefits, etc. and why Cities are starting to go this route.
66	Dec 8, 2016 10:54 PM	could you offer a tax break or some incentive for using solar power? as for question 7 I don't know enough of the choices to answer it.
67	Dec 8, 2016 9:28 PM	if it would be more expensive i would not be at all interested. i would like to see pg&e have some competition and more accountability. their monopoly is not in the best interest of our community
68	Dec 8, 2016 8:20 PM	you may spell check question #4 Boarders should be borders.
69	Dec 8, 2016 8:06 PM	Yes. I chose to try an alternative gas provider & paid more than just staying with pg&e. Would this happen with this new electricity program? It's very important for people on a fixed income to have all the pricing & billing information prior to signing up for the alternative program.
70	Dec 8, 2016 7:44 PM	Please give us a choice other than PG&E.
71	Dec 8, 2016 6:45 PM	I am interested in learning more about options, existing programs, and feedback from those users.[] Please contact me at: []
72	Dec 8, 2016 6:42 PM	sfmiraj@yahoo.com
73	Dec 8, 2016 6:17 PM	I already have solar panels I am curious how they'd be handled by a CCA. Abstansbury@gmail.com
74	Dec 8, 2016 4:24 AM	I own an excellent solar system which produces nearly 100% of my residential electrical use.
75	Dec 8, 2016 4:18 AM	this is a joke. It's too late. The new administration has sealed our coffins. Our children will very likely not live a full life. Good planets are hard to find I would like to know how the Concord city council acts on this effort, since I understand they have brownfields that will be crucial to implementing a CCE/CCA here in the East Bay counties of Alameda and Contra Costa.[]
76	Dec 8, 2016 1:50 AM	Please email me at pdrich350@gmail.com - thank you!
77	Dec 8, 2016 1:18 AM	If your "green power" is from purchasing RECs, then you are lying to the consumer.
78	Dec 7, 2016 10:19 PM	Can it be guaranteed that rates will not increase because of the decision that is made?
79	Dec 7, 2016 6:11 PM	Let's not go here. Most community choices appear to have mucked up the works more than they already are. Leave well enough alone. PG and E sends out notices that they want to raise prices pretty much every other month. With solar they try to stick you with extra fees too, Would love an alternative to this price gouging.
80	Dec 7, 2016 5:48 PM	I'd also be interested in a program which promoted widespread use of residential solar power to complement county power sources.
81	Dec 7, 2016 3:50 PM	I think it's very important that residents have a choice of who their electric provider can be similar to cable and cell phone companies. This way there are choices and different ways to receive electricity.
82	Dec 7, 2016 3:20 PM	Would this new energy company include medical baseline and balanced payment programs?[] [] William Moisson Srl wmmoisson@yahoo.com
83	Dec 7, 2016 2:19 PM	Why doesn't the city encourage options for residential solar? It would allow for more green power and also more stable and predictable energy rates.
84	Dec 7, 2016 4:52 AM	I'm a big fan of this concept. We have solar panels and MCE's rate structure allows you to roll over credit from one year to the next (good for people planning on electric cars in the future), and a fair rate if you become a net producer. I could add panels and have a negative electric bill with them (via NEM).[] Lastly, I'm a proponent of local energy projects - solar and wind, that provide engineering and construction jobs short term, and maintenance jobs long term. Longer term, with zero fuel costs, energy costs should go down for contra costa county.
85	Dec 7, 2016 3:32 AM	I am unclear as to the pros and cons of the different CE programs, but I want Concord to join one. I can make an informed choice if I can see the pros and cons. I hope that is forthcoming.
86	Dec 7, 2016 2:58 AM	

Number	Response Date	Response Text
87	Dec 7, 2016 2:01 AM	This is a gimmick being proffered by so-called clean energy generators to create a market for their product and force PGE to pay much higher prices for it. This program will raise electricity prices for everyone.
88	Dec 7, 2016 1:25 AM	Please email further information to mccarthy.kellym@gmail.com
89	Dec 7, 2016 1:24 AM	There are no guarantees switching to a community power provider will keep rates lower. Ask other cities who have switched. I would only want more wind produced power if its made in such a way that it isn't a danger to birds ☹
90	Dec 7, 2016 12:57 AM	I can be reached at kckahn@gmail.com
91	Dec 7, 2016 12:07 AM	I live in a mobile home park whose owners will not allow the installation of solar panels on our homes. Can you help? Yes, I would like to have a choice, either with CCC only program or with the MCE Clean Energy program. Which one would work better in Concord? How much I would save? We are retirees with fixed income, so the cost is a big part of our decision.
92	Dec 6, 2016 11:59 PM	the program most like SMUD
93	Dec 6, 2016 11:43 PM	How can we have confidence in a city plan that doesn't even meet in the city it will serve?
94	Dec 6, 2016 11:27 PM	The county has not managed the budget redponsibly to date. I am not inclined to increase their control over another utility.
95	Dec 6, 2016 11:01 PM	I would be interested in alternate sources of power, but at the same time, I don't want ugly panels on my roof- I rather buy the energy.
96	Dec 6, 2016 10:56 PM	Don't know the difference between the choices in #7, need more information.
97	Dec 6, 2016 10:52 PM	I
98	Dec 6, 2016 10:48 PM	Lower pge for the elderly
99	Dec 6, 2016 10:42 PM	I have heard of these community choice programs from friends who live in other cities and there energy costs increased. If Contra Costa County moves forward with community choice I will opt out of the program as my friends have.☹
100	Dec 6, 2016 10:31 PM	Not remotely interested in participating in the community choice program. We have had solar for 3 years now and just this year we became required to pay \$10 month for grid maintenance. If solar customers are paying an added \$10/month for grid maintenance everyone should pay an extra \$10/ month for this. It is a scam that PG&E is getting away with calling this a minimum. We need options that reward people for investing in solar.
101	Dec 6, 2016 10:19 PM	Please consider Wind Trees - micro turbine leaves to generate electricity - <a href="https://youtu.be/UOp7hYwObA4">https://youtu.be/UOp7hYwObA4</a>
102	Dec 6, 2016 10:16 PM	How would this work in a condominium complex with a homeowner's association? joelcarico@gmail.com
103	Dec 6, 2016 10:09 PM	I would be interested in learning more about the programs in Question 7. If you could email them to me at rlwse@yahoo.com that would be great.
104	Dec 6, 2016 8:41 PM	(No need for a response.☹) ☹
105	Dec 5, 2016 10:52 PM	The sooner the better :).
106	Dec 5, 2016 9:51 PM	Go with the proven model! Faster, cheaper, and we know it works. Community Choice Energy is very important. We need a public agency to replace evil PG&E as the provider of electricity in the county. I urge a "feed in tariff" type program with which the owners of solar panels that produce more energy than they consume can be reimbursed for the excess energy that they provide. That way, we'll have incentive to put up more solar panels than we need. I believe MCE does not provide that option, which is why I think we should join the new East Bay CE program that is forming in Alameda Co and push for the feed in tariff which has made solar power the norm in Germany and Japan.
107	Dec 5, 2016 2:36 PM	I would be concerned that people and businesses in unincorporated areas might not be part of some of the choices. Is the Contra Costa County-only program the only one which would produce jobs and businesses here?
108	Dec 3, 2016 10:46 PM	I have had rooftop solar since about 2003. This survey doesn't address my issues: to re-think the grid as a local distribution network, extend solar panel locations to attain dense local energy security, battery and storage with mixed energy source balancing. CCE doesn't protect users from big upcoming distribution costs. Neither does it help gas users.
109	Dec 2, 2016 7:44 PM	Myself and other contra costans need to understand and be engaged to discuss the pros and cons of the different options
110	Dec 2, 2016 7:20 PM	The survey would not allow me to answer all questions in #4.
111	Dec 2, 2016 5:04 PM	

## Summary of Comments and Responses Regarding the CCE Technical Study in Contra Costa County

The following is a summary by topic of Draft Technical Study comments and County staff responses based on communications received through the on-line CCE survey posted on the County's website from December 2016 to January 2017 and from MCE, IBEW, Sierra Club SF Bay Chapter, Contra Costa Clean Energy Alliance, and several individuals in Contra Costa County. Responses are provided within the limitations of the Study scope and existing information concerning CCE programs that are in early stages of development.

TOPIC AREA	COMMENTS	RESPONSE
<b>MCE/EBCE Program Options</b>	Inadequate information about MCE's program and accomplishments	The scope of the Technical Study focuses on the potential of a new CCCo-based CCE program along with a high-level comparison with two other CCE program options – MCE and EBCE. Only one of these three program options – MCE – is currently operational, thus limiting a detailed program-level comparison of the three CCE program options evaluated in the Study. MCE has indicated its willingness to provide more detailed presentations of its programs to the County and interested cities in advance of their membership deadline of May 31, 2017.
	Need more information about East Bay Community Energy (EBCE)	EBCE is in the early phases of formation and is not yet operational. EBCE's JPA Agreement is attached to the Technical Study as an appendix. In addition, staff requested and received a letter from EBCE outlining the steps to join EBCE, if that is of interest to CCCo jurisdictions. A key element of EBCE's program is creation of a local development business plan which will be expanded to include new communities who join their JPA by June 30, 2017.
<b>Governance</b>	Concern about effectiveness of large, politically diverse and geographically dispersed Boards	This issue was raised by commenters as a potential disadvantage for CCEs that represent a large service territory with political differences with regards to rate sensitivity, environmental focus, and labor policies. Several commenters indicated that a CCCo focused program would be better able to achieve consensus and provide oversight over a smaller, more geographically and politically similar service territory. In both the MCE and EBCE options, new member jurisdictions will be offered a seat on the governing Board, with the potential for consolidation/vote by proxy if desired in MCE's program.
	Request for clarification about how CCCo County and cities "stack up" relative to size and	This issue has been further clarified in the Final Study. Currently, the 5 Contra Costa communities in MCE represent ~14% of the voting share on MCE's board. If all the

	voting share in MCE and EBCE programs	remaining Contra Costa communities and the unincorporated County join MCE, Contra Costa would represent 61% of the voting share on MCE’s board. If the unincorporated area and the 14 cities not currently served by MCE were to join EBCE, these 15 jurisdictions would represent 56% of the Board seats on EBCE’s Board of Directors and 36% of the electrical load served by EBCE.
<b>Local Impacts</b>	Request for more detailed information regarding local jobs, local build out and economic impacts of each option	Chapter 5 of the Technical Study is devoted to this topic and responds to many comments submitted. Many details concerning specific timing and siting of local renewable generation projects, and labor policies and impacts associated with such projects, will remain unknown until such time as a decision is made regarding implementation of a particular CCE program. The Study went as far as it could to identify local economic impacts within the constraints of available information.
	Projected timing of new local projects (i.e. within 2 years) is overly optimistic and doesn’t reflect credit requirements	The study does not assume that the CCE will be developing power projects right away. It may, however, partner with private sector developers and/or sign power purchase agreements (PPA) that result in new local power development for the CCE program.
<b>Cost Projections</b>	Cost of power and renewable energy pricing assumptions are too low and unreliable after 2024	The Technical Study was updated to better reflect current market conditions for local renewable projects. (Specifically, costs were increased by \$30/MWh). Second, while pricing further into the future is of course uncertain, common assumptions were made with the CCE and PG&E so as to minimize any comparative impacts.
	PCIA/exit fee estimates are inconsistent/flawed	The PCIA was estimated using the current formula with inputs to that formula that are fundamentally consistent with the PG&E and CCE rate forecasts. In addition, the actual 2017 PCIA was used. As noted in the Technical Study, there continues to be considerable regulatory uncertainty concerning the future of the PCIA. The CPUC is currently studying the method used to calculate the PCIA and may make changes.
	What are the assumptions underlying PG&E costs over time?	MRW relied upon PG&E’s current and past ERRA filings, its long-term procurement plan, its renewable procurement plan, the Diablo Canyon retirement application, and its most recent General Rate Case application for PG&E-specific data. Underlying natural gas and power market prices are from NYMEX futures, the California Energy Commission, and the USDOE’s Energy Information Administration.
<b>GHG Reductions</b>	Ability to reduce GHGs to the extent considered in the Study while remaining cost competitive seems unrealistic. What are the assumptions that support this?	The energy supply scenarios modeled in the Study, and the estimated GHG reductions associated with these scenarios, are similar to energy supplies currently being procured by operating CCE programs, which have achieved substantial GHG reductions compared to PG&E’s energy supply portfolio while remaining price competitive with PG&E.

	Availability of large hydro to meet GHG reduction targets is overly optimistic	Additional information was added to the Final Study to address this issue. The hypothetical Contra Costa CCE that was modeled would use well under 0.1% of the available hydro available in the wholesale market. Furthermore, the strategy of using large hydro to decrease GHG footprints is being used by operating CCE programs, including MCE, SCP and PCE.
<b>Other/Misc.</b>	Were the future impacts of the Diablo Canyon plant closure included?	Yes. PG&E's power portfolio assumed in the analysis takes into account Diablo Canyon's closure and accounts for PG&E's (yet be approved) plans for its post-closure actions.
	Concern about narrowing program options too early	The County BOS has not yet made a final decision on the program options, but did state a general preference to join an existing program given the results of the Draft Study and the financial requirements for implementing a new program. Cities will make their own, separate decisions that may or may not mirror the County's decision.
<b>Public Survey Comments</b>	Consumer Preferences	Of the 300+ survey responses, over 100 comments were received. Approximately 60% of the comments favor some form of CCE in CCCo; 40% prefer current PG&E service or do not like certain aspects of CCE program design; 22% of respondents responded favorably to the MCE option; 9% support a new County-based program, 3.5% prefer EBCE, 19% prefer PG&E, and 46.5% indicated that they are unsure and/or want more information.
	Program costs/rates	Several respondents cite lower costs and competitive/cheaper rates as an essential program component regardless of the option selected.
	CCE as an opt-out program	Several respondents expressed concern about the opt-out nature of CCEs. This is a statutory program element that allows customers to opt out at any time and return to PG&E service.
	Solar Customers	Several solar users asked questions about net energy metering and encouraged the County to take positive steps toward additional solar installations and incentives, through CCE or other means.



Kathrin Sears, Chair  
County of Marin

Tom Butt, Vice Chair  
City of Richmond

Bob McCaskill  
City of Belvedere

Alan Schwartzman  
City of Benicia

Sloan C. Bailey  
Town of Corte Madera

Greg Lyman  
City of El Cerrito

Barbara Coler  
Town of Fairfax

Kevin Haroff  
City of Larkspur

Brandt Andersson  
City of Lafayette

Sashi McEntee  
City of Mill Valley

Brad Wagenknecht  
County of Napa

Denise Athas  
City of Novato

P. Rupert Russell  
Town of Ross

Ford Greene  
Town of San Anselmo

Genoveva Calloway  
City of San Pablo

Andrew McCullough  
City of San Rafael

Ray Withy  
City of Sausalito

Emmett O'Donnell  
Town of Tiburon

Bob Simmons  
City of Walnut Creek

1125 Tamalpais Avenue  
San Rafael, CA 94901

1 (888) 632-3674  
mceCleanEnergy.org

November 8, 2016

John Kopchik, Director of Conservation and Development  
Contra Costa County  
30 Muir Road  
Martinez, CA 94553

Dear Mr. Kopchik:

As you may be aware, MCE is currently serving customers in many jurisdictions of Contra Costa County with clean electricity choices at competitive rates for customers. We have been in touch with staff representatives from the County and we are familiar with the technical study currently underway to consider community choice options in other parts of the county not currently served. As part of this process MCE has been asked to clarify what the cost and process would be for new jurisdictions interested in joining MCE.

To respond to this request the MCE Board recently held a Special Meeting to discuss the inclusion process and costs for new jurisdictions within the borders of Contra Costa County. We are pleased to inform you that our Board has approved a six-month "inclusion period" that would allow no-cost membership consideration if your membership application is completed between December 1, 2016 and May 31, 2017.

Membership application requirements are attached here and include the following:

- Adoption of a resolution requesting membership
- Adoption of the ordinance required by the Public Utilities Code Section 366.2(c) (10)
- Executed Memorandum of Understanding
- Signed request for load data from PG&E
- County assessor data for all building stock in jurisdiction
- Designation of a staff person from your county to serve as a liaison to MCE

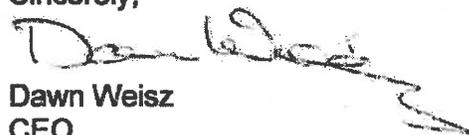
If you are interested in submitting a membership application please notify Alex DiGiorgio, MCE's Community Development Manager, and he will assist you with any questions you may have as you complete the checklist. You can reach Alex by email at: [adiorgio@mcecleanenergy.org](mailto:adiorgio@mcecleanenergy.org) or by phone at: 415-464-6031.

Please note that (1) adoption of your Ordinance to join MCE will be subject to approval by the MCE Board, and (2) MCE will conduct an economic feasibility analysis prior to approving membership. Also, if membership is approved, timing of procurement and customer enrollment would be determined by the MCE Board. We will remain in close contact with your county about the most likely target dates for each process.

To streamline communications and policy setting, participating jurisdictions may consolidate voting representation on the MCE Board. If you choose this option, the selected representative would have a weighted vote based on the combined customer load of all the jurisdictions which voted to consolidate.

We are happy to meet with you or your council to answer questions or provide additional information. We look forward to the opportunity to work with you on your membership application for MCE service. Please let me know if we can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Dawn Weisz", written over a horizontal line.

Dawn Weisz  
CEO

ORDINANCE NO. XXX

ORDINANCE OF THE COUNTY OF CONTRA COSTA APPROVING THE MCE JOINT POWERS AGREEMENT AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The Board of Supervisors of the County of Contra Costa ordains as follows:

SECTION 1. The County of Contra Costa has been actively investigating options to provide electric services to constituents within its service area with the intent of promoting use of renewable energy and reducing energy related greenhouse gas emissions.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and on December 19, 2008, MCE was established as a joint power authority pursuant to a Joint Powers Agreement, as amended from time to time.

SECTION 4. On February 2, 2010 the California Public Utilities Commission certified the "Implementation Plan" of MCE, confirming MCE's compliance with the requirements of the Act.

SECTION 5. In order to become a member of MCE, the Act requires the County of Contra Costa to individually adopt an ordinance electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in MCE.

SECTION 6. Based upon all of the above, the Board of Supervisors elects to implement a Community Choice Aggregation program within the County of Contra Costa's jurisdiction by and through the County of Contra Costa's participation in MCE. The Board Chair is hereby authorized to execute the MCE Joint Powers Agreement.

SECTION 7. This ordinance shall take effect on the later of (a) the date the Board of Directors of MCE adopts a Resolution adding the County as a member of MCE, or (b) 30 days after its adoption and, before the expiration of 30 days after its passage, a summary of this ordinance shall be published once with the names of the members of the Board voting for and against the same in the \_\_\_\_\_, a newspaper of general circulation published in the \_\_\_\_\_.

The foregoing ordinance was introduced at a meeting of the Board of Supervisors of the County of Contra Costa held on March 21, 2017 and adopted at a meeting held on [Date], by the following vote:

AYES: Board Member  
NOES: Board Member  
ABSENT: Board Member

/s/ \_\_\_\_\_  
XXX, Board Chair

/s/ \_\_\_\_\_  
XXX, County Administrator

## RESOLUTION NO. XXX

### A RESOLUTION OF THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF CONTRA COSTA REQUESTING MEMBERSHIP IN MCE

**WHEREAS**, the County of Contra Costa has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provision of electric services and promoting competitive and renewable energy.

**WHEREAS**, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA").

**WHEREAS**, the Act expressly authorizes participation in a CCA program through a joint powers agency, and on December 19, 2008, MCE was established as a joint power authority pursuant to a Joint Powers Agreement, as amended from time to time.

**WHEREAS**, on February 2, 2010, the California Public Utilities Commission certified the "Implementation Plan" of MCE, confirming MCE's compliance with the requirements of the Act.

**WHEREAS**, the County fully supports the mission of MCE, which states that the purpose of MCE is to address climate change by reducing energy related greenhouse gas emissions and securing energy supply, price stability, energy efficiencies and local economic and workforce benefits. It is the intent of MCE to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production at competitive rates for customers.

**WHEREAS**, the County fully supports MCE's current electricity procurement plan, which targets more than 50% renewable energy content.

**WHEREAS**, in order to become a member of MCE, the MCE Joint Powers Agreement requires the County to adopt a resolution requesting membership in MCE and an ordinance electing to implement a Community Choice Aggregation program within its jurisdiction.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED**, by the County of Contra Costa as follows:

1. Based upon all of the above, the Board of Supervisors requests that the Board of Directors of MCE approve the County of Contra Costa as a member of MCE.
2. The County Administrator is hereby directed to forward a copy of this resolution to MCE.

**PASSED AND ADOPTED** at a regular meeting of the Board of Supervisors of Contra Costa County on this 21<sup>st</sup> day of March, 2017 by the following vote:

Board Members	AYES	NOES	ABSTAIN	ABSENT
Xxx				

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CHAIR, BOARD OF SUPERVISORS

ATTEST:

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COUNTY ADMINISTRATOR



February 21, 2017

John Kopchik  
 Director, Department of Conservation and Development  
 Contra Costa County  
 30 Muir Street  
 Martinez, CA 94553

Dear Mr. Kopchik:

This letter is in response to your request for East Bay Community Energy (EBCE) to indicate its desire to expand beyond Alameda County and its willingness to engage interested Contra Costa County jurisdictions as EBCE members. This letter also outlines the terms of EBCE membership.

As you may know, the EBCE Board of Directors met for the first time on January 30, 2017. During that meeting, the Board had a robust discussion on this topic and was strongly in favor of formally inviting Contra Costa County and its Cities to join EBCE. The general sense was that it would be an exciting and positive development to have a more regionally focused East Bay Community Choice Energy (CCE) program. Some EBCE Board members expressed a willingness to present at your upcoming Board of Supervisors and City Council meetings as Contra Costa County officials deliberate on which CCE option would be in the best interests of their constituents.

With regards to the terms of membership, the EBCE Board discussed each of the points your letter raised, and we can provide you the following feedback:

- **Cost to Join:** The Board agreed that there would be no cost for Contra Costa County jurisdictions to join the JPA. EBCE will absorb all of the initial launch expenses, including load data analysis, communications costs and noticing requirements. The Board believes these one-time costs are offset by the longer-term value of including Contra Costa County communities in order to form a larger, regional program. We do request, however, that new member jurisdictions identify appropriate municipal staff to assist in coordinating the JPA resolution and Agreement, passage of the CCE ordinance and help with local public outreach, such as organizing workshops and having a presence at community events.
- **Required actions and steps in the membership process:** The Board agreed that the steps for joining EBCE would be the same as for the Alameda County jurisdictions, namely that the prospective members must pass the required CCA ordinance, authorize access to their load data, hold at least two duly noticed public hearings, and pass the JPA resolution in order to become a party to the EBCE Joint Powers Agreement. A copy of the CCE ordinance, JPA Agreement and JPA resolution are attached for your reference. For the purposes of completing EBCE's implementation plan, conducting public outreach, and procuring power for customers in new member jurisdictions, we request that interested jurisdictions cast deciding votes by June 30, 2017. It should be noted that there will be additional opportunities to join EBCE in 2018, if that is preferred. See below for more information regarding timing.

Letter to John Kopchik, Director  
Department of Conservation and Development  
Contra Costa County  
February 21, 2017

- **Representation on EBCE Board:** Each Contra Costa County jurisdiction choosing to join EBCE will have a seat on its Board, which is the same manner of representation as other Alameda County members. As you may know, EBCE has a two-tiered voting structure, the first being one-city/one-vote with simple majority to carry the vote. In this case, every jurisdiction will have one equal vote, and it is anticipated that most votes will proceed in this fashion. However, if at least three members call for a weighted vote, then each city's voting share would be determined by its electrical load; weighted votes may only be used to overturn an affirmative vote and may not be used to resurrect or overturn a negative vote. Please see Attachment 4 for a comparison of EBCE and CCCo jurisdictional loads. New Board members can be seated once the JPA resolution has been passed, and the first and second readings of the CCE ordinance are complete.
- **Estimated date of service commencement:** Your letter asked for a date when electric service could begin. As of this writing, it is likely that EBCE will begin serving Phase 1 customers (a subset of the total number of accounts) in Spring of 2018. Phase 2 customers, including additional Contra Costa County accounts, would be enrolled in the Summer or Fall of 2018. Cities that join after the June 30th deadline or in 2018 will be enrolled in Phase 3, likely to be the late Fall of 2018 or Spring of 2019.

The EBCE Board is excited about the prospect of creating a regional East Bay Community Energy program. A member of our Board and Alameda County interim staff will attempt to attend as many of your upcoming presentations as possible, including the Board of Supervisors meeting on March 21. If possible, we would very much like the opportunity to make a more formal presentation at that meeting if the Contra Costa County Board of Supervisors and staff are agreeable.

Finally, for the purposes of planning, it would be helpful to know how many Contra Costa County jurisdictions would be interested in joining EBCE. As noted above, we are requesting that the County and any interested cities complete their decision-making and passage of the required resolution and ordinance by June 30, 2017 if they are interested in a Spring/Summer 2018 enrollment period.

We hope this addresses your questions on behalf of Contra Costa County and interested cities. Please don't hesitate to contact us if you'd like to discuss any of these matters further.

Sincerely Yours,



Chris Bazar  
Director, Alameda County Community Development Agency

Cc: EBCE Board of Directors

Attachments:

- 1) EBCE JPA Agreement and sample resolution
- 2) Copy of CCE ordinance
- 3) PG&E Attestation form for load data authorization
- 4) Load size / voting shares comparison by jurisdiction

**East Bay Community Energy Authority**

**- Joint Powers Agreement –**

Effective December 1, 2016

Among The Following Parties:

County of Alameda

City of Albany

City of Berkeley

City of Dublin

City of Emeryville

City of Fremont

City of Hayward

City of Livermore

City of Oakland

City of Piedmont

City of San Leandro

City of Union City

## **EAST BAY COMMUNITY ENERGY AUTHORITY**

### **JOINT POWERS AGREEMENT**

This Joint Powers Agreement (“Agreement”), effective as of \_\_\_\_\_, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 *et seq.*) of the California Government Code relating to the joint exercise of powers among the parties set forth in Exhibit A (“Parties”). The term “Parties” shall also include an incorporated municipality or county added to this Agreement in accordance with Section 3.1.

#### **RECITALS**

1. The Parties are either incorporated municipalities or counties sharing various powers under California law, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse gas emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 1.1.16 below) entering into this Agreement include securing electrical energy supply for customers in participating jurisdictions, addressing climate change by reducing energy related greenhouse gas emissions, promoting electrical rate price stability, and fostering local economic benefits such as jobs creation, community energy programs and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to State, regional and local solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the East Bay Community Energy Authority (“Authority”), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*) (“Act”) in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 (“CCA Program”). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
  - (a) Provide electricity rates that are lower or competitive with those offered by PG&E for similar products;

- (b) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may “opt-up” and voluntarily participate;
- (c) Develop an electric supply portfolio with a lower greenhouse gas (GHG) intensity than PG&E, and one that supports the achievement of the parties’ greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;
- (d) Establish an energy portfolio that prioritizes the use and development of local renewable resources and minimizes the use of unbundled renewable energy credits;
- (e) Promote an energy portfolio that incorporates energy efficiency and demand response programs and has aggressive reduced consumption goals;
- (f) Demonstrate quantifiable economic benefits to the region (e.g. union and prevailing wage jobs, local workforce development, new energy programs, and increased local energy investments);
- (g) Recognize the value of workers in existing jobs that support the energy infrastructure of Alameda County and Northern California. The Authority, as a leader in the shift to a clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a “just transition” to the new clean energy economy;
- (h) Deliver clean energy programs and projects using a stable, skilled workforce through such mechanisms as project labor agreements, or other workforce programs that are cost effective, designed to avoid work stoppages, and ensure quality;
- (i) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- (j) Provide and manage lower cost energy supplies in a manner that provides cost savings to low-income households and promotes public health in areas impacted by energy production; and
- (k) Create an administering agency that is financially sustainable, responsive to regional priorities, well managed, and a leader in fair and equitable treatment of employees through adopting appropriate best practices employment policies, including, but not limited to, promoting efficient consideration of petitions to unionize, and providing appropriate wages and benefits.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

### **ARTICLE 1** **CONTRACT DOCUMENTS**

**1.1** **Definitions.** Capitalized terms used in the Agreement shall have the meanings specified below, unless the context requires otherwise.

- 1.1.1** “AB 117” means Assembly Bill 117 (Stat. 2002, ch. 838, codified at Public Utilities Code Section 366.2), which created CCA.
- 1.1.2** “Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*)
- 1.1.3** “Agreement” means this Joint Powers Agreement.
- 1.1.4** “Annual Energy Use” has the meaning given in Section 1.1.23.
- 1.1.5** “Authority” means the East Bay Community Energy Authority established pursuant to this Joint Powers Agreement.
- 1.1.6** “Authority Document(s)” means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.
- 1.1.7** “Board” means the Board of Directors of the Authority.
- 1.1.8** “Community Choice Aggregation” or “CCA” means an electric service option available to cities and counties pursuant to Public Utilities Code Section 366.2.
- 1.1.9** “CCA Program” means the Authority’s program relating to CCA that is principally described in Sections 2.4 and 5.1.
- 1.1.10** “Days” shall mean calendar days unless otherwise specified by this Agreement.
- 1.1.11** “Director” means a member of the Board of Directors representing a Party, including an alternate Director.
- 1.1.12** “Effective Date” means the date on which this Agreement shall become effective and the East Bay Community Energy Authority shall exist as a separate public agency, as further described in Section 2.1.

- 1.1.13** “Ex Officio Board Member” means a non-voting member of the Board of Directors as described in Section 4.2.2. The Ex Officio Board Member may not serve on the Executive Committee of the Board or participate in closed session meetings of the Board.
- 1.1.14** “Implementation Plan” means the plan generally described in Section 5.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the California Public Utilities Commission for the purpose of describing a proposed CCA Program.
- 1.1.15** “Initial Costs” means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of a Chief Executive Officer and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority’s initial formation activities or in support of the negotiation, preparation and approval of power purchase agreements. The Board shall determine the termination date for Initial Costs.
- 1.1.16** “Initial Participants” means, for the purpose of this Agreement the County of Alameda, the Cities of Albany, Berkeley, Emeryville, Oakland, Piedmont, San Leandro, Hayward, Union City, Fremont, Dublin, and Livermore.
- 1.1.17** “Operating Rules and Regulations” means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- 1.1.18** “Parties” means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.2 or 3.1 such that it is considered a member of the Authority.
- 1.1.19** “Party” means, singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.2 or 3.1 such that it is considered a member of the Authority.
- 1.1.20** “Percentage Vote” means a vote taken by the Board pursuant to Section 4.12.1 that is based on each Party having one equal vote.
- 1.1.21** “Total Annual Energy” has the meaning given in Section 1.1.23.
- 1.1.22** “Voting Shares Vote” means a vote taken by the Board pursuant to Section 4.12.2 that is based on the voting shares of each Party described in Section 1.1.23 and set forth in Exhibit C to this Agreement. A Voting Shares vote cannot take place on a matter unless the matter first receives an affirmative or tie Percentage Vote in the manner required by Section 4.12.1 and three or more Directors immediately thereafter request such vote.

**1.1.23** “Voting Shares Formula” means the weight applied to a Voting Shares Vote and is determined by the following formula:

(Annual Energy Use/Total Annual Energy) multiplied by 100, where (a) “Annual Energy Use” means (i) with respect to the first two years following the Effective Date, the annual electricity usage, expressed in kilowatt hours (“kWh”), within the Party’s respective jurisdiction and (ii) with respect to the period after the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within a Party’s respective jurisdiction that are served by the Authority and (b) “Total Annual Energy” means the sum of all Parties’ Annual Energy Use. The initial values for Annual Energy use are designated in Exhibit B and the initial voting shares are designated in Exhibit C. Both Exhibits B and C shall be adjusted annually as soon as reasonably practicable after January 1, but no later than March 1 of each year subject to the approval of the Board.

**1.2** **Documents Included.** This Agreement consists of this document and the following exhibits, all of which are hereby incorporated into this Agreement.

- Exhibit A: List of the Parties
- Exhibit B: Annual Energy Use
- Exhibit C: Voting Shares

**1.3** **Revision of Exhibits.** The Parties agree that Exhibits A, B and C to this Agreement describe certain administrative matters that may be revised upon the approval of the Board, without such revision constituting an amendment to this Agreement, as described in Section 8.4. The Authority shall provide written notice to the Parties of the revision of any such exhibit.

## **ARTICLE 2** **FORMATION OF EAST BAY COMMUNITY ENERGY AUTHORITY**

**2.1** **Effective Date and Term.** This Agreement shall become effective and East Bay Community Energy Authority shall exist as a separate public agency on December 1, 2016, provided that this Agreement is executed on or prior to such date by at least three Initial Participants after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 7.3, subject to the rights of the Parties to withdraw from the Authority.

**2.2 Initial Participants.** Until December 31, 2016, all other Initial Participants may become a Party by executing this Agreement and delivering an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(12) to the Authority. Additional conditions, described in Section 3.1, may apply (i) to either an incorporated municipality or county desiring to become a Party that is not an Initial Participant and (ii) to Initial Participants that have not executed and delivered this Agreement within the time period described above.

**2.3 Formation.** There is formed as of the Effective Date a public agency named the East Bay Community Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing board of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. A Party who has not agreed to assume an Authority debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Parties agree to assume the debt, liability or obligation of the Authority. Notwithstanding Section 8.4 of this Agreement, this Section 2.3 may not be amended unless such amendment is approved by the governing boards of all Parties.

**2.4 Purpose.** The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Party and any other powers granted to the Authority under state law to participate as a group in the CCA Program pursuant to Public Utilities Code Section 366.2(c)(12); to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs; and, to exercise all other powers necessary and incidental to accomplishing this purpose.

**2.5 Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:

- 2.5.1** to make and enter into contracts, including those relating to the purchase or sale of electrical energy or attributes thereof;
- 2.5.2** to employ agents and employees, including but not limited to a Chief Executive Officer and General Counsel;
- 2.5.3** to acquire, contract, manage, maintain, and operate any buildings, works or improvements, including electric generating facilities;
- 2.5.4** to acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
- 2.5.5** to lease any property;
- 2.5.6** to sue and be sued in its own name;

- 2.5.7 to incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Section 53850 *et seq.* and authority under the Act;
- 2.5.8 to form subsidiary or independent corporations or entities, if appropriate, to carry out energy supply and energy conservation programs at the lowest possible cost consistent with the Authority's CCA Program implementation plan, risk management policies, or to take advantage of legislative or regulatory changes;
- 2.5.9 to issue revenue bonds and other forms of indebtedness;
- 2.5.10 to apply for, accept, and receive all licenses, permits, grants, loans or other assistance from any federal, state or local public agency;
- 2.5.11 to submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
- 2.5.12 to adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority ("Operating Rules and Regulations");
- 2.5.13 to make and enter into service, energy and any other agreements necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services; and
- 2.5.14 to negotiate project labor agreements, community benefits agreements and collective bargaining agreements with the local building trades council and other interested parties.

**2.6 Limitation on Powers.** As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the City of Emeryville and any other restrictions on exercising the powers of the Authority that may be adopted by the Board.

**2.7 Compliance with Local Zoning and Building Laws.** Notwithstanding any other provisions of this Agreement or state law, any facilities, buildings or structures located, constructed or caused to be constructed by the Authority within the territory of the Authority shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed and comply with the California Environmental Quality Act ("CEQA").

**2.8 Compliance with the Brown Act.** The Authority and its officers and employees shall comply with the provisions of the Ralph M. Brown Act, Government Code Section 54950 *et seq.*

**2.9 Compliance with the Political Reform Act and Government Code Section 1090.** The Authority and its officers and employees shall comply with the Political Reform Act (Government Code Section 81000 *et seq.*) and Government Code Section 1090 *et seq.*, and shall adopt a Conflict of Interest Code pursuant to Government Code Section 87300. The Board of Directors may adopt additional conflict of interest regulations in the Operating Rules and Regulations.

### **ARTICLE 3** **AUTHORITY PARTICIPATION**

**3.1 Addition of Parties.** Subject to Section 2.2, relating to certain rights of Initial Participants, other incorporated municipalities and counties may become Parties upon (a) the adoption of a resolution by the governing body of such incorporated municipality or county requesting that the incorporated municipality or county, as the case may be, become a member of the Authority, (b) the adoption by an affirmative vote of a majority of all Directors of the entire Board satisfying the requirements described in Section 4.12, of a resolution authorizing membership of the additional incorporated municipality or county, specifying the membership payment, if any, to be made by the additional incorporated municipality or county to reflect its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership, (c) the adoption of an ordinance required by Public Utilities Code Section 366.2(c)(12) and execution of this Agreement and other necessary program agreements by the incorporated municipality or county, (d) payment of the membership fee, if any, and (e) satisfaction of any conditions established by the Board.

**3.2 Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition and/or withdrawal or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 3.1. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

### **ARTICLE 4** **GOVERNANCE AND INTERNAL ORGANIZATION**

**4.1 Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2.

**4.2 Appointment of Directors.** The Directors shall be appointed as follows:

**4.2.1** The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party also shall appoint and designate in writing one alternate Director who may vote on matters when the regular Director is absent

from a Board meeting. The person appointed and designated as the regular Director shall be a member of the governing body of the Party. The person appointed and designated as the alternate Director shall also be a member of the governing body of the Party.

- 4.2.2 The Board shall also include one non-voting ex officio member as defined in Section 1.1.13 (“Ex Officio Board Member”). The Chair of the Community Advisory Committee, as described in Section 4.9 below, shall serve as the Ex Officio Board Member. The Vice Chair of the Community Advisory Committee shall serve as an alternate Ex Officio Board Member when the regular Ex Officio Board Member is absent from a Board meeting.
- 4.2.3 The Operating Rules and Regulations, to be developed and approved by the Board in accordance with Section 2.5.12 may include rules regarding Directors, such as meeting attendance requirements. No Party shall be deprived of its right to seat a Director on the Board.

**4.3 Terms of Office.** Each regular and alternate Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the position of the previous Director in accordance with the provisions of Section 4.2 within 90 days of the date that such position becomes vacant.

**4.4 Quorum.** A majority of the Directors of the entire Board shall constitute a quorum, except that less than a quorum may adjourn a meeting from time to time in accordance with law.

**4.5 Powers and Function of the Board.** The Board shall conduct or authorize to be conducted all business and activities of the Authority, consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law. Board approval shall be required for any of the following actions, which are defined as “Essential Functions”:

- 4.5.1 The issuance of bonds or any other financing even if program revenues are expected to pay for such financing.
- 4.5.2 The hiring of a Chief Executive Officer and General Counsel.
- 4.5.3 The appointment or removal of an officer.
- 4.5.4 The adoption of the Annual Budget.
- 4.5.5 The adoption of an ordinance.
- 4.5.6 The initiation of resolution of claims and litigation where the Authority will be the defendant, plaintiff, petitioner, respondent, cross complainant or cross petitioner, or intervenor; provided, however, that the Chief Executive Officer or General Counsel, on behalf of the Authority, may

intervene in, become party to, or file comments with respect to any proceeding pending at the California Public Utilities Commission, the Federal Energy Regulatory Commission, or any other administrative agency, without approval of the Board. The Board shall adopt Operating Rules and Regulations governing the Chief Executive Officer and General Counsel's exercise of authority under this Section 4.5.6.

**4.5.7** The setting of rates for power sold by the Authority and the setting of charges for any other category of service provided by the Authority.

**4.5.8** Termination of the CCA Program.

**4.6 Executive Committee.** The Board shall establish an Executive Committee consisting of a smaller number of Directors. The Board may delegate to the Executive Committee such authority as the Board might otherwise exercise, subject to limitations placed on the Board's authority to delegate certain Essential Functions, as described in Section 4.5 and the Operating Rules and Regulations. The Board may not delegate to the Executive Committee or any other committee its authority under Section 2.5.12 to adopt and amend the Operating Rules and Regulations or its Essential Functions listed in Section 4.5. After the Executive Committee meets or otherwise takes action, it shall, as soon as practicable, make a report of its activities at a meeting of the Board.

**4.7 Director Compensation.** Directors shall receive a stipend of \$100 per meeting, as adjusted to account for inflation, as provided for in the Authority's Operating Rules and Regulations.

**4.8 Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement. The Board may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

**4.9 Community Advisory Committee.** The Board shall establish a Community Advisory Committee consisting of nine members, none of whom may be voting members of the Board. The function of the Community Advisory Committee shall be to advise the Board of Directors on all subjects related to the operation of the CCA Program as set forth in a work plan adopted by the Board of Directors from time to time, with the exception of personnel and litigation decisions. The Community Advisory Committee is advisory only, and shall not have decision-making authority, or receive any delegation of authority from the Board of Directors. The Board shall publicize the opportunity to serve on the Community Advisory Committee, and shall appoint members of the Community Advisory Committee from those individuals expressing interest in serving, and who represent a diverse cross-section of interests, skill sets and geographic regions. Members of the Community Advisory Committee shall serve staggered four-year terms (the first term of three of the members shall be two years, and four years

thereafter), which may be renewed. A member of the Community Advisory Committee may be removed by the Board of Directors by majority vote. The Board of Directors shall determine whether the Community Advisory Committee members will receive a stipend and/or be entitled to reimbursement for expenses.

**4.10 Chief Executive Officer.** The Board of Directors shall appoint a Chief Executive Officer for the Authority, who shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The Chief Executive Officer may exercise all powers of the Authority, including the power to hire, discipline and terminate employees as well as the power to approve any agreement, if the expenditure is authorized in the Authority's approved budget, except the powers specifically set forth in Section 4.5 or those powers which by law must be exercised by the Board of Directors. The Board of Directors shall provide procedures and guidelines for the Chief Executive Officer exercising the powers of the Authority in the Operating Rules and Regulations.

**4.11 General Counsel.** The Board of Directors shall appoint a General Counsel for the Authority, who shall be responsible for providing legal advice to the Board of Directors and overseeing all legal work for the Authority.

**4.12 Board Voting.**

**4.12.1 Percentage Vote.** Except when a supermajority vote is expressly required by this Agreement or the Operating Rules and Regulations, action of the Board on all matters shall require an affirmative vote of a majority of all Directors on the entire Board (a "Percentage Vote" as defined in Section 1.1.20). A supermajority vote is required by this Agreement for the matters addressed by Section 8.4. When a supermajority vote is required by this Agreement or the Operating Rules and Regulations, action of the Board shall require an affirmative Percentage Vote of the specified supermajority of all Directors on the entire Board. No action can be taken by the Board without an affirmative Percentage Vote. Notwithstanding the foregoing, in the event of a tie in the Percentage Vote, an action may be approved by an affirmative "Voting Shares Vote," as defined in Section 1.1.22, if three or more Directors immediately request such vote.

**4.12.2 Voting Shares Vote.** In addition to and immediately after an affirmative percentage vote, three or more Directors may request that, a vote of the voting shares shall be held (a "Voting Shares Vote" as defined in Section 1.1.22). To approve an action by a Voting Shares Vote, the corresponding voting shares (as defined in Section 1.1.23 and Exhibit C) of all Directors voting in the affirmative shall exceed 50% of the voting share of all Directors on the entire Board, or such other higher voting shares percentage expressly required by this Agreement or the Operating Rules

and Regulations. In the event that any one Director has a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter. When a voting shares vote is held, action by the Board requires both an affirmative Percentage Vote and an affirmative Voting Shares Vote. Notwithstanding the foregoing, in the event of a tie in the Percentage Vote, an action may be approved on an affirmative Voting Shares Vote. When a supermajority vote is required by this Agreement or the Operating Rules and Regulations, the supermajority vote is subject to the Voting Share Vote provisions of this Section 4.12.2, and the specified supermajority of all Voting Shares is required for approval of the action, if the provision of this Section 4.12.2 are triggered.

**4.13 Meetings and Special Meetings of the Board.** The Board shall hold at least four regular meetings per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special and Emergency meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956 and 54956.5. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.

**4.14 Officers.**

**4.14.1 Chair and Vice Chair.** At the first meeting held by the Board in each calendar year, the Directors shall elect, from among themselves, a Chair, who shall be the presiding officer of all Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The Chair and Vice Chair shall hold office for one year and serve no more than two consecutive terms, however, the total number of terms a Director may serve as Chair or Vice Chair is not limited. The office of either the Chair or Vice Chair shall be declared vacant and the Board shall make a new selection if: (a) the person serving dies, resigns, or ceases to be a member of the governing body of the Party that the person represents; (b) the Party that the person represents removes the person as its representative on the Board, or (c) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement.

**4.14.2 Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

**4.14.3 Treasurer and Auditor.** The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. The same person may not simultaneously hold both the office of Treasurer and the office of the Auditor of the Authority. Unless otherwise exempted from such

requirement, the Authority shall cause an independent audit to be made annually by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depositary of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer and/or Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested, the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

**4.15 Administrative Services Provider.** The Board may appoint one or more administrative services providers to serve as the Authority's agent for planning, implementing, operating and administering the CCA Program, and any other program approved by the Board, in accordance with the provisions of an Administrative Services Agreement. The appointed administrative services provider may be one of the Parties. The Administrative Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the CCA Program and other approved programs. The Administrative Services Agreement shall set forth the term of the Agreement and the circumstances under which the Administrative Services Agreement may be terminated by the Authority. This section shall not in any way be construed to limit the discretion of the Authority to hire its own employees to administer the CCA Program or any other program.

**4.16 Operational Audit.** The Authority shall commission an independent agent to conduct and deliver at a public meeting of the Board an evaluation of the performance of the CCA Program relative to goals for renewable energy and carbon reductions. The Authority shall approve a budget for such evaluation and shall hire a firm or individual that has no other direct or indirect business relationship with the Authority. The evaluation shall be conducted at least once every two years.

## **ARTICLE 5**

### **IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS**

#### **5.1 Implementation of the CCA Program.**

**5.1.1 Enabling Ordinance.** Prior to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.

**5.1.2 Implementation Plan.** The Authority shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Board in the manner provided by Section 4.12.

**5.1.3 Termination of CCA Program.** Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

**5.2 Other Authority Documents.** The Parties acknowledge and agree that the operations of the Authority will be implemented through various documents duly adopted by the Board through Board resolution or minute action, including but not necessarily limited to the Operating Rules and Regulations, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties' right to withdraw from the Authority as described in Article 7.

**5.3 Integrated Resource Plan.** The Authority shall cause to be prepared an Integrated Resource Plan in accordance with CPUC regulations that will ensure the long-term development and administration of a variety of energy programs that promote local renewable resources, conservation, demand response, and energy efficiency, while maintaining compliance with the State Renewable Portfolio standard and customer rate competitiveness. The Authority shall prioritize the development of energy projects in Alameda and adjacent counties. Principal aspects of its planned operations shall be in a Business Plan as outlined in Section 5.4 of this Agreement.

**5.4 Business Plan.** The Authority shall cause to be prepared a Business Plan, which will include a roadmap for the development, procurement, and integration of local renewable energy resources as outlined in Section 5.3 of this Agreement. The Business Plan shall include a description of how the CCA Program will contribute to fostering local economic benefits, such as job creation and community energy programs. The Business Plan shall identify opportunities for local power development and how the CCA Program can achieve the goals outlined in Recitals 3 and 6 of this Agreement. The Business Plan shall include specific language detailing employment and labor standards that relate to the execution of the CCA Program as referenced in this Agreement. The Business Plan shall identify clear and transparent marketing practices to be followed by the CCA Program, including the identification of the sources of its electricity and explanation of the various types of electricity procured by the Authority. The Business Plan shall cover the first five (5) years of the operation of the CCA Program. The Business Plan shall be completed by the Authority no later than eight (8) months after the seating of the Authority Board of Directors. Progress on the implementation of the Business Plan shall be subject to annual public review.

**5.5 Labor Organization Neutrality.** The Authority shall remain neutral in the event its employees, and the employees of its subcontractors, if any, wish to unionize.

**5.6 Renewable Portfolio Standards.** The Authority shall provide its customers renewable energy primarily from Category 1 eligible renewable resources, as defined under the California RPS and consistent with the goals of the CCA Program. The Authority shall not procure energy from Category 3 eligible renewable resources (unbundled Renewable Energy Credits or RECs) exceeding 50% of the State law requirements, to achieve its renewable portfolio goals. However, for Category 3 RECs associated with generation facilities located within its service jurisdiction, the limitation set forth in the preceding sentence shall not apply.

## **ARTICLE 6**

### **FINANCIAL PROVISIONS**

**6.1 Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.

**6.2 Depository.**

**6.2.1** All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.

**6.2.2** All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times.

**6.2.3** All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

**6.3 Budget and Recovery Costs.**

**6.3.1 Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Authority Document as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Rules and Regulations.

**6.3.2 Funding of Initial Costs.** The County shall fund the Initial Costs of establishing and implementing the CCA Program. In the event that the

CCA Program becomes operational, these Initial Costs paid by the County and any specified interest shall be included in the customer charges for electric services to the extent permitted by law, and the County shall be reimbursed from the payment of such charges by customers of the Authority. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County shall not be entitled to any reimbursement of the Initial Costs.

**6.3.4 Additional Contributions and Advances.** Pursuant to Government Code Section 6504, the Parties may in their sole discretion make financial contributions, loans or advances to the Authority for the purposes of the Authority set forth in this Agreement. The repayment of such contributions, loans or advances will be on the written terms agreed to by the Party making the contribution, loan or advance and the Authority.

## **ARTICLE 7**

### **WITHDRAWAL AND TERMINATION**

#### **7.1 Withdrawal.**

**7.1.1 General Right to Withdraw.** A Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.

**7.1.2 Withdrawal Following Amendment.** Notwithstanding Section 7.1.1, a Party may withdraw its membership in the Authority following an amendment to this Agreement provided that the requirements of this Section 7.1.2 are strictly followed. A Party shall be deemed to have withdrawn its membership in the Authority effective 180 days after the Board approves an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board.

**7.1.3 The Right to Withdraw Prior to Program Launch.** After receiving bids from power suppliers for the CCA Program, the Authority must provide to the Parties a report from the electrical utility consultant retained by the Authority comparing the Authority's total estimated electrical rates, the estimated greenhouse gas emissions rate and the amount of estimated renewable energy to be used with that of the incumbent utility. Within 30 days after receiving this report, through its City Manager or a person expressly authorized by the Party, any Party may immediately withdraw

its membership in the Authority by providing written notice of withdrawal to the Authority if the report determines that any one of the following conditions exists: (1) the Authority is unable to provide total electrical rates, as part of its baseline offering to customers, that are equal to or lower than the incumbent utility, (2) the Authority is unable to provide electricity in a manner that has a lower greenhouse gas emissions rate than the incumbent utility, or (3) the Authority will use less qualified renewable energy than the incumbent utility. Any Party who withdraws from the Authority pursuant to this Section 7.1.3 shall not be entitled to any refund of the Initial Costs it has paid to the Authority prior to the date of withdrawal unless the Authority is later terminated pursuant to Section 7.3. In such event, any Initial Costs not expended by the Authority shall be returned to all Parties, including any Party that has withdrawn pursuant to this section, in proportion to the contribution that each made. Notwithstanding anything to the contrary in this Agreement, any Party who withdraws pursuant to this section shall not be responsible for any liabilities or obligations of the Authority after the date of withdrawal, including without limitation any liability arising from power purchase agreements entered into by the Authority.

**7.2 Continuing Liability After Withdrawal; Further Assurances; Refund.** A Party that withdraws its membership in the Authority under either Section 7.1.1 or 7.1.2 shall be responsible for paying its fair share of costs incurred by the Authority resulting from the Party's withdrawal, including costs from the resale of power contracts by the Authority to serve the Party's load and any similar costs directly attributable to the Party's withdrawal, such costs being limited to those contracts executed while the withdrawing Party was a member, and administrative costs associated thereto. The Parties agree that such costs shall not constitute a debt of the withdrawing Party, accruing interest, or having a maturity date. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's costs described above. Any amount of the Party's funds held by the Authority for the benefit of the Party that are not required to pay the Party's costs described above shall be returned to the Party. The withdrawing party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. A withdrawing party has the right to continue to participate in Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party until the withdrawal's effective date.

**7.3 Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 7.1.

**7.4 Disposition of Property upon Termination of Authority.** Upon termination of this Agreement as to all Parties, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred

under this Agreement and under any Authority Documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

## **ARTICLE 8**

### **MISCELLANEOUS PROVISIONS**

**8.1 Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties and the Authority shall engage in nonbinding mediation in the manner agreed upon by the Party or Parties and the Authority. The Parties agree that each Party may specifically enforce this section 8.1. In the event that nonbinding mediation is not initiated or does not result in the settlement of a dispute within 120 days after the demand for mediation is made, any Party and the Authority may pursue any remedies provided by law.

**8.2 Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 *et seq.* Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

**8.3 Indemnification of Parties.** The Authority shall acquire such insurance coverage as the Board deems necessary to protect the interests of the Authority, the Parties and the public. Such insurance coverage shall name the Parties and their respective Board or Council members, officers, agents and employees as additional insureds. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

**8.4 Amendment of this Agreement.** This Agreement may be amended in writing by a two-thirds affirmative vote of the entire Board satisfying the requirements described in Section 4.12. Except that, any amendment to the voting provisions in Section 4.12 may only be made by a three-quarters affirmative vote of the entire Board. The Authority shall provide written notice to the Parties at least 30 days in advance of any proposed amendment being considered by the Board. If the proposed amendment is adopted by the Board, the Authority shall provide prompt written notice to all Parties of the effective date of such amendment along with a copy of the amendment.

**8.5 Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 8.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 8.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

**8.6 Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

**8.7 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.

**8.8 Execution by Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

**8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 72 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. In addition, a duplicate copy of all notices provided pursuant to this section shall be provided to the Director and alternate Director for each Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties. All notices required hereunder shall be delivered to:

The County of Alameda

Director, Community Development Agency

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

if to [PARTY No. \_\_\_\_ ]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Party: \_\_\_\_\_

**EXHIBIT A**

**-LIST OF THE PARTIES**

**(This draft exhibit is based on the assumption that all of the Initial Participants will become Parties. On the Effective Date, this exhibit will be revised to reflect the Parties to this Agreement at that time.)-**

**County of Alameda**

**City of Albany**

**City of Berkeley**

**City of Dublin**

**City of Emeryville**

**City of Fremont**

**City of Hayward**

**City of Livermore**

**City of Oakland**

**City of Piedmont**

**City of San Leandro**

**City of Union City**

**DRAFT EXHIBIT B**  
**-ANNUAL ENERGY USE**

This Exhibit B is effective as of December 1, 2016.

<b>Party</b>	<b>kWh (2014)</b>
<b>Albany</b>	<b>57,726,000</b>
<b>Berkeley</b>	<b>684,454,000</b>
<b>Dublin</b>	<b>297,219,000</b>
<b>Emeryville</b>	<b>203,591,000</b>
<b>Fremont</b>	<b>1,306,714,000</b>
<b>Hayward</b>	<b>813,048,000</b>
<b>Livermore</b>	<b>498,219,000</b>
<b>Oakland</b>	<b>2,005,389,000</b>
<b>Piedmont</b>	<b>32,768,000</b>
<b>San Leandro</b>	<b>516,830,000</b>
<b>Unincorporated</b>	<b>513,917,000</b>
<b>Union City</b>	<b>356,019,000</b>
<b><u>Total</u></b>	<b><u>7,285,894,000</u></b>

\*Data provided by PG&E

**DRAFT EXHIBIT C**

**- VOTING SHARES**

This Exhibit C is effective as of December 1, 2016.

<b>Party</b>	<b>kWh (2014)</b>	<b>Voting Share Section 4.12.2</b>
<b>Albany</b>	<b>57,726,000</b>	<b>.80%</b>
<b>Berkeley</b>	<b>684,454,000</b>	<b>9.39%</b>
<b>Dublin</b>	<b>297, 219,000</b>	<b>4.08%</b>
<b>Emeryville</b>	<b>203,591,000</b>	<b>2.80%</b>
<b>Fremont</b>	<b>1,306,714,000</b>	<b>17.93%</b>
<b>Hayward</b>	<b>813,048,000</b>	<b>11.16%</b>
<b>Livermore</b>	<b>498,219,000</b>	<b>6.83%</b>
<b>Oakland</b>	<b>2,005,389,000</b>	<b>27.52%</b>
<b>Piedmont</b>	<b>32,768,000</b>	<b>.46%</b>
<b>San Leandro</b>	<b>516,830,000</b>	<b>7.09%</b>
<b>Unincorporated</b>	<b>513,917,000</b>	<b>7.05%</b>
<b>Union City</b>	<b>356,019,000</b>	<b>4.89%</b>
<b><u>Total</u></b>	<b><u>7,285,894,000</u></b>	<b><u>100%</u></b>

\*Data provided by PG&E

**THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA,  
STATE OF CALIFORNIA**

**THE FOLLOWING RESOLUTION WAS ADOPTED                      NUMBER R-16-XXX**

**APPROVE AN AGREEMENT TO PARTICIPATE IN A JOINT POWERS AGENCY  
FOR COMMUNITY CHOICE AGGREGATION PROGRAM IN ALAMEDA COUNTY**

**WHEREAS**, The Alameda County Board of Supervisors has demonstrated its commitment to an environmentally sustainable future through its policy goals and actions, including energy reduction, clean energy programs, and the expansion of local renewable power supply; and

**WHEREAS** the County has adopted a Climate Action Plan to reduce greenhouse gas emissions; and,

**WHEREAS**, Community Choice Aggregation is a mechanism by which local governments assume responsibility for providing electrical power for residential and commercial customers in their jurisdiction in partnership with local commercial energy purveyors and owners of transmission facilities, which in the case of Alameda County is Pacific Gas & Electric Co.; and,

**WHEREAS** Community Choice Aggregation (CCA) has the potential to reduce greenhouse gas emissions related to the use of power in Alameda County; provide electric power and other forms of energy to customers at a competitive cost; carry out programs to reduce energy consumption; stimulate and sustain the local economy by developing local jobs in renewable energy; and promote long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources; and,

**WHEREAS**, The Board of Supervisors has examined and identified Community Choice Aggregation as a key strategy to meet local clean energy goals and projected greenhouse gas reduction targets; and,

**WHEREAS**, in June 2014, the Board of Supervisors directed the Community Development Agency (CDA) to determine if a Community Choice Aggregation (CCA) program is feasible for Alameda County; and,

**WHEREAS** in 2015 CDA staff engaged MRW & Associates of Oakland to prepare a Technical / Feasibility Study (Technical Study for Community Choice Aggregation Program in Alameda County, Draft (MRW & Associates, July 2016); and,

**WHEREAS** taken comprehensively, the Technical Study suggests that an Alameda County CCA would be feasible, could operate economically, could provide ratepayers reductions on their electric bills, and could both increase renewable energy and reduce greenhouse gas emissions if the right balance is achieved by a JPA; and

**WHEREAS** If a municipality is to form a CCA with other municipalities, it must become a part of a Joint Powers Agency (JPA) as required by the legislation that permits CCAs, Assembly Bill 117 (Migden, 2002); and

**WHEREAS** a draft JPA Agreement has been prepared by the Office of the County Counsel and has been reviewed by City Attorneys and the membership of the Steering Committee over the course of several months; and

**NOW THEREFORE,**

**BE IT RESOLVED THAT** this Board does hereby approve agreement entitled, "East Bay Community Energy Authority - Joint Powers Agreement –" in order to participate with other prospective signatories in a CCA Joint Powers Authority (JPA) for Alameda County municipalities, and authorizes the President of the Board to execute the agreement.

**ALAMEDA COUNTY BOARD OF SUPERVISORS**

**THE FOREGOING** was **PASSED** and **ADOPTED** by a majority vote of the Alameda County Board of Supervisors this **4th day of October, 2016** to wit:

**AYES:**

**NOES:**

**EXCUSED:**

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**PRESIDENT, BOARD OF SUPERVISORS**

**ATTEST:**

Clerk of the Board  
**Board of Supervisors**

By: \_\_\_\_\_  
**Deputy**

File: \_\_\_\_\_

Agenda No: \_\_\_\_\_

Document No: **R-2016-**\_\_\_\_\_

**Approved as to Form:**  
County Counsel

By: \_\_\_\_\_  
**Deputy**



I certify that the foregoing is a correct

copy of a Resolution adopted by the  
Board of Supervisors, Alameda County,  
State of California

ATTEST:  
Clerk of the Board  
Board of Supervisors

By: \_\_\_\_\_

ALAMEDA COUNTY ORDINANCE NO. \_\_\_\_\_

**AN UNCODIFIED ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
ALAMEDA AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE  
AGGREGATION PROGRAM**

THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA ORDAINS AS FOLLOWS:

SECTION I.

The Board of Supervisors hereby finds and declares:

- A. The County of Alameda ("County") has been actively investigating options to provide electricity supply services to constituents within the County with the intent of achieving greater local involvement over the provision of electricity supply services, competitive electric rates, the development of local renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs.
- B. Assembly Bill 117, codified as Public Utilities Code Section 366.2 (the "Act"), authorizes any California city or county whose governing body so elects, to combine the electricity load of its residents and businesses in a community wide electricity aggregation program known as Community Choice Aggregation ("CCA").
- C. The Act allows a CCA program to be carried out under a joint powers agreement entered into by entities that each have capacity to implement a CCA program individually. The joint power agreement structure reduces the risks of implementing a CCA program by immunizing the financial assets of participants. To this end, since 2014, the County has been evaluating a potential CCA program for the County and the cities within Alameda County.
- D. The County Board of Supervisors voted unanimously in June of 2014 to allocate funding to explore the creation of a CCA Program and directed County staff to undertake the steps necessary to evaluate its feasibility. To assist in the evaluation of the CCA program within Alameda County, the County established a Steering Committee, in 2015, that has met monthly, advising the Board of Supervisors on the possibility of creating a CCA Program.
- E. The Technical Feasibility Study completed in June of 2016 shows that implementing a Community Choice Aggregation program would likely provide multiple benefits to the citizens of Alameda County, including the following:
  - 1. Providing customers a choice of power providers;
  - 2. Increasing local control over energy rates and other energy-related matters;
  - 3. Providing electric rates that are competitive with those provided by the incumbent utility;
  - 4. Reducing greenhouse gas emissions arising from electricity use;
  - 5. Increasing local and regional renewable generation capacity;
  - 6. Increasing energy conservation and efficiency projects and programs;
  - 7. Increasing regional energy self-sufficiency; and

8. Encouraging local economic and employment benefits through energy conservation and efficiency projects.
- F. Representatives from the County and Alameda County cities have developed the East Bay Community Energy Authority Joint Powers Agreement (“Joint Powers Agreement”) (attached hereto as Exhibit A). The Joint Powers Agreement creates the East Bay Community Energy Authority (“Authority”), which will govern and operate the CCA program. The County and the Alameda County cities that elect to participate in the CCA Program shall do so by approving the execution of the Joint Powers Agreement and adopting an ordinance electing to implement a CCA Program, as required by Public Utilities Code Section 366.2(c)(12).
- G. The Authority will enter into agreements with electric power suppliers and other service providers and, based upon those agreements, the Authority plans to provide electrical power to residents and businesses at rates that are competitive with those of the incumbent utility. Upon the California Public Utilities Commission approving the implementation plan prepared by the Authority, the Authority can provide service to customers within its member jurisdictions. Under Public Utilities Code Section 366.2, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility. Customers who wish to continue to receive service from the incumbent utility will be able to do so at any time.

#### SECTION II.

Based upon all of the above, the Board elects to implement a Community Choice Aggregation program within the County’s jurisdiction by and through the County’s participation in the East Bay Community Energy Authority.

#### SECTION III.

This ordinance shall take effect and be in force thirty 30 days from and after the date of passage and before the expiration of fifteen (15) days after its passage it shall be published once with the names of the members voting for and against the same in the Inter-City Express, a newspaper published in the County of Alameda.

Adopted by the Board of Supervisors of the County of Alameda, State of California,  
\_\_\_\_\_, 2016 by the following called vote:

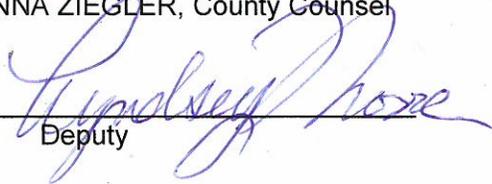
AYES:  
NOES:  
EXCUSED:

\_\_\_\_\_  
SCOTT HAGGERTY  
President of the Board of Supervisors  
County of Alameda, State of California

ATTEST: ANIKA CAMPBELL-BELTON,  
Clerk of the Board of Supervisors, County of Alameda

By \_\_\_\_\_

Approved as to Form:  
DONNA ZIEGLER, County Counsel

By  \_\_\_\_\_  
Deputy





## DECLARATION BY MAYOR OR CHIEF COUNTY ADMINISTRATOR REGARDING INVESTIGATION, PURSUIT OR IMPLEMENTATION OF COMMUNITY CHOICE AGGREGATION

I, \_\_\_\_\_ [name], state as follows:

1. I am the mayor, chief county administrator, or chief executive officer of \_\_\_\_\_  
\_\_\_\_\_ [name of city, county, or public agency,].
2. I am authorized to make this declaration on behalf of \_\_\_\_\_  
\_\_\_\_\_ [check appropriate box]
  - a city, or
  - a county, or
  - an eligible public agency

which is investigating, pursuing or implementing community choice aggregation as a community choice aggregator as defined by Section 331.1 of the California Public Utilities Code ("CCA" or "Potential CCA").

3. I understand that all of the confidential information provided by PG&E to the city, county, or public agency indicated above is subject to the terms and conditions of the Nondisclosure Agreement between these two entities and is provided for the sole purpose of enabling the city, county or public agency to investigate, pursue or implement community choice aggregation.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_, \_\_\_\_\_ [city, state].

\_\_\_\_\_  
[Signature]

**Attachment 4: Voting Structure for EBCE With and Without Contra Costa Jurisdictions**

	Simple Voting	
	Alameda County Only	Alameda + Contra Costa Counties
Oakland	8.3%	3.7%
Fremont	8.3%	3.7%
Hayward	8.3%	3.7%
Berkeley	8.3%	3.7%
San Leandro	8.3%	3.7%
Livermore	8.3%	3.7%
Emeryville	8.3%	3.7%
Dublin	8.3%	3.7%
Albany	8.3%	3.7%
Union City	8.3%	3.7%
Piedmont	8.3%	3.7%
Unincorporated	8.3%	3.7%
<b>Alameda Total</b>	<b>100.0%</b>	<b>44.4%</b>
Unincorporated Contra Costa	NA	3.7%
Concord	NA	3.7%
Pittsburg	NA	3.7%
Antioch	NA	3.7%
San Ramon	NA	3.7%
Brentwood	NA	3.7%
Danville	NA	3.7%
Martinez	NA	3.7%
Pleasant Hill	NA	3.7%
Oakley	NA	3.7%
Orinda	NA	3.7%
Hercules	NA	3.7%
Pinole	NA	3.7%
Moraga	NA	3.7%
Clayton	NA	3.7%
<b>Contra Costa Total</b>	<b>NA</b>	<b>55.6%</b>

<b>Weighted Voting</b>		
	<b>Alameda County Only</b>	<b>Alameda + Contra Costa Counties</b>
Oakland	27.5%	17.5%
Fremont	17.9%	11.4%
Hayward	11.2%	7.1%
Berkeley	9.4%	6.0%
San Leandro	7.1%	4.5%
Livermore	6.8%	4.4%
Unincorporated	7.1%	4.5%
Union City	4.9%	3.1%
Dublin	4.1%	2.5%
Emeryville	2.8%	1.8%
Albany	0.8%	0.5%
Piedmont	0.4%	0.3%
<b>Alameda Total</b>	<b>100.0%</b>	<b>63.6%</b>
Unincorporated Contra Costa	NA	9.0%
Concord	NA	5.1%
Pittsburg	NA	4.6%
Antioch	NA	3.7%
San Ramon	NA	3.2%
Brentwood	NA	2.1%
Danville	NA	1.7%
Martinez	NA	1.4%
Pleasant Hill	NA	1.4%
Oakley	NA	1.1%
Orinda	NA	1.0%
Hercules	NA	0.7%
Pinole	NA	0.6%
Moraga	NA	0.5%
Clayton	NA	0.3%
<b>Contra Costa Total</b>	<b>NA</b>	<b>36.4%</b>

# Community Choice Energy (CCE) In Contra Costa County

Contra Costa County Board of Supervisors  
March 28, 2017





# Activity Since January in Response to Board Direction

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- Continued Public Outreach and Engagement
  - 8 City Council presentations
  - 2 Public Workshops in Danville and Concord
- Received Public Comments on Draft Study and over 300 Survey Responses
- Obtained Information from EBCE on Inclusion Process and Requirements
- Final Study Published on March 13, 2017

# Comments on the Draft Study

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- Comments received from MCE, IBEW, Sierra Club SF Bay Chapter, Contra Costa Clean Energy Alliance, several individuals
- Over 100 survey respondents also provided short narratives remarks
- All comments and survey responses are attached to the staff report
- Comments resulted to changes in the Technical Study in the following areas:
  - Cost of Local Renewables
  - MCE Board Representation
  - Availability of GHG Power Supplies, particularly Large Hydroelectric

# Scope of the Technical Study

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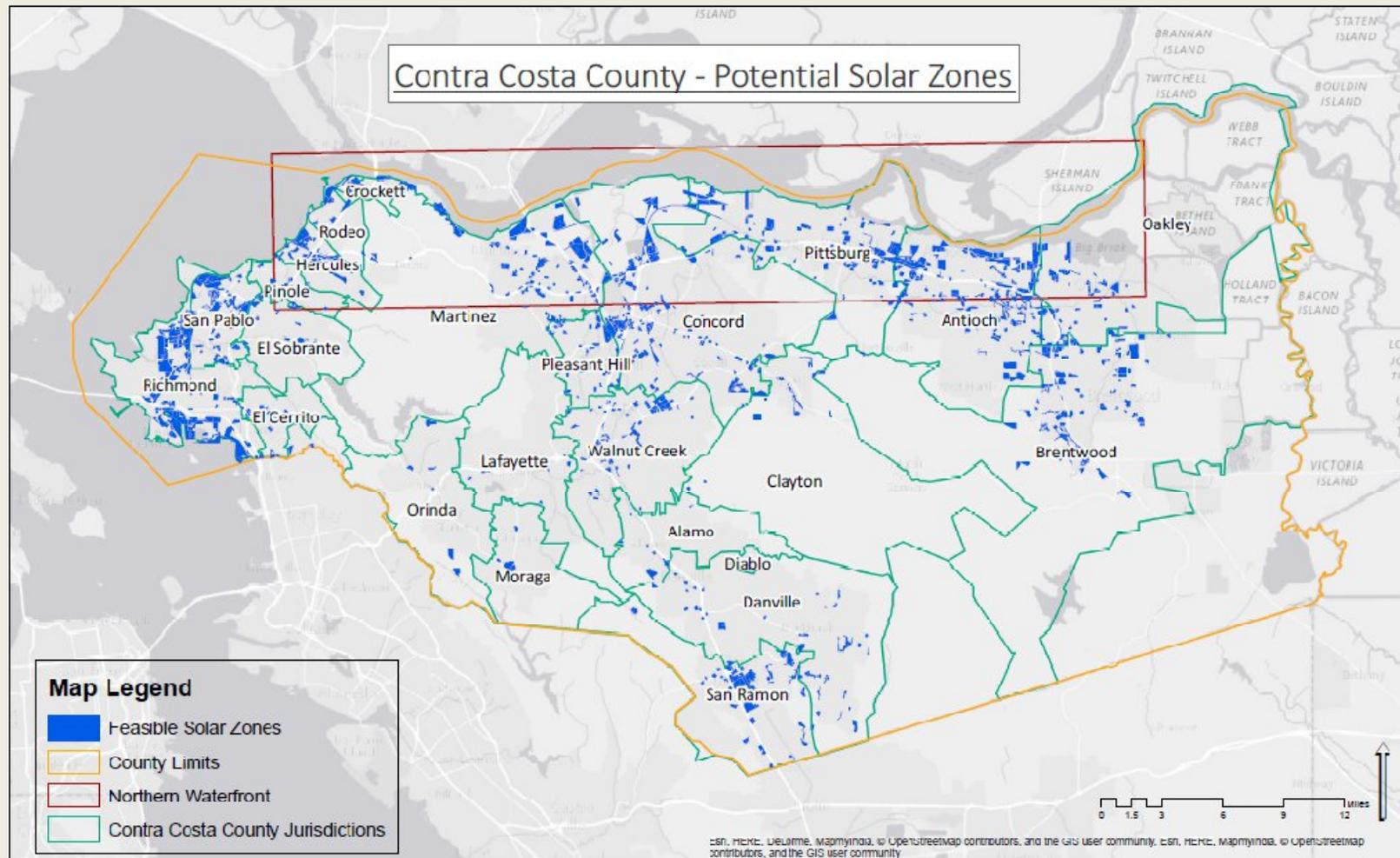
- Analyze the electrical load of the 15 participating jurisdictions
- Compare projected rates for PG&E and a Contra Costa CCE program under 4 different CCE energy supply scenarios
- Assess the ability of CCE to lower greenhouse gas (GHG) emissions
- Identify sites for potential local solar development
- Evaluate potential impact of CCE on local economy
- Provide a high level comparison of 3 CCE program alternatives (Contra Costa only, MCE, and East Bay Community Energy (EBCE)) to existing PG&E service

# MAIN FINDINGS OF TECH STUDY



- All three of the CCE options considered in the study could result in:
  - lower GHG emissions
  - increased local renewable energy generation
  - increased local job creation
- The electricity rates under CCE program options considered would be similar or less than the PG&E rates.
- Enough technically feasible locations for renewable generation to meet a significant proportion of electricity demand (40% of these sites in Northern Waterfront).
- There are tradeoffs between forming a Contra Costa-only CCE versus joining existing/ongoing CCE efforts in neighboring counties

# POTENTIAL FOR LOCAL SOLAR



# CONTRA COSTA CCE PROGRAM OPTIONS



## Options include:

1. Join MCE
2. Join EBCE (Alameda County)
3. Form a new, stand-alone CCE for County and cities not already with MCE  
(Board previously indicated this is not the preferred option)

There are pros and cons/trade-offs to each option

## Key Factors Examined:

- ✓ Rates
- ✓ GHG Reduction Potential
- ✓ Local Control/Governance
- ✓ Local Economic Benefits
- ✓ Start-Up Costs
- ✓ Level of Effort
- ✓ Program Risks
- ✓ Timing

# Features & Trade Offs of CCE Options



PROGRAM	FEATURES	TRADE-OFFS
MCE	<ul style="list-style-type: none"> <li>Established CCE program with positive operating track record</li> <li>Five CCCo cities already members</li> <li>Shortest time to service commencement</li> </ul>	<ul style="list-style-type: none"> <li>Formative program decisions already made</li> <li>Large service territory and Board; meets in San Rafael</li> </ul>
EBCE	<ul style="list-style-type: none"> <li>Ability to get in on “ground floor” and influence programs and policies</li> <li>East Bay regional ‘alignment’ and history of cooperation</li> <li>Designing business plan for local renewable development</li> </ul>	<ul style="list-style-type: none"> <li>Longer runway to customer enrollment</li> <li>New program; lots of work to be done with many program elements unknown</li> </ul>
New CCCo CCA	<ul style="list-style-type: none"> <li>Greatest local control</li> <li>Policy, revenue and program autonomy</li> <li>Sole focus on CCCo</li> </ul>	<ul style="list-style-type: none"> <li>Time and cost to form a new program</li> <li>Would not serve the whole County</li> </ul>

# BOARD VOTING SHARES



	MCE	EBCE (Simple)	EBCE (Weighted) <sup>1</sup>
Contra Costa already in MCE <sup>2</sup>	14%	n/a	n/a
Contra Costa not yet in MCE <sup>3</sup>	47%	56%	36%
Contra Costa Total	61%	56%	36%
Non-Contra Costa Communities	39%	44%	64%
Largest Community (share)	CC Unincorp. (8.1%)	All equal	Oakland (17.5%)
Unincorporated CC County Share	8.1%	All equal	9.0%

1. Standard EBCE voting is based on simple, one community, one vote. A weighted vote occurs only if three communities request it, and can only reverse an affirmative vote.
2. El Cerrito, Lafayette, Richmond, San Pablo, and Walnut Creek.
3. Assumes that all non-MCE Contra Costa communities join the CCE with 15% opt-out.

# Remaining with PG&E



Benefits/Pros	Risks/Cons
Experienced provider	Higher GHG emissions; lower renewable content
Continuity- same firm provides all services	Less local renewable power generation
No action needed by City/County—status quo	Higher electricity rates than CCE rates under most scenarios
May be able to join a CCE at a later date (but perhaps at some cost)	No local control/local accountability
Individuals can remain on bundled PG&E service even if their community is a CCE member	No local input into policies and programs

# Terms of Membership for MCE and EBCE



Terms	MCE	EBCE	Notes
Cost to Join	None	None	Both programs request local staff rep to assist with program coordination/outreach
Steps to Join	Adopt ordinance and JPA resolution	Adopt ordinance and JPA resolution	
Board Representation	1 seat per member agency or may choose a consolidated seat; Unincorporated County would represent 8.1% of weighted vote and be the largest member.	1 seat per member; Unincorporated county would represent 9.0 % of the weighted vote (if weighted vote is called) and would be the third-largest member.	MCE Board meets in San Rafael  EBCE Board meets in Hayward
Est. Customer Enrollment	Late 2017	Spring/Summer 2018	
Decision Deadline	May 31, 2017	June 30, 2017	County may request one month extension to MCE

# Steps for CCE Program Membership

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- Membership Process for MCE or EBCE:
  - No Charge to Join
  - Adopt Resolution and Ordinance
  - Required Steps Completed by June 30, 2017
    - Board may wish to request extension from MCE
  - Board Direction needed by early May

# Upcoming Meetings

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- Upcoming City Council Presentations:
  - Brentwood – March 28
  - Danville – April 11
  - Moraga – April 12
  - Martinez – April 19
  - San Ramon – April 25

# Next Steps

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- Hear Presentations from MCE and EBCE
- Receive Public Testimony
- Determine if Board has any informational requests from MCE or EBCE
- Request time extension from MCE to June 30
- Set May 2 for continuation of this item

# Questions/Comments

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Visit [www.cccounty.us/cce](http://www.cccounty.us/cce)

Contact Information:

Jason Crapo, Deputy Director

Dept. of Conservation and Development

(925) 674-7722

Jason.Crapo@dcd.cccounty.us



# Introducing East Bay Community Energy

Contra Costa Board of Supervisors  
March 28, 2017



# A Brief History



- In June 2014, County BOS authorized \$1.325 million to assess CCE in Alameda County. Another \$2.4 million was approved in October 2016 to support EBCE implementation and creation of a local devt. business plan.
- 11 cities and the County joined the JPA; First Board mtg. in January 2017.
  - City of Albany
  - City of Berkeley
  - City of Dublin
  - City of Emeryville
  - City of Fremont
  - City of Hayward
  - City of Livermore
  - City of Oakland
  - City of Piedmont
  - City of San Leandro
  - City of Union City
- The program has a logo, website and some basic collateral. Much more to come with branding, advertising, and public outreach. [www.ebce.org](http://www.ebce.org)
- EBCE is now engaged in organizational and policy formation and plans to enroll initial “phase 1” customers in Spring 2018.



# Our Expanding Website



EMAIL SIGNUP ▾

SEARCH ▾

Select Language ▾

ABOUT US | HOW IT WORKS | PUBLIC MEETINGS | NEWS | RESOURCES | ARCHIVE | CONTACT US



**CLEANER,  
GREENER  
ELECTRIC  
POWER**

Alameda County residents and businesses will soon have a new—greener—choice for the source of electricity that powers our homes and businesses.

East Bay Community Energy (EBCE) will be a community-governed power supplier, committed to providing electricity generated from a high percentage of renewable

[www.ebce.org](http://www.ebce.org)

# EBCE Will Be The Largest in CA



CCE Program	Estimated Load in MWh
EBCE/Alameda County	6,500,000 MWh
EBCE/Alameda and Contra Costa Counties	~ 10,050,000 MWh
Peninsula Clean Energy	3,800,000
Monterey Bay Region	3,450,000
Silicon Valley Clean Energy	3,400,000
Clean Power SF	3,200,000
MCE	2,743,000
Sonoma Clean Power	2,550,000

Source: EBCE Technical Study, May 2016

# EBCE's JPA Agreement



- Adapted from existing CCE JPA Agreements (i.e. San Mateo and Santa Clara Counties)
- Creates separate legal entity; no General Fund liability to any member
- Includes commitment to long-term program goals, community and local job focus, and union-friendly policies and practices
- One Board seat for each member jurisdiction
- Two-tier voting system -- 1) most votes carry by simple majority, 2) weighted vote by load size if 3 or more directors request it
- EBCE is establishing a Community Advisory Committee; CAC Chair has non-voting seat on the Board
- JPA calls for creation of local development business plan to serve as a blueprint for local power potential within its service territory
- Agreement includes repayment of Alameda County start-up loan

# Local Development Business Plan



- Emphasis on community and economic benefits reflected through the LDBP.
- Labor and environmental stakeholders have joined together, for the first time, to jointly support the CCE program. This removes what has often been a contentious relationship in the past.
- Part of the “Unity” Alliance was a proposal to develop an LDBP, which the Alameda County Board of Supervisors agreed to sponsor.
- Key tasks in LDBP:
  - Solar Siting Survey (much like has already been done in Contra Costa)
  - Energy efficiency technical and program analysis
  - Focus on innovate program development and financing options – trying to advance the overall CCE model.
- We believe the LDBP may be of interest to Contra Costa and the analysis could be extended to include new jurisdictions.

# Offer to Contra Costa Jurisdictions



- Each jurisdiction that joins will have a seat on the EBCE Board of Directors.
- No cost to join. EBCE will absorb all costs associated with implementing the program. Total additional cost likely to be ~\$1 million if all eligible CCCo jurisdictions join.
- Steps to join EBCE are the same as Alameda County members:
  - Pass the JPA resolution and the required CCE ordinance
- Contra Costa enrollments likely to begin in Summer 2018, earlier if possible.
- For inclusion in 2018, we ask for decisions/votes by June 30, 2017.

# EBCE Implementation Timeline



## Phase 1: Initial Planning and Tech Study

- ✓ Initial BOS funds allocated in June 2014
- ✓ City Load data approvals/request to PG&E
- ✓ Steering Committee (SC) formed; met monthly
- ✓ County webpage and stakeholder database devt.

- ✓ RFP issued and Tech Study completed
- ✓ Stakeholder and City mtgs.
- ✓ JPA Agreement and CCE ordinance drafted
- ✓ County/City ordinances and funding approval

## Phases 2-3: Program Implementation and Launch

- JPA Agency forms
- Technical, marketing and data mgmt. contracts
- Expanded website; community outreach begins
- CEO/Exec Search
- Local Devt Biz plan underway
- Banking and credit services

- Implementation Plan certified by CPUC
- Power contract(s) negotiated
- Policy and program development
- Call center live; customer noticing begins
- Utility bond and service agreement
- Phase 1 Launch!



# In Conclusion... Why Choose EBCE?



- EBCE sees the value of an east bay regional organization that serves both of our counties.
- EBCE includes a major emphasis on local renewables and other program development as quickly as possible
- Opportunity to shape a new CCE program “from the ground up”
  - Many policy and organizational decisions will be made this year
- EBCE will be the largest CCE in the state, with potential “economies-of-scale” benefits
- Long history of bi-county cooperation, through JPAs and other programs.

## Why Choose EBCE? cont.



- Energy prices are quite low at the moment.
- We are hopeful that EBCE will be able to benefit from this market situation by procuring its initial power at prices lower than other existing load-serving entities, including other CCAs.
- We've seen this to be the case, for example, with Peninsula Clean Energy, which launched with prices that were 5% lower than PG&E across the board.

We hope you will join us!



Thank you!

For further information, please contact:  
Chris Bazar/Bruce Jensen  
Alameda County Community Development Agency  
(510) 670-5400  
[Bruce.Jensen@acgov.org](mailto:Bruce.Jensen@acgov.org)





MCE

A local, not-for-profit electricity provider

## OUR MISSION

Address climate change by  
reducing greenhouse gas emissions

Renewable Energy

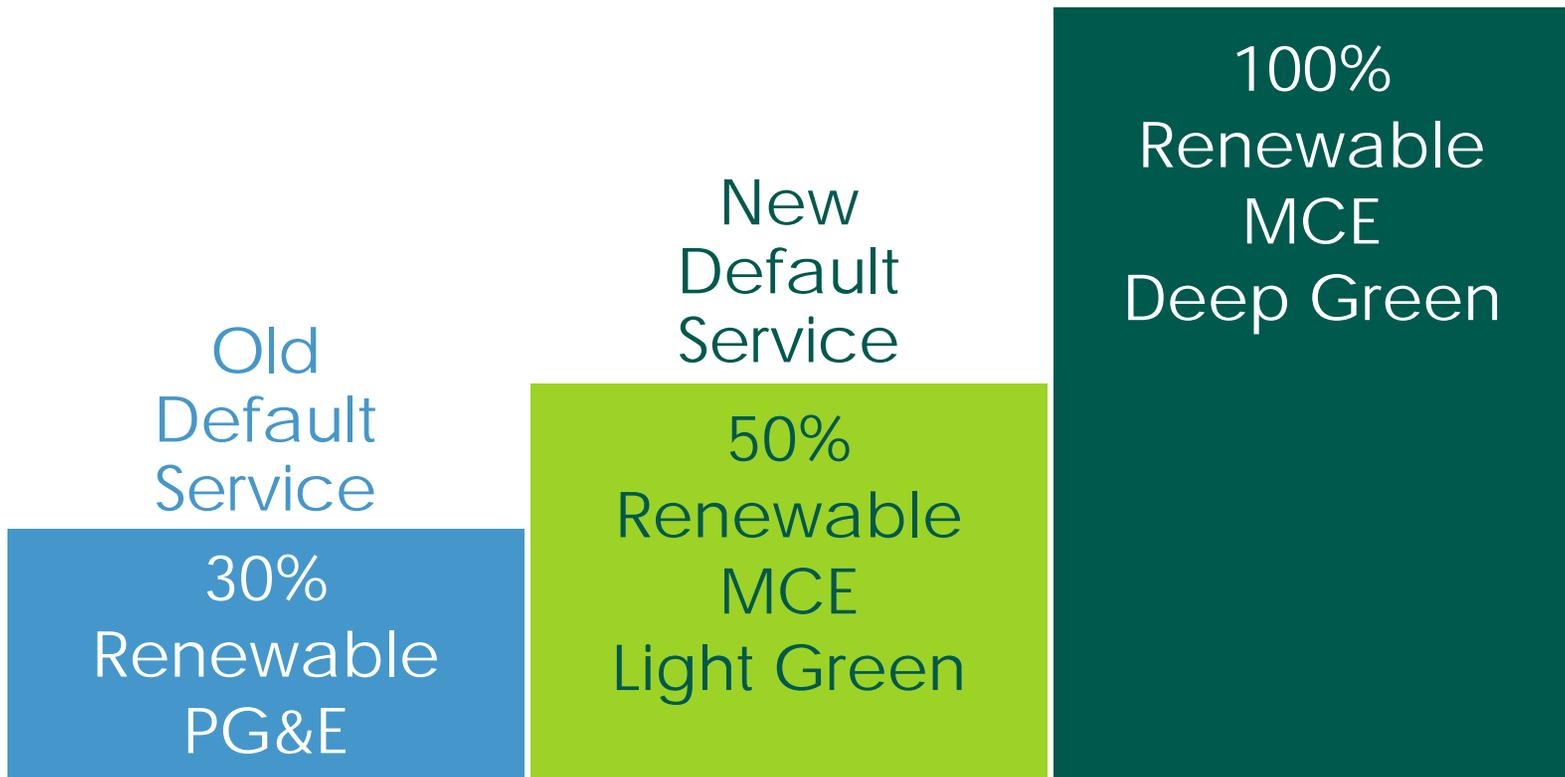
Stable, Competitive Rates

Local Economic & Workforce Benefits

Energy Efficiency



# Choice Is Power



# Sample Residential Cost Comparison

	30% renewable PG&E	50% renewable MCE	100% renewable MCE
Electric Delivery	\$57.45		
Electric Generation	\$45.55	\$31.48	\$36.11
Added PG&E Fees	-	\$13.78	\$13.78
<b>Monthly Cost</b>	<b>\$103.00</b>	<b>\$102.72</b>	<b>\$107.35</b>

Based on a typical usage of 463 kWh at current PG&E and MCE E-1 rates to go into effect April 1, 2017. Actual differences may vary depending on usage, rate schedule, and other factors. Estimate provided is an average of seasonal rates.

# Local Control

## Present

MCE Voting Share Highlights

Largest Board Vote  
Walnut Creek

Second Largest Board Vote  
Richmond

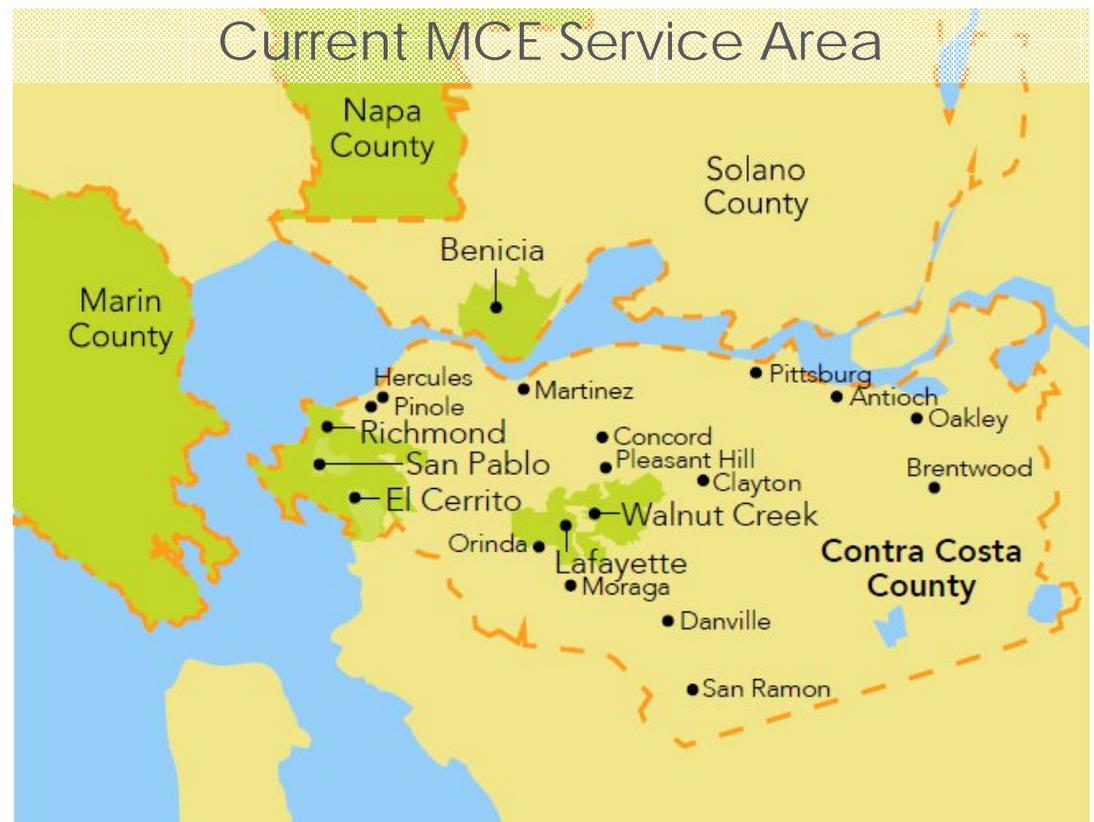
## Potential\*

MCE Voting Share Highlights

Largest Board Vote  
Contra Costa County

Second Largest Board Vote  
Concord

\*If Contra Costa County and remaining cities join MCE



# Community Benefits



# Minimize Financial Risk

## Avoid

- Start up costs
- Need for funding
- Guarantee for loans

## Take advantage of

- Free inclusion period
- Track Record
- Economics of scale
- Long term contracts
- Locked-in low wholesale prices
- Established credit profile
- Experienced community outreach
- Firewall between MCE and member agencies
- \$50M in reserves

MCE customers  
eliminated  
122,102 metric  
tons of  
greenhouse  
gas emissions,  
2010-2014

equivalent to taking 25,792 cars  
off our roads for an entire year



# Greenhouse Gas Impact

## Progress toward 2020 Climate Action Plans

Unincorp. County: 27%

Concord: 25%

Antioch: 26%

San Ramon: 51%

Pittsburg: 73%

Danville: 54%

Lafayette: 20%

Moraga: 66%

Total Projected Reductions Equivalent To:



509,586,503 Miles Not Driven



5,510,394 Trees Planted



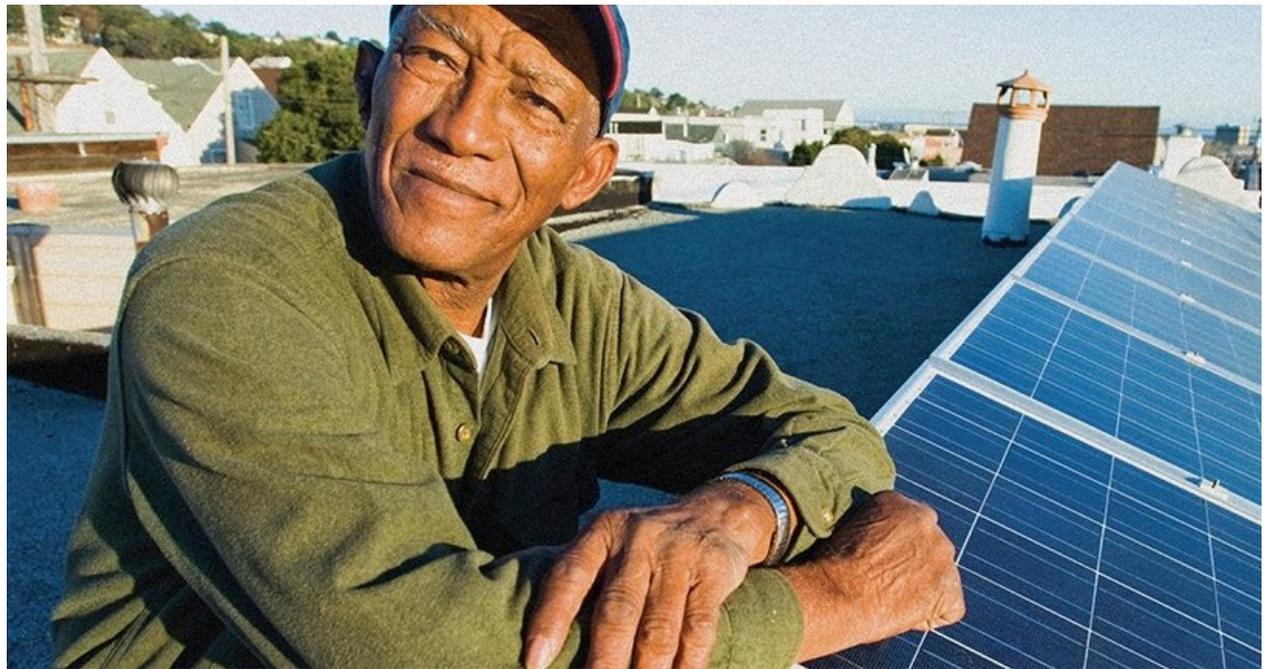
44,913 Cars off the Road

212,624 Metric Tons CO<sub>2</sub>

Solar  
rebates for  
residential  
customers

## Contra Costa

Since 2014: \$35,400 on low-income  
solar rebates for Contra Costa homes



# Solar Cash Out

2016:  
MCE customers  
earn \$1 Million+

\$250,000 in  
Contra Costa

West Contra Costa School District : \$28,000+  
City of San Pablo: \$7,500+



# MCE Feed-In Tariff (FIT) Program

Turn unused space into a revenue stream

One of the most competitively priced FIT programs in California

Advantages of MCE FIT contract:

- Standardized, 20-year term
- Fixed price per MWh generated
- Accurately reflects project revenue
- Can help secure project financing
- Much higher than market rates



# Freethy Industrial Park

## 2 MW



- Richmond
- February 2017
- 26 jobs supported
  - RichmondBUILD
- Ground Mounted Solar
- \$550,000 yearly revenue
- Powering 600 homes per year

# Solar One, Richmond

## 10.5 MW



- Richmond
- Expected online Q4 2017
- Chevron brownfield
- 341 jobs supported
  - 50% local hire requirement
- Partners: City of Richmond, Cenergy Power, RichmondBUILD

# California Jobs

2,800+ jobs supported

1.2M+ union work hours created



# Local Workforce Development

MCCDC ~\$240,000.

Rising Sun ~\$140,000

RichmondBUILD ~\$100,000

Rough total: ~\$480,000



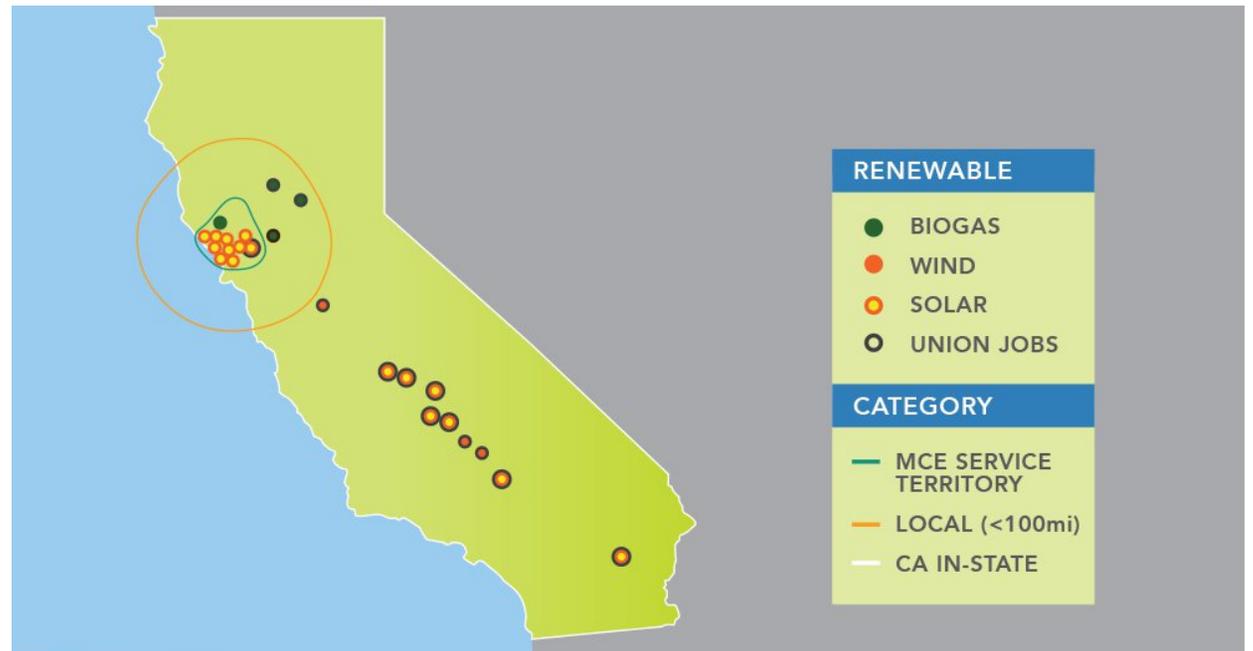
RichmondBUILD students on Solar One site

# New California Renewables

\$1.6 Billion  
committed

535 MW new solar  
266 MW new wind  
12 MW new biogas

24 Projects 813 megawatts



# Light Green Power Content Goal

75% carbon-free by 2017 & 100% carbon-free by 2025





Celebrating 100 for 100 with El Cerrito's Environmental Quality Commission

# Contra Costa County 2017 Community Outreach

- 1/5 Leadership Contra Costa / Environmental Session
- 1/10 Concord City Council Meeting CCA discussion
- 1/11 Moraga City Council Presentation
- 1/17 Contra Costa Board of Supervisors CCA discussion
- 1/17 Clayton City Council Presentation
- 1/18 Martinez City Council Presentation
- 1/18 Sustainable Lafayette Film Night
- 1/24 San Ramon City Council Presentation



MCE Panelist at Leadership Contra Costa

# Contra Costa County 2017 Community Outreach

- 1/26 Exploring CCA in The San Ramon Valley with LEAN Energy U.S.
- 1/30 Boy Scouts Sustainability Merit Badge Meeting
- 2/6 Bentley School Presentation
- 2/6 Pleasant Hill Discussion on CCA
- 2/14 Antioch Discussion on CCA
- 2/15 Richmond Business Roundtable (Chamber of Commerce)
- 2/22 Concord Internal Ops Committee
- 2/23 Concord Public Workshop



Sporting some shades at the Sustainable Enterprise Conference in Pleasant Hill.

## Contra Costa County 2017 Community Outreach

- 3/1 Lamorinda Tri-City Council meeting
- 3/1 Eskaton Hazel Shirley Manor - Senior Center Presentation
- 3/8 San Pablo Econ. Dev. Corp Business2Business Mixer
- 3/9 Catching the Sun Movie Screening with Sierra Club Bay Chapter
- 3/14 Oakley City Council meeting
- 3/16 Lafayette Film Night - Before the Flood
- 3/21 Contra Costa Climate Leaders Meeting
- 3/28 Contra Costa County Board of Supervisors

Thank You!

[info@mceCleanEnergy.org](mailto:info@mceCleanEnergy.org)  
[mceCleanEnergy.org](http://mceCleanEnergy.org)



# How Electric Service Works



MCE Generation

PG&E Delivery

Same Service

# Sample Bill

 **ENERGY STATEMENT**  
www.pge.com/MyEnergy

Account No: 1234567890-1  
Statement Date: 10/01/2013  
Due Date: 10/22/2013

**Service For:**

MARY SMITH  
1234 STREET AVENUE  
SAN RAFAEL, CA  
94804

 **ENERGY STATEMENT**  
www.pge.com/MyEnergy

Account No: 0123456789-0  
Statement Date: 12/29/2015  
Due Date: 01/19/2016

**Service For:**

**Your Account Summary**

Amount Due on Previous Statement	\$54.14
Payment(s) Received Since Last Statement	-54.14
Previous Unpaid Balance	\$0.00
Current PG&E Electric Delivery Charges	\$34.94
MCE Electric Generation Charges	39.38
Current Gas Charges	13.55

**Total Amount Due by 01/12/2016** **\$87.87**

Phone: 1-866-743-0335  
www.pge.com/MyEnergy

Local Office Address

With MCE  
Service

# About MCE

2008	MCE formed
2010	Service launched
2016	Serving 255,000 accounts



We Can  
Change  
Our Future





Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: 24th Annual Cesar E. Chavez Commemorative Celebration

---

**RECOMMENDATION(S):**

CONDUCT the 24th Annual Cesar E. Chavez Commemorative Celebration.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

See attached program for more information.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Barb Riveira  
925.335.1018

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Cesar Chavez Program  
2017



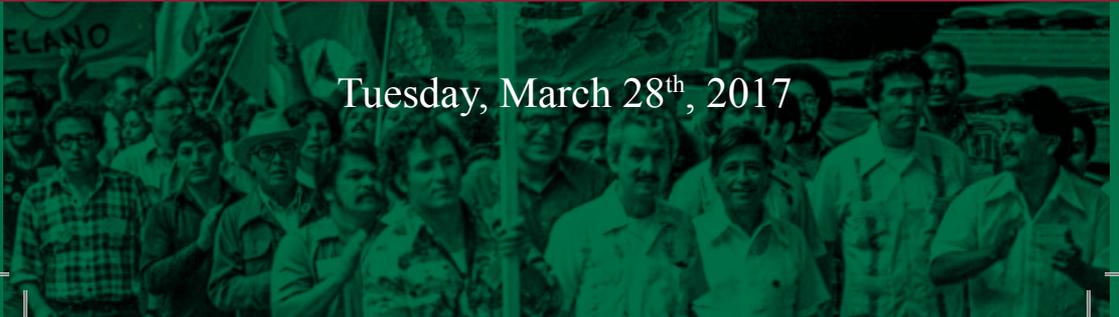
CONTRA COSTA COUNTY BOARD OF SUPERVISORS

Announces the 24<sup>th</sup> Annual  
**CESAR E. CHAVEZ**  
COMMEMORATIVE CELEBRATION

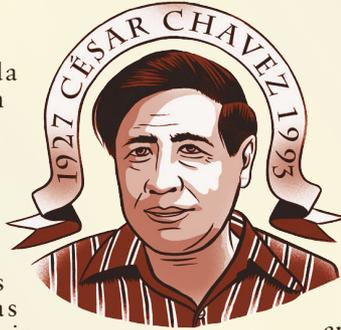
**STRENGTH IN UNITY**

Photo by Cathy

Tuesday, March 28<sup>th</sup>, 2017



# Chavez's Life...



**1927:** Cesar Estrada Chavez is born on March 31, 1927 in Yuma, Arizona.

**1938:** The Chavez family loses its farm during the Great Depression and begins following crops as migrant farm workers in Arizona and California.

**1944-45:** Cesar Chavez serves in the Navy in the Pacific during World War II.

**1947:** Influenced by his father's involvement in labor issues, Cesar joins his first union, the National Agricultural Workers Union.

**1952:** Cesar is recruited to work with Saul Alinsky's Community Service Organization (CSO), designed to help Latinos who have problems with immigration and police.

**1958:** Cesar is named General Director of CSO.

**1962:** Cesar leaves CSO after it refuses to form a farm-workers union and, in Delano, starts the National Farm Workers Association, the precursor to the United Farm Workers Union (UFW).

**1965, Sept. 8:** Filipino grape pickers in Delano go on strike for higher wages.

**1965, Sept. 16:** Cesar's union joins the strike against grape growers.

**1966, March 17:** Cesar and 70 strikers begin a march on Sacramento to drum up support for the union effort.

**1966, April 11:** The Chavez-led group marches to the State Capitol swelled to as many as 10,000 supporters from around the nation.

**1968, Feb. 14:** Cesar begins 25-day fast

to garner support for non-violence in union-organizing efforts.

**1968, March 10:** Cesar breaks fast in Delano with supporters, including Senator Robert F. Kennedy.

**1968, March 24:** Cesar announces in Los Angeles plans for a "worldwide boycott" of California grapes.

**1968, July:** More than 100 grape growers and shippers sue Chavez and the UFW, claiming \$25 million in losses because of the boycott.

**1970:** Contract agreements between UFW and most major grape growers is reached. Lettuce boycott begins.

**1972:** Cesar conducts a 24-day fast to protest right-to-work law.

**1973:** Cesar organizes the United Farm Workers of Americas Union, and a new round of boycotts begins when grape growers fail to renew contracts.

**1988, August 21:** Cesar ends a 36-day fast to protest pesticide use. The fast is the longest for the labor leader and leaves him severely weakened.

**1993, April 23:** Cesar Estrada Chavez dies in San Luis, Arizona, near where he was born 66 years ago.

**2000, August:** The State of California officially establishes the Cesar E. Chavez holiday.

**2003:** The U.S. Postal Service unveils a Cesar E. Chavez postage stamp.

**2012:** The US Navy Military Sealift Command christens the USNS Cesar Chavez (T-AKE-14) and activates and dedicates the ship in honor of Cesar Chavez.

# Cesar E. Chavez

*24<sup>th</sup> Annual Commemorative Celebration  
& Youth Hall of Fame Awards  
March 28, 2017*

*Mistress of Ceremonies*

ROBIN LIPETZKY, PUBLIC DEFENDER

*Welcome*

FEDERAL GLOVER, CHAIR, BOARD OF SUPERVISORS

*Musical Performance*

MARIACHI DINASTÍA

*Co-Keynote Speakers*

DR. CESAR A. CRUZ

DR. G. REYES

*Entertainment*

BALLET FOLKLÓRICO MEXICANO

INTRODUCTION AND PRESENTATION OF  
2017 YOUTH HALL OF FAME HONOREES

*Acknowledgement & Adjournment*

*Refreshments immediately following ceremony in foyer*

## Co-Keynote Speakers

### DR. CESAR A. CRUZ - ED.LD



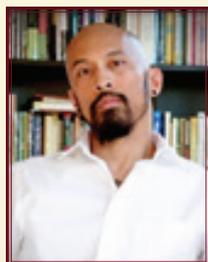
From marching 76-straight miles, to hunger striking for 26 days, César has dedicated his life to fighting for justice. Born in Guadalajara, Jalisco, México, César migrated to the U.S. with a single mother and grandmother. He grew up in Compton and moved to the Bay Area to study. He has been an educator for 23 years. He co-founded the independent school, Making Changes, out of his home, and has sought to create autonomous education spaces. He is the author of two books, *Revenge of the Illegal Alien*, and *Bang for Freedom*. He received his doctorate in Educational Leadership at the Harvard Graduate School of Education, becoming the first Mexican immigrant male to do so. The recipient of the Jefferson Award for Public Service, César currently serves as a Bridge Fellow for the national organization TNTP (The

New Teacher Project). Amidst all, he is proudest to be a husband, and father of three children: Olin, Amaru and Quetzali.

*“You attack Mexicans, it’s an attack on me. You attack Muslims, it’s an attack on me. You attack women, it’s an attack on me. You attack water, it’s an attack on me. You attack mother earth, it’s an attack on me. You attack African Americans, it’s an attack on me. You attack people’s healthcare, it’s an attack on me. You attack any immigrant, you attack me. You attack Indigenous land, you attack me. Whomever you attack, it’s an attack on me. I will not stand idly by. I will resist. I am not alone. We are not alone. We will resist. Fear and hatred will never conquer love. Build your 20 foot border, we have 21-foot ladders. David has already faced Goliath. Moses has already taken on pharaoh. Harriet faced greater odds. We shall not be moved. Try to bury us, we are but seeds.”*

# Co-Keynote Speakers

## DR. G. REYES - PHD



G. Reyes holds a PhD in Education from UC Berkeley, an MA in Teaching from the Center for Social Justice and Teaching Excellence from the University of San Francisco, and a BS in Industrial Engineering from Cal Poly San Luis Obispo. Before pursuing higher education, he attended California public schools in Pittsburg, Oakland, and Alameda.

“Dr. G” Reyes currently works in the Graduate School of Education as a Research Scholar at Stanford University and a visiting Assistant Professor at Mills College. As a professional in the field of Education, he has had a variety of experiences in K-12 schooling, Youth Development, teacher development, and teacher preparation. He has been blessed to work with committed and passionate professionals, youth, and families as a university lecturer in education; as a high school principal at a small school in East Oakland; an elementary, middle, and high school teacher; an Executive Director and

Program Director of a Youth Development community-based organization that focused on intersecting arts and social justice; a teacher/school leader developer/coach; and a youth development cultural worker/program leader developer/coach.

*“Dr. G. Reyes is a scholar-activist-activist- public intellectual known for standing.*

*Standing up. Standing with. Standing for.*

*Standing on the corner of the block professing truths and street wisdoms that don't stop.*

*Standing on rocks.*

*Standing from seeds sown by those who came before.*

*Standing in concrete fields with new seeds in hand to plant more.*

*Standing in the pages of history, because history is not predetermined – it is a time of possibility.*

*Standing tall so he could see. Standing to the side so you could be.*

*He stands. But never in the back of the bus. He stands because he must.”*

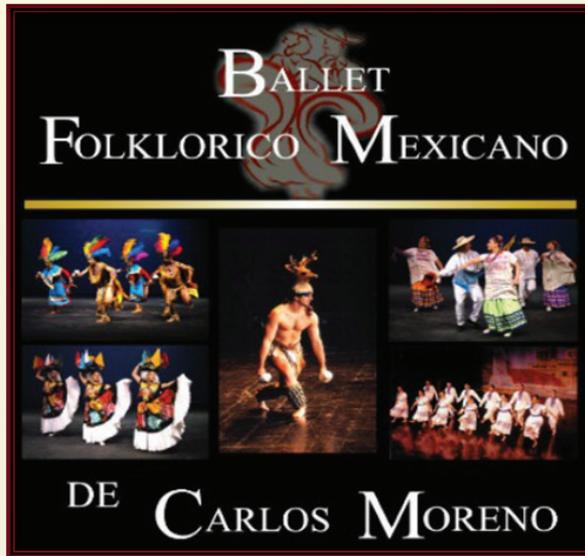
# Past Speakers & Presentations



<u>YEAR</u>	<u>SPEAKER / PLAY</u>
2016	Blanca Hernandez, Immigrants' rights activist
2015	Frances Montalvo Palacios, president of Palacios Productions and founder of atruelatina.com
2014	Alvaro Ramirez, Ph. D., Professor, Department of Modern Languages St. Mary's College
2013	Juan Coria, Deputy Regional Administrator, U.S. Department of Labor
2012	María Leticia Gómez, Journalist
2011	Blas G. Guerrero, Ph.D., Dean of Student Development, Los Medanos College
2010	Jane C. Garcia, CEO of La Clínica De La Raza
2009	Gonzalo Rucobo, Bay Area Peacekeepers
2008	Jim Hernandez, Youth Violence Prevention Specialist Johnny Rodriguez, One Day at a Time, Founder
2007	State Senator, Liz Figueroa (D-Fremont)
2006	Honorable Judge Maria Rivera
2005	Nicolas Vaca, PhD., Attorney-at-Law
2004	Ruben Rosalez, Assistant District Director, U.S. Department of Labor
2003	Peter Garcia, President, Los Medanos College
2002	Dolores Huerta, VFW Co-founder with Cesar Chavez
2001	Paul R. Chavez, Grandson of Cesar Chavez
2000	Paul Ramirez, Federal Investigator, Department of Labor
1999	Teresa Delgado, 1st Granddaughter of Cesar Chavez
1998	Play, "Maria," written by Richard Martinez, Director of Contra Costa County Housing Authority
1997	Play, "Los Regalos," (The Gifts), written by Richard Martinez
1996	Play, "The Warriors," written by Richard Martinez,
1995	Play, "Abuelito, ¿Quién es Cesar?," (Grandfather, Who is Cesar?) Latino Student Alliance, Diablo Valley College



# Entertainment



Founded in 1967 by Carlos Moreno Samaniego, the Ballet Folklórico Mexicano has achieved recognition both in the United States and in Mexico. In 1980, the Mexican consulate in San Francisco named the company the official ambassador for ongoing cultural activities with Mexico. It has held that distinction for over twenty years during which time it regularly conducts tours in Mexican cities such as Guadalajara, Oaxaca, Aguascalientes, and Durango.



## MARIACHI DINASTIA TORRES

Members are originally from Tijuana, Baja California, Mexico and residents of San Pablo, Richmond and Pittsburg

# Contra County County Youth Hall of Fame

## 2017 Honorees

### **Perseverance: Charlie Cleberg - 12th grade, Hercules High School, Hercules, CA**

Charlie is well known on the Hercules High School campus with a positive attitude and friendly smile to all. He is a leader as he assists fellow students with severe disabilities as a mentor, offering help and encouragement. He volunteers in the school library and makes announcements at school assemblies. Charlie is a cheerful, hardworking young man who was born with severe physical challenges due to a curved spinal cord and cerebral palsy. Amazingly, he can maneuver his wheelchair, draw, write, and types on his iPad or computer using his feet. With a positive attitude, he does not let his disability define him and participates fully in his school and community. Due to complications of his disability, Charlie regularly stays at the George Mark Children's House, an organization for children with life threatening diseases. Even while there, he helps the house with fundraising activities. Continuing to deny definition by disability, he is a cadet in the Police Explorer Program. When called upon he provides support to San Leandro Police Department personnel during civic functions. He is a volunteer at the United for Safety event and role plays during SWAT team drills bringing awareness and preparation to law enforcement personnel to effectively serve individuals with disabilities in the event of emergency.

### **Valiant Volunteer: Trey Hall - 12th grade, Antioch High School, Antioch, CA**

Trey has used his creativity entertaining the student body of Antioch High School while being filmed by the National Bleacher Report for a Mannequin Challenge. He is a scholar athlete who has also put in many hours being involved in Peer Mediation, Rally Coordinator, Tobacco Use Prevention Education, National Coalition Building Institute, and the Buddy Club. When he is not on campus, Trey can often be found at the Antioch Community Center mentoring other young men or at the First Baptist Church Head Start Program where he has volunteered more than 240 hours strengthening very young children's love of learning. As a "Careers in Teaching" student, Trey has put in 90+ hours assisting, researching and studying the various aspects of child development, health and safety and classroom management techniques. As Trey continues to learn these skills, he is already applying them while assisting with the P.E. Program at Marsh Elementary School. Trey genuinely cares for his community, is universally loved, and respected on and off campus by all.

### **Good Samaritan: Shreejal Luitel - 9th grade, Middle College High School, San Pablo, CA**

Shreejal is an extremely bright, kind and caring individual who is always interested in the wellbeing of the staff and patrons at the San Pablo Library where he volunteers. Shreejal is always eager to help in any capacity volunteering at the library, where his tasks range from shelving books to working as a computer docent helping customers with various needs. Once a patron at the library inquired about tutoring for his son, and Shreejal offered to volunteer as a tutor. Although he was offered payment, Shreejal refused and continues to tutor on a weekly basis. Shreejal is an active leader in the library's Teen Advisory group where he is instrumental in helping to create youth programs and reaching out to the community. He earns top marks at Middle College High School taking high school courses simultaneously with college classes in order to earn an Associate of Arts degree while still completing the requirements for his High School Diploma. Shreejal's ambitions are to attend Harvard to become a computer programmer. His desire is to be able to care for his family in Nepal and he is willing to put in the work to make sure it happens.

*Honorees continued on next page...*

## *Youth Hall of Fame, 2017 Honorees*

### **Creative Leader: Vicente Mancía - 10th grade, De Anza High School, Richmond, CA**

Vicente has been participating in events in San Pablo since he was in elementary school. These experiences gave him the desire to give back to his community, which he has been doing since 2015 when he joined the San Pablo Youth Commission. As a member of the San Palo Youth Commission, Vicente uses his creativity to help recruit new members, promote the Youth Commission and most notably to plan the San Pablo Youth Commissions Youth Summit 2015. He enjoyed his role in raising awareness of Childhood Obesity and Prevention so much he landed the role of MC of the Youth Summit 2016. Representatives from the West Contra Costa County Unified School District were amazed at his presence and offered him two internships at their summer camps. A stellar student, Vicente continues to be an active member of the San Pablo Youth Commission while juggling many activities including San Pablo Cowboy's Football, the Leadership in Training Program, a member of the Friends of the San Pablo Library and an participant in San Pablo's Teen Lounge Program. Vicente has established himself as a recognized youth leader and we know he will continue to grow and lead in the years to come.

### **Team Work: Sarah Nunnink - 12th grade, Heritage High School, Brentwood, CA**

Sarah is a vibrant unique young lady with an outstanding personality. Sarah was very shy and somewhat overweight in her early childhood, which was the foundation for her exemplary contributions to our community and therefore world. She has blossomed into an active student at Heritage High School's Rally Squad, a member of the campus Safety Committee, the Investment Club, the Chinese Club and even the choir. She has received academic honors with the Principal's Honor Roll, the National Honor Society, and California Scholarship Federation—just to name a few. Her love of animals led Sarah to become a teen volunteer with Tony La Russa's Animal Rescue Foundation. Her love of people has reached far beyond the borders of her local community. As part of the Caracol Project, Sarah is Teen Ambassador for Soles4Souls where she actively promoted and collected 600+ pairs of shoes and fundraised over \$3,600 for Costa Rica Missions that distributed 2000 pairs of shoes to people of all ages. Her position as Varsity Cheer Captain and the back-base is symbolic to her achievements requiring strength, dedication, perseverance and a team effort at all times. Her energy is amazing!

## *Sponsors*

CONTRA COSTA COUNTY BOARD OF SUPERVISORS

CONTRA COSTA HEALTH SERVICES DEPARTMENT

CONTRA COSTA EMPLOYMENT & HUMAN SERVICES DEPARTMENT

CONTRA COSTA PUBLIC WORKS DEPARTMENT

IBEW LOCAL UNION 302

## *Acknowledgements*

*Arts & Culture Commission of Contra Costa County*

CATERING: *Los Panchos Restaurant*

DISPLAY: *Raymond Martinez*

FLOWERS: *Gracie Lerma, Public Defender's Office*

POSTER DESIGN / FLYER / PROGRAM DESIGN: *Vien Tran*

PUBLIC WORKS: *Print & Mail*

VISUAL SUPPORT SERVICES: *CCTV*

SET-UP: *Rey Torralba, Clerk-Recorder-Elections*



Diane Burgis  
Supervisor District III

Karen Mitchoff  
Supervisor District IV

Federal D. Glover  
Supervisor District V

John Gioia  
Supervisor District I

Candace Andersen  
Supervisor District II

CONTRA COSTA COUNTY BOARD OF SUPERVISORS

## 2017 Cesar E. Chavez Committee

### PUBLIC DEFENDER'S OFFICE

*Robin Lipetzky*  
*Gracie Lerma*

### CLERK-RECORDER-ELECTIONS

*Melissa Hickok*  
*Eren Mendez*

### COUNTY ADMINISTRATOR'S OFFICE

*Nancy Yee*

### BOARD OF SUPERVISOR'S

*Sonia Bustamante*

### EMPLOYMENT AND HUMAN SERVICES DEPARTMENT

*Amrita Kaur*  
*Teresa Gonzalez*  
*Erica Ellis*

### CONSERVATION & DEVELOPMENT

*Trish Dominguez*

### HEALTH SERVICES

*Lorena Barajas*  
*Monica Gutierrez*  
*Bryan Thomas*

### OFFICE OF THE SHERIFF

*Steve Borbely*

### PUBLIC WORKS

*Carlos Velasquez*  
*Cicelia McGee*

### CONTRA COSTA COUNTY LIBRARY

*Melinda S. Cervantes*



*“We need to help students and parents cherish and preserve the ethnic and cultural diversity that nourished and strengthens this community – and this nation.”*

*Cesar Chavez*

---

*Thank  
you  
for  
Attending*

---



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: Construction Contracts for the 2017 On-Call Concrete Services Contract(s) for Various Road and Flood Control Maintenance Work, Countywide.

---

**RECOMMENDATION(S):**

- (1) APPROVE the specifications for the 2017 On-Call Concrete Services Contract(s) for Various Road and Flood Control Maintenance Work Project, Countywide. (All Districts)
- (2) DETERMINE that Kerex Engineering, Inc. (Kerex), the lowest monetary bidder, has complied with the project specifications, and FURTHER DETERMINE that Kerex has submitted the lowest responsive and responsible bid for the contract.
- (3) DETERMINE that Sposeto Engineering, Inc. (Sposeto), the second lowest monetary bidder, has complied with the requirements of the project specifications, and FURTHER DETERMINE that Sposeto has submitted the second lowest responsive and responsible bid for the contract.
- (4) AWARD on-call contracts to the following two contractors in the following priority for Job Orders, as provided in the project specifications:
  - (A) Kerex, in a not to exceed amount (\$150,000.00) and the unit prices submitted in the bid (\$60,255.00 Total Unit Price).
  - (B) Sposeto, in a not to exceed amount (\$150,000.00) and the unit prices submitted in the bid (\$61,936.00 Total Unit Price).
- (5) DIRECT that the

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Kevin Emigh,  
925.313.2233

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

RECOMMENDATION(S): (CONT'D)

Public Works Director, or designee, shall prepare the contracts.

(6) ORDER that after the contractors have signed the contracts and returned them, together with any required certificates of insurance and other required documents, and the Public Works Director has reviewed and found them to be sufficient; the Public Works Director, or designee, is authorized to sign the contracts for this Board.

(7) ORDER that, the Public Works Director, or designee, is authorized to sign any escrow agreements prepared for this project to permit the direct payment of retentions into escrow or the substitution of securities for moneys withheld by the County to ensure performance under the contract, pursuant to Public Contracts Code Section 22300.

(8) DELEGATE, pursuant to Public Contract Code Section 4114, to the Public Works Director, or designee, the Board's functions under Public Contract Code Sections 4107 and 4110.

(9) DECLARE that, should the award of the contract to Kerex or Sposeto be invalidated for any reason, the Board would not in any event have awarded the contracts to any other bidder, but instead would have exercised its discretion to reject all of the bids received. Nothing in this Board Order shall prevent the Board from re-awarding the contract to another bidder in cases where the successful bidder establishes a mistake, refuses to sign the contract, or fails to furnish required bonds or insurance (see Public Contract Code Sections 5100-5107).

FISCAL IMPACT:

The contracts, for a maximum amount of \$150,000 each, will be funded by 100% Local Road and Flood Control Funds.

BACKGROUND:

The above project was previously approved by the Board of Supervisors, specifications were filed with and approved by the Board, and bids were invited by the Public Works Director. On March 7, 2017 the Public Works Department received bids from the following contractors:

BIDDER, TOTAL UNIT AMOUNT

Kerex Engineering, Inc.: \$60,255.00 Total Unit Price

Sposeto Engineering, Inc.: \$61,936.00 Total Unit Price

JD Partners Concrete: \$70,725.00 Total Unit Price

CC & Company: \$89,380.00 Total Unit Price

Kerex submitted the lowest responsive and responsible bid, which is \$1,681.00 (Total Unit Price) less than the next lowest bid.

Sposeto submitted the second lowest responsive and responsible bid, which is \$8,789.00 (Total Unit Price) less than the next lowest bid.

The Public Works Director has reported that the bids submitted by Kerex and Sposeto comply with the requirements provided in the project specifications, and recommends that contracts be awarded to Kerex and Sposeto in that order. The Public Works Director recommends that the bids submitted by Kerex and Sposeto are the lowest responsive and responsible bids and this Board so concurs and finds. As provided in the project specifications, the two on-call contracts would be awarded in the following priority for Job Orders: (1) Kerex; and (2) Sposeto.

The general prevailing rates of wages, which shall be the minimum rates paid on this project, have been filed with the Clerk of the Board, with copies to be made available to any party upon request.

CONSEQUENCE OF NEGATIVE ACTION:

The Public Works Department may be unable to complete routine road and flood control maintenance work in a timely manner.



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: APPROVE the third extension of the Subdivision Agreement for subdivision SD04-08918, Bay Point area.

---

**RECOMMENDATION(S):**

ADOPT Resolution No. 2017/100 approving the third extension of the Subdivision Agreement for subdivision SD04-08918, for a project being developed by Thomas/DeNova, LLC, as recommended by the Public Works Director, Bay Point area. (District V)

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

The terminal date of the Subdivision Agreement needs to be extended. The developer has not completed the required improvements and has requested more time. Approximately 70% of the work has been completed to date. By granting an extension, the County will give the developer more time to complete his improvements and keep the bond current.

**CONSEQUENCE OF NEGATIVE ACTION:**

The terminal date of the Subdivision Agreement will not be extended and the developer will be in default of the agreement, requiring the County to take legal action against the developer and surety to get the improvements installed, or revert the development to acreage.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Jocelyn LaRocque, (925)  
313-2315

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Jocelyn LaRocque, Sherri Reed, Thomas/DeNova, LLC, Developers Surety & Indemnity Company

ATTACHMENTS

Resolution No. 2017/100

Subdivision Agreement

Extension

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

**AYE:**   
**NO:**   
**ABSENT:**   
**ABSTAIN:**   
**RECUSE:**



**Resolution No. 2017/100**

IN THE MATTER OF approving the third extension of the Subdivision Agreement for subdivision SD04-08918, for a project being developed by Thomas/DeNova, LLC, as recommended by the Public Works Director, Bay Point area. (District V)

WHEREAS, the Public Works Director, having recommended that she be authorized to execute the third agreement extension which extends the Subdivision Agreement between Thomas/DeNova, LLC and the County for construction of certain improvements in SD04-08918, Bay Point area, through September 19, 2017.

APPROXIMATE PERCENTAGE OF WORK COMPLETE: 70%

ANTICIPATED DATE OF COMPLETION: 2021

BOND NO: 720962S

DATE: August 18, 2006

REASON FOR EXTENSION: Work to commence upon market improvement.

NOW, THEREFORE, BE IT RESOLVED that the recommendation of the Public Works Director is APPROVED.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: Jocelyn LaRocque, (925) 313-2315**

**ATTESTED: March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:** Jocelyn LaRocque, Sherri Reed, Thomas/DeNova, LLC, Developers Surety & Indemnity Company



# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

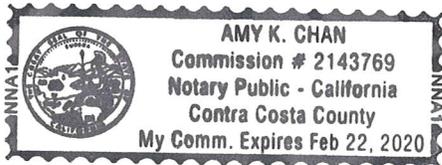
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  }

County of Contra Costa

On March 3, 2017 before me, Amy K. Chan, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared John J. Daley  
Name(s) or Signer(s)

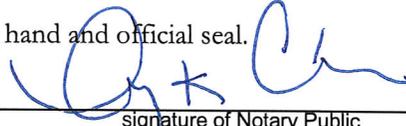


Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature   
signature of Notary Public

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document*

### Description of Attached Document

Title or Type of Document Bond Number: 720962S

Document Date: March 3, 2017 Number of Pages: One(01)

Signer(s) Other Than Named Above! N/A

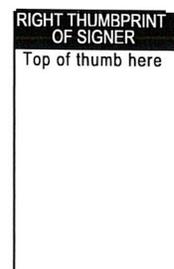
### Capacity(ies) Claimed by Signer(s)

Signer's Name: John J. Daley  
 Individual  
 Corporate Officer --Title(s): \_\_\_\_\_  
 Partner  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_  
Developers Surety and  
Indemnity Company

Signer's Name: \_\_\_\_\_  
 Individual  
 Corporate Officer --Title(s): \_\_\_\_\_  
 Partner  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**POWER OF ATTORNEY FOR  
DEVELOPERS SURETY AND INDEMNITY COMPANY  
INDEMNITY COMPANY OF CALIFORNIA  
PO Box 19725, IRVINE, CA 92623 (949) 263-3300**

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

\*\*\*John J. Daley, Kenneth J. Goodwin, Linda Byas-Barnett, jointly or severally\*\*\*

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this January 29, 2015.

By: *Daniel Young*  
Daniel Young, Senior Vice-President

By: *Mark Lansdon*  
Mark Lansdon, Vice-President



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Orange

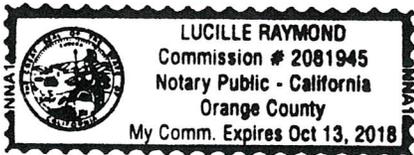
On January 29, 2015 before me, Lucille Raymond, Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared Daniel Young and Mark Lansdon  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Lucille Raymond*  
Lucille Raymond, Notary Public



Place Notary Seal Above

**CERTIFICATE**

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 3<sup>RD</sup> day of March, 2017

By: *Cassie J. Berrisford*  
Cassie J. Berrisford, Assistant Secretary

# CALIFORNIA CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Contra Costa )

On Jan 31, 2017 before me, Patricia Miller, Notary Public  
(here insert name and title of the officer)

personally appeared Steven P. Thomas

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Patricia Miller



(Seal)

## Optional Information

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of \_\_\_\_\_

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

- Individual(s)  
 Attorney-in-Fact  
 Corporate Officer(s) \_\_\_\_\_ Title(s)

- Guardian/Conservator  
 Partner - Limited/General  
 Trustee(s)  
 Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

### Additional Information

#### Method of Signer Identification

Proved to me on the basis of satisfactory evidence:  
 form(s) of identification  credible witness(es)

Notarial event is detailed in notary journal on:  
Page # \_\_\_\_\_ Entry # \_\_\_\_\_

Notary contact: \_\_\_\_\_

#### Other

- Additional Signer(s)  Signer(s) Thumbprint(s)  
 \_\_\_\_\_

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

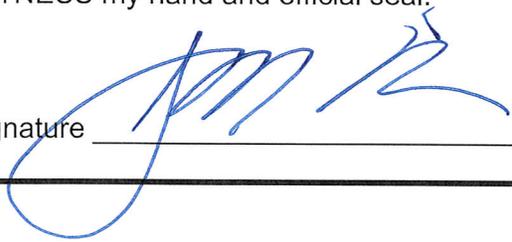
State of California  
County of Contra Costa)

On 2/13/17 before me, Jessica Moraes, Notary Public  
(insert name and title of the officer)

personally appeared Dave Sanson,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 

(Seal)





Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: ACCEPT the 2016 Annual Report for the Iron Horse Corridor Advisory Committee, District II and IV

---

**RECOMMENDATION(S):**

ACCEPT the 2016 Annual Report for the Iron Horse Corridor Advisory Committee, as recommended by the Public Works Director, Concord, Pleasant Hill, Walnut Creek, Alamo, Danville, and San Ramon (Dougherty Valley) areas.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

On June 18, 2002, the Board of Supervisors adopted Resolution No. 2002/377, which requires that each regular and ongoing board, commission or committee shall annually report to the Board of Supervisors on its activities accomplishments, membership, attendance, required training/certification (if any), and proposed work plan or objectives for the following year. The attached report fulfills this requirement for the Iron Horse Corridor Advisory Committee.

**CONSEQUENCE OF NEGATIVE ACTION:**

This committee will not be in compliance with Resolution No. 2002/377.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Angela Villar, (925)  
313-2016

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Angela Villar, Transportation Engineering, Carrie Ricci, Deputy Director

ATTACHMENTS

Iron Horse Corridor Advisory Committee.2016

# Iron Horse Corridor Advisory Committee 2016 Annual Report

**Advisory Body Name:** Iron Horse Corridor (IHC) Advisory Committee

**Advisory Body Meeting Time/Locations:**

Committee meets quarterly at 4:30 p.m., Brookside Clubhouse, Concord, CA 94520

**Chair:** Chris Learned

**Staff Person:** Angela Villar

**Reporting Period:** January 2016 through December 2016

**Activities**

The Committee met three times between January 1, 2016 and December 31, 2016. The Committee reviewed and commented on two landscaping and rest area projects, and monitored the IHC Trust Fund financials. The committee also developed and adopted Wayfinding Guidelines for the IHC.

**Meeting and Working Session Attendance/Representation**

<u>Representative</u>	<u>Name(s)</u>	<u>Attendance</u>
District II At-Large	Robert Combs	67% - 2 meetings
District IV At-Large	Andrew Bryant	100% - 3 meetings
Alamo	Vacant	N/A
Concord	Rosanne Nieto	33% - 1 meetings
Danville	Stewart Proctor	67% - 2 meetings
EBRPD	Dan Cunning	100% - 3 meetings
Pleasant Hill	Chris Learned	100% - 3 meetings
San Ramon	David Hudson/Harry Sachs	67% - 2 meetings
Walnut Creek	Lesley Hunt	67% - 2 meetings

**Training/Certification**

A training was held in 2014.

## **Work Program for 2016**

### **Iron Horse Corridor Advisory Committee**

#### **Task 1: Review and comment on tree planting requests**

In 2010 and 2011, the Board of Supervisors approved the new Tree Planting and Preservation Policy for the Iron Horse Corridor. Staff anticipates requests from tree planting sponsors to implement new tree planting projects. The committee will review and make recommendations on new tree planting requests.

Suggested completion date: ongoing as requests are made

#### **Task 2: Continue to review and comment on the Adopt-the-Corridor Program**

The committee will receive periodic updates on the Adopt-the-Corridor Program as projects are proposed and will be asked to provide feedback and suggestions on ways to improve/streamline the program. The committee will also be asked to assist with turnkey projects and approve those volunteer projects which have proceeded in accordance with the Adopt-the-Corridor Program.

Suggested completion date: ongoing project review as projects are proposed

#### **Task 3: Review and comment on the Iron Horse Corridor Budget**

The committee receives a quarterly update of Iron Horse Corridor Trust Fund revenues and expenditures. The committee will review the budget and make recommendations.

Suggested completion date: ongoing

#### **Task 4: Review and comment on Project Status Log**

The committee receives a log of active projects in the Iron Horse Corridor and their status at quarterly advisory committee meetings. The committee will review the log and provide comments.

Suggested completion date: ongoing

#### **Task 5: Review and comment on major projects affecting the Iron Horse Corridor**

The committee will be asked to review major projects that affect or potentially affect the Iron Horse Corridor. Recent examples include the landscaping improvements for the Hookston Landscape Project and the Hemme Station Park Project. All of these projects were brought to the Committee for comment in the last year. Projects which will have a major impact on the Corridor will continue to be brought to the committee for review and input.

Suggested completion date: ongoing as needed

#### **Task 6: Directional Signage**

The Public Information Element was approved by the Board of Supervisors in 2010. This element included recommendations for signage along the Iron Horse Corridor to provide relevant information to the public. Over the last few years, the committee has discussed different types of signage and costs associated with implementation and maintenance of the signage. In August 2016, the committee approved Wayfinding Guidelines for the Iron Horse Corridor. Projects to install wayfinding signage will be brought to the committee for review and input.

Suggested completion date: ongoing as needed



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: APPROVE the Stormwater Management Facilities Operation and Maintenance Agreement for subdivision SD14-09367, Rodeo area.

---

**RECOMMENDATION(S):**

ADOPT Resolution No. 2017/104 approving the Stormwater Management Facilities Operation and Maintenance Agreement for subdivision SD14-09367, for a project being developed by Michael McGhee, as recommended by the Public Works Director, Rodeo area. (District V)

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

The Stormwater Management Facilities Operation and Maintenance Agreement is required by Condition of Approval No. 53.

**CONSEQUENCE OF NEGATIVE ACTION:**

The agreement will not be recorded and Contra Costa County may not be in full compliance with its National Pollutant Discharge Elimination System (NPDES) permit and Stormwater Management Discharge Control Ordinance.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Jocelyn LaRocque, (925) 313-2315

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Resolution No. 2017/104

Stormwater Management Facilities Operation&Maintenance  
Agreement

Recorded at the request of: Jocelyn LaRocque, (925) 313-2315

Return To: Naila Thrower, 925-313-2170

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA  
and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

AYE:

NO:

ABSENT:

ABSTAIN:

RECUSE:

Resolution No. 2017/104

IN THE MATTER OF approving the Stormwater Management Facilities Operation and Maintenance Agreement for subdivision SD14-09367 (APN 357-140-036), Rodeo area. (District V)

WHEREAS the Public Works Director has recommended that she be authorized to execute the Stormwater Management Facilities Operation and Agreement with Michael McGhee, as required by the Conditions of Approval for subdivision SD14-09367. This agreement would ensure the operation and maintenance of the stormwater facilities in accordance with the approved Stormwater Control Plan and approved Operation and Maintenance Plan for subdivision SD14-09367, which is located at 509 Parker Avenue in the Rodeo area.

NOW, THEREFORE, BE IT RESOLVED that the recommendation of the Public Works Director is APPROVED.

Contact: Jocelyn LaRocque, (925) 313-2315

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: **March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

**Recording Requested By:  
COUNTY OF CONTRA COSTA**

**When Recorded, Return To:  
COUNTY OF CONTRA COSTA  
Contra Costa County Public Works Department  
Attn: County Watershed Program  
255 Glacier Drive  
Martinez, CA 94553**

---

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

**Document Title**

**COUNTY OF CONTRA COSTA**

**COVENANT RUNNING WITH THE LAND,  
STORMWATER MANAGEMENT FACILITIES OPERATION  
AND MAINTENANCE AGREEMENT, AND RIGHT OF ENTRY**

**PROJECT: SD14-9367**

**PROPERTY OWNER(S): Michael McGhee**

**ASSESSOR'S PARCEL NUMBER(S): 357-140-036**

**COVENANT RUNNING WITH THE LAND,  
STORMWATER MANAGEMENT FACILITIES  
OPERATION AND MAINTENANCE AGREEMENT,  
AND RIGHT OF ENTRY**

This Covenant Running with the Land, Stormwater Management Facilities Operation and Maintenance Agreement, and Right of Entry ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between Michael McGhee and the County of Contra Costa, a political subdivision of the State of California.

**DEFINITIONS**

The following terms used in this Agreement have the meanings specified below:

**County:** The term "**County**" means the County of Contra Costa and its authorized officers, agents, and employees.

**County Engineer:** The term "**County Engineer**" means the Public Works Director for the County or his/her designee.

**Lot:** The term "**Lot**" and "**Lots**" means the individual lots or parcels shown on the Map.

**Map:** The term "**Map**" means the final map or parcel map of the Project filed in the Official Records of the Contra Costa County Recorder.

**Maintain:** The terms "**maintain,**" "**maintained,**" or "**maintenance**" mean taking all actions reasonably necessary to keep the Stormwater Facilities in first-class operation, condition, and repair, as described in the Stormwater Control Plan and the Operation and Maintenance Plan, which actions include but are not limited to annual inspection and reporting, painting, cleaning, refinishing, repairing, replacing, and reconstructing the Stormwater Facilities, the payment of any applicable County fees, and in the case of landscaping, plant replacement, mulch replacement, irrigating, trimming, mowing, and fertilizing the landscaping.

**NPDES Permit:** The term "**NPDES Permit**" means the National Pollutant Discharge Elimination System (NPDES) Permit No. CAS612008 issued to the County and other co-permittees by the San Francisco Regional Water Quality Control Board, as amended, and as may be superseded by subsequent NPDES permits that are issued from time to time.

**Operation and Maintenance Plan:** The term "**Operation and Maintenance Plan**" means the Stormwater Control Operation and Maintenance Plan for the Property prepared by CaliChi Design Group, LLC, and deemed consistent with the Ordinance by the County, which may only be modified when, upon written application for such changes, the County Engineer, in his/her sole discretion, provides written consent to such changes. The Operation and Maintenance Plan and any approved changes are on file at the County Public Works Department.

**Ordinance:** The term "**Ordinance**" means Division 1014 of Title 10 of the Contra Costa County Code (Stormwater Management and Discharge Control), as may be amended from time to time.

**Project:** The term "**Project**" means SD14-9367, which is being developed on the Property by the Property Owner.

**Property:** The term "**Property**" means that real property, including all Lots, shown on the Map and described in Exhibit A attached to this Agreement.

**Property Owner:** The terms "**Property Owner**" and "**Property Owners**" mean Michael McGhee, and all heirs, successors, executors, administrators, and assigns of any interest in the Property, it being the intent of the parties that the obligations under this Agreement, as provided in Civil Code Section 1468, run with the Lots shown on the Map.

**Stormwater Control Plan:** The term "**Stormwater Control Plan**" means the Stormwater Control Plan prepared by BW Design & Engineering, LLC and deemed consistent with the Ordinance by the County, which may only be modified when, upon written application for such changes, the County Engineer, in his/her sole discretion, provides written consent to such changes. The Stormwater Control Plan and any approved changes are on file at the County Public Works Department.

**Stormwater Facilities:** The term "**Stormwater Facilities**" means the permanent stormwater management facilities and appurtenant design features located and constructed on the Property, as described in the Stormwater Control Plan and/or the Operation and Maintenance Plan.

## RECITALS

This Agreement is made and entered into with reference to the following facts:

- A. The Property Owner is the owner of the Property and intends to develop the Property with impervious surfaces.
- B. The County is the owner of Parker Avenue and associated storm drains that are in the vicinity of the Property, and the County is required to ensure that stormwater runoff from the Property meets the requirements of the NPDES Permit.
- C. To meet its obligations under the NPDES Permit, the County has required the Property Owner to construct the Stormwater Facilities.
- D. To meet its obligations under the NPDES Permit, the County has approved the Property Owner's Operation and Maintenance Plan and the Stormwater Control Plan for the Stormwater Facilities.

- E. To meet the County's obligations under the NPDES Permit, the County's Ordinance requires proper operation and maintenance in perpetuity of the Stormwater Facilities constructed on the Property.
- F. The Operation and Maintenance Plan and/or the Stormwater Control Plan include an annual inspection and reporting requirement and a continuing maintenance requirement for the Stormwater Facilities constructed on the Property.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the above premises, the sufficiency of which is acknowledged, the mutual covenants contained in this Agreement, and the following terms and conditions, the County and the Property Owner agree as follows:

### **SECTION 1**

**Responsibility for Operation and Maintenance:** The Property Owner represents and warrants that the Stormwater Facilities have been designed and installed in strict accordance with the Stormwater Control Plan, the Operation and Maintenance Plan, and the Ordinance. No portion of the Stormwater Facilities may be altered in any manner that is inconsistent with the Stormwater Control Plan or the Operation and Maintenance Plan without the prior, written consent of the County Engineer. The Property Owner shall continuously maintain the Stormwater Facilities in first-class operating condition, in strict accordance with the Stormwater Control Plan, the Operation and Maintenance Plan, and the Ordinance, and in compliance with all applicable federal, state, and local laws and regulations, as they may be amended from time to time.

The Property Owner shall engage a licensed landscape contractor or other licensed professional acceptable to the County Engineer to undertake the following maintenance activities on the Property, unless the Property Owner receives prior, written approval of an alternative method from the County Engineer:

1. Diagnosis and correction of the Stormwater Facilities malfunctions that cannot be corrected through routine maintenance,
2. Application of fertilizer and/or pest control products within, under, or above the Stormwater Facilities,
3. Repair of private drainage system (including rain gutters, downspouts, area drains, risers, inlets, outlets, overflows, clean-outs, connectors, earthen and concrete conveyance swales, check dam/retaining walls, and catch basins),
4. Maintenance of irrigation system that may affect stormwater reaching the Stormwater Facilities,
5. Modification of site topography through yard and driveway grading that may affect stormwater reaching the Stormwater Facilities,
6. Subdrain cleaning/replacement (including perforated drain pipe), and
7. Replacement of engineered soil and mulch.

The County Engineer may, at any time, revoke approval of an alternate method for the maintenance of the Stormwater Facilities and require the Property Owner to hire a licensed landscape contractor or other licensed professional acceptable to the County Engineer to undertake any of the activities mentioned in this section.

If a dispute should arise between the Property Owner with respect to the necessity for maintenance, the standard of maintenance, the contractor(s) to be engaged to perform any repair or maintenance work, or any other matters pertaining to the operation or maintenance of the Stormwater Facilities, the dispute may be submitted to the County Engineer, in which case the decision of the County Engineer shall be final.

The County recognizes that the Operation and Maintenance Plan may provide for the allocation of Property Owner responsibilities for the maintenance of Stormwater Facilities located on various Lots. However, regardless of the allocation of maintenance responsibilities, the Property Owner of each Lot is responsible for compliance with all of the obligations contained in this Agreement, and all Property Owners will be jointly and severally liable for failure to comply with the terms and conditions set forth in this Agreement and in the Ordinance.

The County may require the Property Owner to amend the Stormwater Control Plan and/or the Operation and Maintenance Plan whenever the County deems amendments necessary to maintain compliance with the NPDES Permit. In that case, the Property Owner shall have the amendments prepared by a licensed engineer and promptly submit the amendments to the County Engineer for review and approval. All amendments proposed by the Property Owner are subject to the prior, written approval of the County Engineer. Whenever the Property Owner requests amendments to the Stormwater Control Plan and/or the Operation and Maintenance Plan, the Property Owner shall pay the County in advance for all staff time spent reviewing and taking action with respect to such request, whether or not the County Engineer approves the proposed amendments. All approved amendments to the Stormwater Control Plan and the Operation and Maintenance Plan will be kept on file at the County Public Works Department. The Property Owner shall promptly comply with all requirements of the Stormwater Control Plan and the Operation and Maintenance Plan, including any approved amendments.

**SECTION 2**

**Inspection by Property Owner:** The Property Owner shall inspect, at least annually, the Stormwater Facilities in accordance with this Agreement, including the requirements of the Operation and Maintenance Plan, the Stormwater Control Plan, and the Ordinance. The annual inspection shall include completion of the reporting form(s) required by the County, which form(s) will be provided annually to the Property Owner by the County. The Property Owner or a licensed landscape contractor or other licensed professional acceptable to the County Engineer must submit the reporting form(s) to the County Engineer no later than the deadline indicated on the form(s). Upon review, the County may require additional information from either the Property Owner or an appropriately-licensed contractor.

### SECTION 3

**Right of Entry and Stormwater Facilities Inspection by the County:** The Property Owner hereby grants permission to the County and its contractors and other agencies with an interest in the Stormwater Facilities, such as the Contra Costa County Flood Control and Water Conservation District, the Contra Costa Mosquito and Vector Control District, and the Regional Water Quality Control Board, to enter upon the Property at any reasonable time to inspect, assess, or observe the Stormwater Facilities for the purpose of ensuring that the Stormwater Facilities are being properly maintained and are continuing to perform in an adequate manner to protect water quality and the public health and safety. This includes the right to enter upon the Property whenever the County or other agency has a reasonable basis to believe that a violation of this Agreement, the Operation and Maintenance Plan, the Stormwater Control Plan, the Ordinance, or the NPDES Permit has occurred or is threatening to occur. It also includes the right for the County and its contractors to enter upon the Property to perform any maintenance or other obligations required of the Property Owner under this Agreement or to abate any nuisance in connection with the Stormwater Facilities. The County and the other agencies shall endeavor to provide reasonable notice to the Property Owner before entering the Property.

### SECTION 4

**Failure to Perform Required Stormwater Facilities Repairs or Maintenance by the Property Owner:** If the Property Owner fails to maintain the Stormwater Facilities in good working order and in accordance with the approved Operation and Maintenance Plan, the Stormwater Control Plan, and the Ordinance, the County, with prior notice, may enter the Property to return the Stormwater Facilities to good working order. The County is under no obligation to maintain or repair the Stormwater Facilities, and this Agreement may not be construed to impose any such obligation on the County. If the County, under this section, performs any work to return Stormwater Facilities to good working order, the Property Owner shall reimburse the County for all the costs incurred by the County, including administrative costs. The County will provide the Property Owner with an itemized invoice of the County's costs and the Property Owner will have 30 days to pay the invoice. If the Property Owner fails to pay the invoice within 30 days, the County may secure a lien against the Property in the amount of such costs. In addition, the County may make the cost of abatement of the nuisance caused by the failure to maintain the Stormwater Facilities a special assessment against the Property, which assessment may be collected on the tax roll in accordance with applicable law. This section does not prevent the County from pursuing other remedies against the Property or the Property Owner, including but not limited to those in the Ordinance and the nuisance abatement procedures in Division 14 of Title 1 (or successor provisions) of the Contra Costa County Ordinance Code.

If the Property Owner fails to maintain the Stormwater Facilities in accordance with this Agreement, the Operation and Maintenance Plan, the Stormwater Control Plan, or the Ordinance, the Property Owner shall be responsible for: (a) the costs of any code enforcement or nuisance abatement actions commenced by the County; and (b) the payment of, or reimbursement to the County for, any fines or penalties that may be levied against the County by the Regional Water Quality Control Board or any other regulatory agency, to the extent that the fines or penalties result from the Property Owner's failure to properly maintain the Stormwater Facilities. The County may recover such costs, fines, or penalties from the Property Owner in the same manner as provided in the preceding paragraph.

## SECTION 5

**Indemnity:** The Property Owner agrees to defend, indemnify, save, and hold harmless the County and its governing board from any and all demands, losses, claims, costs, suits, liabilities, and expenses for any property damage, personal injury, or death arising directly or indirectly from or connected with the design, construction, use, operation or maintenance of the Stormwater Facilities by the Property Owner or the presence or existence of the Stormwater Facilities on the Property, except for claims, costs, or liabilities resulting from the sole negligence or sole willful misconduct of the County. The Property Owner's obligations under this section shall include the payment of penalties, fines, attorneys' fees, experts' fees, costs, and litigation expenses, as well as liability for the release or existence of any hazardous materials on, under, or in the Property. If any action or proceeding is brought against any of the indemnitees, the Property Owner shall reimburse the indemnitees for any expenditures, including reasonable attorneys' fees and costs, incurred by the indemnitees and, if requested by any of the indemnitees, shall defend the action or proceeding at the Property Owner's sole expense with counsel reasonably acceptable to the indemnitees.

## SECTION 6

**Covenant Running with the Land:** The covenants of the Property Owner set forth above shall run with the land, and the burdens of the covenants shall be binding upon each and every part of the Property and the Lots and upon the Property Owner and the Property Owner's successors and assigns in ownership (on any interest in the Property) for the benefit of Parker Avenue and associated storm drain(s) and each and every part thereof. Said covenants shall inure to the benefit of and be enforceable by the County and its successors and assigns in ownership of each and every part of the above referenced road(s) and storm drains.

## SECTION 7

**Severability:** Invalidation of any one of the provisions of this Agreement shall in no way affect any other provisions and all other provisions shall remain in full force and effect.

## SECTION 8

**No Dedication for Public Use:** The provisions of this Agreement shall not be construed to constitute a dedication for public use, either express or implied, and any actions by the County to enforce this Agreement, including without limitation code enforcement or nuisance abatement actions, shall not be deemed to involve the exercise by the County of dominion or control over the Stormwater Facilities or the Property.

## SECTION 9

**Notices:** All notices required by this Agreement or by law shall be in writing and shall be delivered in person or sent by certified mail, postage pre-paid.

Notices required to be given to the County shall be addressed as follows:

Contra Costa County Public Works Department  
Attention: County Watershed Program  
255 Glacier Drive  
Martinez, CA 94553

Notices required to be given to the Property Owner, including any heirs, successors, or assigns, will be sent to the mailing address for the Property Owner that is on file with the Contra Costa County Assessor. The Property Owner may request in writing that notices be sent to an additional address.

Any party may change its address or contact person by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address and/or new contact person.

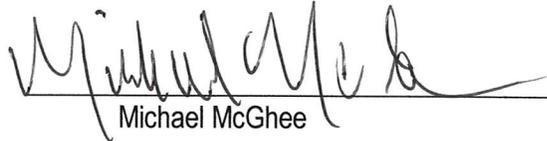
**SECTION 10**

**Effective Date and Modification:** This Agreement is effective upon the date stated at the beginning of this Agreement. This Agreement shall not be modified except by written instrument executed by the County and the Property Owner at the time of modification. Such modifications shall be effective upon the date of execution and shall be recorded.

**County of Contra Costa**

**Property Owner**

By: \_\_\_\_\_  
Julia R. Bueren, Public Works Director

  
\_\_\_\_\_  
Michael McGhee

RECOMMENDED FOR APPROVAL:

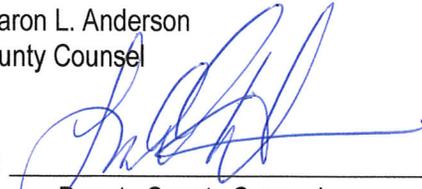
Julia R. Bueren, Public Works Director

[Note: All Property Owner signatures must be notarized.]

By:   
\_\_\_\_\_  
Deputy Director

APPROVED AS TO FORM:

Sharon L. Anderson  
County Counsel

By:   
\_\_\_\_\_  
Deputy County Counsel

Attachments: Exhibit A (Legal Description)  
Exhibit B (Plat)  
Acknowledgment

## EXHIBIT A

The land referred to is situated in the unincorporated area of the County of Contra Costa, State of California, and is described as follows:

Beginning at a point on the Westerly line of Block B of the said Town of Rodeo, as delineated on the Map of said Town of Rodeo, now on file in the Office of the County Recorder of the County of Contra Costa, State of California, distant thereon 400 feet Northerly from the intersection of the Westerly line of said Block B. with the Southerly line of said Block B.; thence Northerly along the Westerly line of said Block B. 100 (One Hundred feet) to a point; thence at right angle Easterly and parallel with the Southerly line of said Block B. 410 (Four Hundred and Ten) feet to a point thence at right angle Southerly and parallel with the Westerly line of said Block B. 100 (One Hundred) feet to a point; thence at right angle Westerly and parallel with the Southerly line of said Block B 410 (Four Hundred and Ten) feet to the place of beginning.

EXCEPTING THEREFROM:

Any portion lying within that portion as granted in the Deed to Contra Costa County Flood Control and Water Conservation District, recorded October 18, 1965 in Book 4974, Page 148 of Official Records.

APN: 357-140-036



*Michael J. Foster*

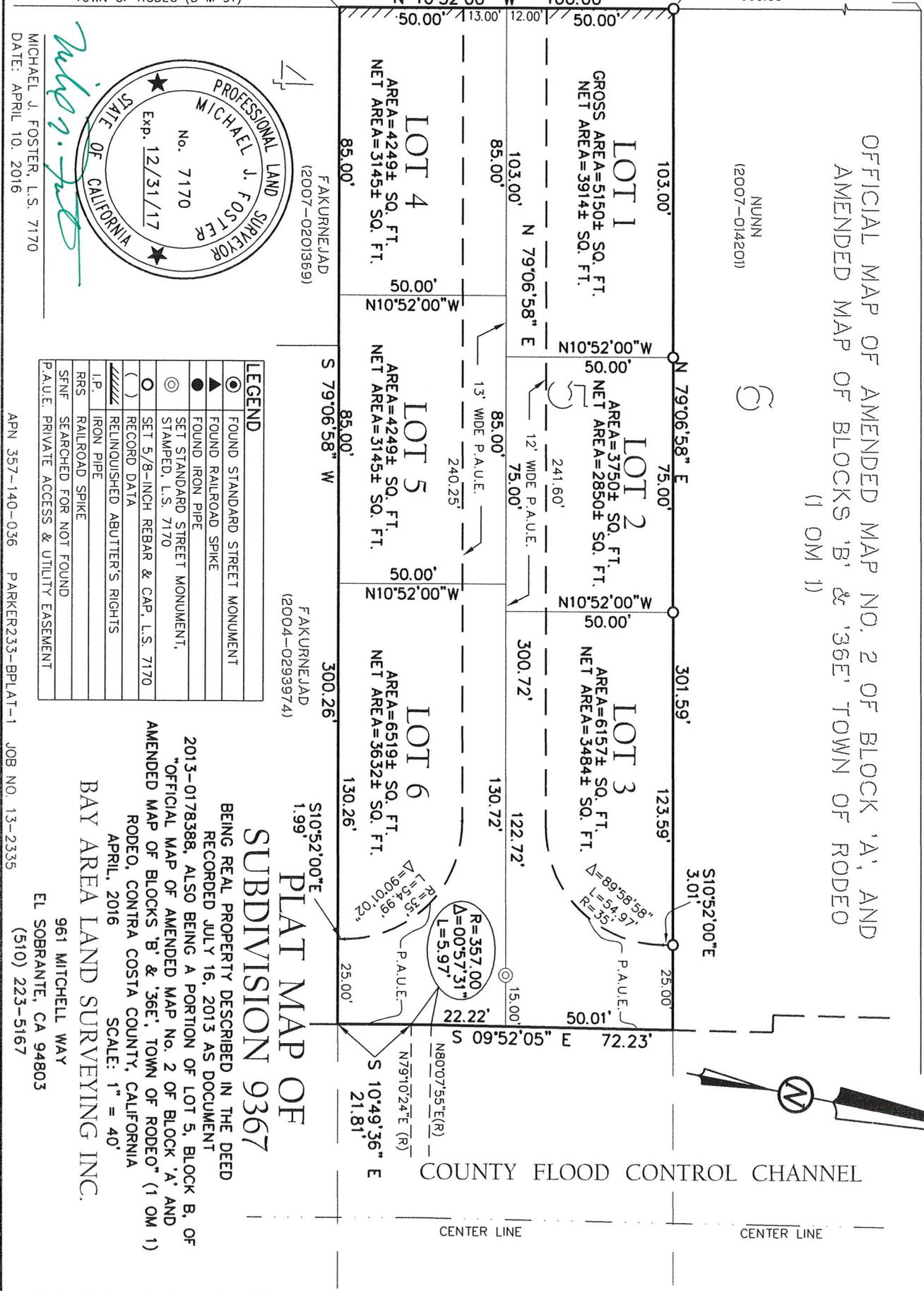
# PARKER AVENUE (85' WIDE)

400.00' N'LY FROM THE S'LY LINE OF  
BLOCK 'B', AS SHOWN ON MAP OF  
TOWN OF RODEO (D M 91)

# EXHIBIT B

## FOURTH STREET (60' WIDE)

OFFICIAL MAP OF AMENDED MAP NO. 2 OF BLOCK 'A', AND  
AMENDED MAP OF BLOCKS 'B' & '36E' TOWN OF RODEO  
(1 OM 1)



MICHAEL J. FOSTER, L.S. 7170  
DATE: APRIL 10, 2016

LEGEND	
○	FOUND STANDARD STREET MONUMENT
▲	FOUND RAILROAD SPIKE
●	FOUND IRON PIPE
⊙	SET STANDARD STREET MONUMENT, STAMPED, L.S. 7170
○	SET 5/8-INCH REBAR & CAP, L.S. 7170
( )	RECORD DATA
////	RELINQUISHED ABUTTER'S RIGHTS
I.P.	IRON PIPE
RRS	RAILROAD SPIKE
SFNF	SEARCHED FOR NOT FOUND
PAUE	PRIVATE ACCESS & UTILITY EASEMENT

### PLAT MAP OF SUBDIVISION 9367

BEING REAL PROPERTY DESCRIBED IN THE DEED  
RECORDED JULY 16, 2013 AS DOCUMENT  
2013-0178388, ALSO BEING A PORTION OF LOT 5, BLOCK B, OF  
"OFFICIAL MAP OF AMENDED MAP NO. 2 OF BLOCK 'A' AND  
AMENDED MAP OF BLOCKS 'B' & '36E', TOWN OF RODEO" (1 OM 1)  
RODEO, CONTRA COSTA COUNTY, CALIFORNIA  
APRIL, 2016  
SCALE: 1" = 40'

APN 357-140-036 PARKER233-BPLAT-1 JOB NO. 13-2335

BAY AREA LAND SURVEYING INC.  
961 MITCHELL WAY  
EL SOBRANTE, CA 94803  
(510) 223-5167

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Contra Costa )

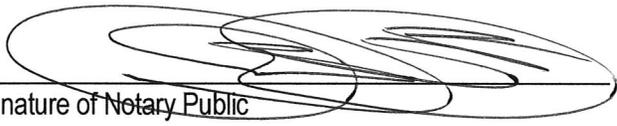
On March 7, 2017, before me, Corina DiGrazia-Notary Public,

Notary Public, personally appeared Michael McGhee

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

  
Signature of Notary Public



(SEAL)



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: ADOPT Resolution of Initiation ordering the preparation of an Engineer's Report for Countywide Landscaping District AD 1979-3 Fiscal Year 2017/18.

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**RECOMMENDATION(S):**

ADOPT Resolution No. 2017/107 of Initiation ordering the preparation of an Engineer's Report and related proceedings for levy and collection of assessments for Countywide Landscaping District AD 1979-3 (LL-2) Fiscal Year 2017/2018, as recommended by the Public Works Director, Countywide.

**FISCAL IMPACT:**

100% Countywide Landscaping District AD 1979-3 (LL-2) Funds.

**BACKGROUND:**

The proposed assessments for the Countywide Landscaping District 1979-3 (LL-2) are for the purpose of maintaining existing facilities within the various benefit zones. The existing Countywide Landscaping District contains thirty (30) zones comprised of frontage and median landscaping, pedestrian bridges, parks and recreational facilities installed by developers in conformance with their Conditions of Approval.

The Landscaping and Lighting Act of 1972 requires that an updated Engineer's Report be prepared to set assessment rates each fiscal year. In addition,

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Victoria Skerritt, (925) 313-2272

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

any new benefit zones or annexations of additional property into an existing benefit zone also require an Engineer's Report to be generated.

The Fiscal Year 2017/18 assessments in the Countywide Landscaping District 1979-3 (LL-2) will be based on information in the Final Engineer's Report for Fiscal Year 2017/18 tax roll. Assessments are calculated by considering all anticipated expenditures for maintenance, utilities and administration. Any excess dollars from previous fiscal years are carried over to current reports and the assessment amounts are adjusted accordingly. The assessment rates may or may not change from fiscal year to fiscal year, dependent upon improvements and maintenance to be performed, and cannot exceed the maximum amount set when the benefit zone was originally formed, plus an annual cost of living adjustment, if applicable.

The amounts that will be proposed to be assessed for the Fiscal Year 2017/18 tax year, in accordance with the Landscaping and Lighting Act of 1972, will be presented in the Preliminary and Final Engineer's Reports which will be filed with the Board of Supervisors in May and June 2017, respectively, and a noticed public hearing will be held.

CONSEQUENCE OF NEGATIVE ACTION:

Without Board of Supervisors' approval there would be no initiation of the process to prepare the Engineer's Report and to assess levies for the Countywide Landscape District AD 1979-3 (LL-2) for Fiscal Year 2017/18 and thus funds would not be available to maintain the landscaping and other improvements in the landscaping zones throughout the County.

ATTACHMENTS

Resolution No. 2017/107

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

**AYE:**   
**NO:**   
**ABSENT:**   
**ABSTAIN:**   
**RECUSE:**



**Resolution No. 2017/107**

IN THE MATTER OF Resolution No. 2017/107 of Initiation ordering the preparation of an Engineer's Report for Countywide Landscaping District AD 1979-3 (LL-2) and related proceedings for levy and collection of assessments for Fiscal Year 2017/18, as recommended by the Public Works Director, or designee, Countywide. (Countywide Landscaping District AD 1979-3 (LL-2)

WHEREAS the Board of Supervisors of Contra Costa County FINDS THAT:

1. Section 22622 of the California Streets and Highways Code requires the Board of Supervisors to adopt a Resolution of Initiation generally describing any proposed new improvements or substantial changes in existing improvements to be included in the determination of the annual assessments levied for any assessment district created under the Landscaping and Lighting Act of 1972, and
2. Section 22622 of the California Streets and Highways Code further requires that the Board of Supervisors order the preparation of an Engineer's Report prior to initiating the proceedings to set the annual levy of assessments for any such district. The Engineer's Report shall contain 1) plans and specifications for the improvements, 2) estimate of the costs for the improvements, 3) diagram of each assessment district, and 4) description of the method used to spread the costs of improvements to the benefiting parcels.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors ORDERS as follows:

1. The improvements to be made in the assessment district are generally described as the operation, maintenance and servicing of frontage and median landscaping, pedestrian bridges, parks and recreational facilities within street rights of way and other public areas; and
2. The Engineer of Work for the Contra Costa County Countywide Landscaping District 1979-3 (LL-2) is hereby directed to file an Engineer's Report in accordance with the provisions of the Landscaping and Lighting Act of 1972.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

**Contact: Victoria Skerritt, (925) 313-2272**

By: , Deputy

**cc:**



Contra  
Costa  
County

To: Board of Supervisors  
From: Keith Freitas, Airports Director  
Date: March 28, 2017

Subject: Long-term Lease of Hangar located at 700 Sally Ride Drive, Concord (Buchanan Field Airport) to Gonsalves & Santucci, Inc., dba The Conco Companies

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Director of Airports, or designee, to execute a long-term lease with Conco Aviation Center, LLC, for the lease of the County-owned hangar located at 700 Sally Ride Drive, Concord, in exchange for an upfront payment of \$250,000, monthly ground rent equal to \$12,000 during the first year and monthly payments totaling \$17,361.62 in years two through sixteen of the lease. The tenant's obligations under the lease are guaranteed by Gonsalves & Santucci, Inc., dba The Conco Companies during the initial 20-year term.

**FISCAL IMPACT:**

The Airport Enterprise Fund will receive rent and other revenues provided for in the lease and the County General Fund will receive property, sales and possessory interest tax revenues from the lease.

**BACKGROUND:**

The 5.3-acre property is the site of the largest hangar at Buchanan Field. The 39,000 square-foot hangar was constructed pursuant to the terms of a ground lease dated April

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Beth Lee, (925)  
681-4200

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

5, 2005. In June 2008, the original tenant assigned its rights under the lease to an entity known as TDMC, for use as a corporate hangar. On December 31, 2015, as permitted by the lease, TDMC notified the County that it planned to terminate the lease as of December 31, 2016. Under the terms of the lease, the County became the owner of the hangar when the lease terminated.

In anticipation of the TDMC lease ending, in November 2016, the Airport sent out requests for proposals for the use of the hangar. The request asked bidders to provide, among other information, details about how the hangar would be used, the economic terms of the offer and what improvements, if any, would be made to the hangar. In response to the request, the Airport received three proposals. The Airport then convened a five-person selection committee. Each member of the selection committee was asked to rank the proposals on the basis of five criteria. The ranking of the proposals by the selection committee was unanimous. The proposal received from the Conco Companies was ranked first, with 429 points. The second- and third-place proposers, Pacific States Aviation and a joint proposal by Blackhawk Aviation and Vietnam Helicopters Museum, were awarded 309 and 285 points, respectively.

On December 13, 2016, the Board authorized the Airport to negotiate a new lease of the hangar with the bidders in priority ranking order. The lease recommended for approval today is with Conco Aviation Center, LLC, a new company formed for this purpose. The term of the new lease is expected to be 50 years. After the initial 20-year term, the tenant will have three 10-year options to extend the lease.

To be consistent with the original proposal, Gonsalves & Santucci, Inc., dba The Conco Companies, will guaranty the lease for the initial twenty (20) year term to allow the new company to establish a business track record on the airport.

The new lease includes a \$250,000 lease payment fee due no later than April 11, 2017, and a monthly ground rent starting of \$12,000. Starting April 1, 2018, and ending on March 31, 2033, the lease requires an additional monthly rent payment of \$5,361.62. The lease also includes annual increases to the monthly ground rent starting in year 3 and market revaluation on prescribed dates throughout the lease term. In total, the new lease will generate \$394,000 of total annual revenue for the Airport Enterprise Fund in the first year. For the next fifteen years, the lease will generate a minimum of \$17,361.62 per month. The total combined revenue generated from the lease effectively replaces the monthly rent that was paid under the prior lease. This level of rent represents approximately five percent of the Airport Enterprise Fund's annual revenue.

In compliance with FAA Grant Assurance 24, which requires the Airport to be "as self-sustaining as possible," the lease to the Conco Aviation Center, LLC, guaranteed by Gonsalves & Santucci, Inc., allows the Airport Enterprise Fund to obtain the maximum rent for this property, based on the results of the recent bid solicitation.

Unless and until a final lease agreement is fully executed by all parties, this Board Order, any draft lease agreement, other communications or conduct of the parties shall have absolutely no legal effect, may not be used to impose any legally binding obligation on the County and may not be used as evidence of any oral or implied agreement between the parties or as evidence of the terms and conditions of any implied agreement.

## CONSEQUENCE OF NEGATIVE ACTION:

Failing to enter into a new lease of the property, or delaying the commencement of a new lease, will have a negative impact on the Airport Enterprise Fund. Income from the subject property represents approximately five percent of the Airport Enterprise Fund's annual revenue.

## ATTACHMENTS

Lease Agreement

Guaranty of Lease

**LEASE AGREEMENT**

**Between**

**COUNTY OF CONTRA COSTA**

**as Lessor**

**and**

**Conco Aviation Center, LLC**

**Guaranteed by Gonsalves & Santucci, Inc.**

**April 1, 2017**

Contra Costa County  
Buchanan Field Airport  
550 Sally Ride Drive  
Concord, CA 94520-5606  
(925) 681-4200

**LEASE BETWEEN THE  
COUNTY OF CONTRA COSTA**

**AND**

**CONCO AVIATION CENTER, LLC  
GUARANTEED BY GONSALVES & SANTUCCI, INC.**

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EXHIBIT A – Legal Description

EXHIBIT B -- Plat Plan to Accompany Exhibit A

LEASE BETWEEN THE  
COUNTY OF CONTRA COSTA

AND

**CONCO AVIATION CENTER, LLC  
GUARANTEED BY GONSALVES & SANTUCCI, INC.**

This lease agreement (“**Lease**”) is dated April 1, 2017 (the “**Effective Date**”) and is between of the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the “**County**” or “**Lessor**”), and **Conco Aviation Center, LLC** (“**Tenant**”).

RECITALS

- A. Lessor owns and operates Buchanan Field, a public airport located at Concord, California (the “**Airport**”), as shown on the Airport Layout Plan, which plan is on file in the office of the County Director of Airports (“**Director of Airports**”).
- B. Tenant desires to lease that certain real property consisting of 5.31 acres of land located at Buchanan Field Airport, commonly known as 700 Sally Ride Drive, Concord, California, as described in Exhibit A and Exhibit B (the “**Premises**”) for the purpose of operating a corporate hangar and auxiliary aviation business. The Premises includes the existing hangar and the Improvements (as defined below).
- C. Simultaneous with entering into this Lease, Gonsalves & Santucci, Inc (“**Guarantor**”), is executing a Guaranty of Lease dated April 1, 2017 (the “**Guaranty**”) as consideration for the County entering into this Lease. Under the Guaranty, Guarantor is guarantying the prompt payment by Tenant of all rents and all other sums payable by Tenant under the initial twenty (20) year term of the Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of this Lease to be kept and performed by Tenant.

The parties therefore agree as follows:

AGREEMENT

- 1. Lease: For and in consideration of the rent, fees, and faithful performance by Tenant of the terms and conditions and the mutual covenants hereof, Lessor hereby leases to Tenant, and Tenant hereby leases from Lessor the Premises, subject to all easements and encumbrances of record.

2. Lease Payment Fee: For and in consideration of the opportunity to lease the Premises, Tenant shall pay a one-time, non-refundable fee to Lessor in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) within ten (10) business days after the Effective Date.
3. Lease Capital Improvement Program: Tenant shall construct a minimum of 2,500 square foot office building to the Premises by March 1, 2022, (the “**Phase I Improvements**”). Tenant shall submit the construction plans for the Phase I Improvements by March 1, 2018. Tenant may construct additional office space (“**Phase II Improvements**”) during the Lease term. Together, the Phase I Improvements and the Phase II Improvements are the “**Improvements.**” All capital improvements, including the Improvements, must comply with Section 14 (Alterations and Additions).

4. Term:

- A. Term: The “**Term**” of this Lease is comprised of an initial term and two optional extension periods. The initial term is twenty (20) years, commencing on the Effective Date and ending March 31, 2037.
- B. Optional Extensions: Tenant has three options to extend this Lease for a term of ten years for each option (each such period, an “**Extension Period**”) upon all the terms, covenants and conditions set forth herein, provided (i) Tenant is not in default beyond any applicable cure period as of the commencement of the Extension Period, and (ii) Tenant is not in default on the day an Extension Notice, as defined below, is given.

Tenant shall provide the County with written notice of its election to extend the term of this Lease no earlier than two years prior to the end of the Term and no later than one year prior to the end of the Term. However, if the Tenant fails to provide such notice, its right to extend term of this Lease will not expire until ten (10) business days after Tenant’s receipt of the County’s written demand that Tenant exercise or forfeit the option to extend. If Tenant elects to exercise its right to extend the term of this Lease following receipt of a written demand from the County pursuant to this Section, Tenant must provide the County with written notice of its election on or before the tenth business day after Tenant’s receipt of the written demand.

- C. References to “Term”: Upon commencement of an Extension Period, all references to the Term of this Lease will be deemed to mean the Term as extended pursuant to this Section.
5. Holding Over: In the event Tenant remains in possession of the Premises after the expiration of the term of this Lease, such holding over may not be deemed to operate as a renewal or extension of this Lease, but shall only create a tenancy from month to month, which may be terminated at any time by Lessor or Tenant upon thirty (30) days written notice. All terms and conditions of this Lease then in place shall govern the month-to-

month tenancy.

6. Rent: Tenant shall pay rent commencing on the Effective Date. There are four forms of rent: Monthly Rent, Ground Rent, Percentage Rent and Other Additional Rent, each as defined below.

A. Monthly Rent. “**Monthly Rent**” consists of one hundred eighty monthly payments of \$5,361.62, payable on the first day of each month beginning April 1, 2018 and ending March 31, 2033.

B. Ground Rent: “**Ground Rent**” is payable monthly in advance in the amounts set forth below without offset or demand. Ground Rent is payable on the first day of each month during the Term. Ground Rent for any partial month will be prorated at the rate of 1/30<sup>th</sup> of the applicable rent per day.

i. Initial Ground Rent: During the first fifteen years of the Term, Ground Rent is equal to the following amounts:

<u>Period</u>	<u>Monthly Ground Rent</u>
April 1, 2017 – March 31, 2018	\$12,000
April 1, 2018 – March 31, 2019	\$12,000
April 1, 2019 – March 31, 2020	\$12,240
April 1, 2020 – March 31, 2021	\$12,485
April 1, 2021 – March 31, 2022	\$12,734
April 1, 2022 – March 31, 2023	\$12,989
April 1, 2023 – March 31, 2024	\$13,249
April 1, 2024 – March 31, 2025	\$13,514
April 1, 2025 – March 31, 2026	\$13,784
April 1, 2026 – March 31, 2027	\$14,060
April 1, 2027 – March 31, 2028	\$14,341
April 1, 2028 – March 31, 2029	\$14,628
April 1, 2029 – March 31, 2030	\$14,920
April 1, 2030 – March 31, 2031	\$15,219
April 1, 2031 – March 31, 2032	\$15,523
April 1, 2032 – March 31, 2033	\$15,834

ii. CPI Increases: With the exception of the year that begins on a Revaluation Date, as defined below, on April 1 of each year, beginning April 1, 2034, and continuing throughout the Term, Ground Rent will be increased (or remain unchanged, but not decreased), according to the change in the Consumer Price Index (“**CPI**”) for the most recent one-year period ending December 31, based on the CPI Factor, as defined below. Any one-year adjustment to Ground Rent based on the CPI Factor may not be by more than five and a half percent (5.5%) of the Ground Rent then in effect.

The “**CPI Factor**” means the percentage by which the “Index,” as defined below, for the most recent one-year period ending December 31 has increased over the Index in effect for the immediately preceding one-year period, calculated to the nearest one-tenth of one percent. The term “**Index**” means the Consumer Price Index, all Urban Consumers, All Items, for the San Francisco-Oakland-San Jose Metropolitan Area (1982–84 = 100), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, or its successor or a substitute index published as a replacement for that index by the U.S. Department of Labor or by any other United States governmental agency.

Airport will notify Tenant of any increase in rent based on a CPI adjustment when Airport completes the calculation of increased rent. If such notice is given after the effective date of the increase, Tenant shall pay any increased rent retroactively to the effective date of the increase; provided, however, in no event will Tenant be required to pay the increased rent retroactively for a period greater than six (6) months.

iii. No Decrease in Ground Rent: In no event will the Ground Rent for any year be less than the Ground Rent in effect for the immediately preceding year. In the event there is a decrease in the CPI, Ground Rent for the years in question will be the same as the Ground Rent for the preceding year.

C. Revaluation of Ground Rent: Ground Rent will be adjusted in accordance with the revaluation process described below on April 1, 2033, 2037, and, if Tenant exercises its options to extend the Lease for the Extension Periods, April 1, 2047, 2057 and 2067 (each such date, a “**Revaluation Date**”). In no event will the Ground Rent for any year be less than the Ground Rent in effect for the immediately preceding year. In the event there is a decrease in the CPI or in the fair market rental value of the Premises, Ground Rent for the year in question will be the same as the Ground Rent for the preceding year. The revaluation of Ground Rent for the Leased Premises will be based on the average rent per square foot for comparable uses at Buchanan Field, using the Revaluation Process, defined below. The Lessor shall initiate the Revaluation Process prior to each Revaluation Date. Ground Rent established through the Revaluation Process is subject to adjustment for changes in the CPI Factor in accordance with Section 6.A., other than in those years that begin on a Revaluation Date.

i. Conditions of Revaluation: The revaluation of Ground Rent, including any appraisals prepared as part of the Revaluation Process, will be conducted as follows:

a. All negotiations and actions taken by the Lessor and Tenant under this Section will be undertaken and conducted by the parties in good faith.

- b. If the Revaluation Process is not concluded by the Revaluation Date, the Ground Rent determined by the Revaluation Process described herein will be retroactive to the Revaluation Date to which the Revaluation Process applies. Tenant shall make any retroactive payments of Ground Rent no later than thirty (30) days following the completion of the Revaluation Process.
  - c. Except as otherwise provided herein, no waiver by the Lessor of any of the provisions of this Section will be deemed to have been made by the Lessor, unless made expressly in writing by the Director of Airports and no waiver by Tenant will be deemed to have been made unless made expressly in writing by the duly authorized agent of Tenant.
  - d. All time periods specified in this Section will be counted in calendar days.
- ii. Revaluation Process: The “**Revaluation Process**” consists of the following:
- a. The Lessor shall determine the fair market rental value of the Premises (the “**Lessor Revaluation**”) and shall notify Tenant in writing of the amount of the new monthly Ground Rent (the “**Revaluation Notice**”).
  - b. If Tenant disagrees with the Lessor Revaluation, Tenant may file with the Lessor a dispute of the amount of Lessor Revaluation (“**Tenant Dispute**”) and include Tenant’s proposed Ground Rent revaluation amount. The Tenant Dispute must be in writing and delivered to the Director of Airports no later than twenty-one (21) days after the Revaluation Notice is delivered to Tenant (the “**Dispute Period**”). If Tenant does not file a Tenant Dispute with the Lessor within the Dispute Period: (i) the Lessor Revaluation will automatically be deemed to be accepted by Tenant, (ii) Tenant will be deemed to have waived the right to contest the amount specified in the Revaluation Notice, (iii) the new Ground Rent specified in the Revaluation Notice will become effective on the applicable Revaluation Date, and (iv) the Revaluation Process will be over.
  - c. If Tenant delivers a Tenant Dispute to the Lessor within the Dispute Period, the Lessor and Tenant will have twenty-one (21) days following the Lessor’s receipt of the Tenant Dispute to attempt to establish a new Ground Rent by negotiation (the “**Rent Negotiation Period**”). The Rent Negotiation Period may not be extended beyond the initial twenty-one (21) day period except by mutual written agreement of Tenant and the Director of Airports.

If Tenant and the Lessor agree in writing on the new monthly Ground Rent during the Rent Negotiation Period, the new monthly Ground Rent will become effective on the applicable Revaluation Date and both the Lessor and Tenant will be deemed to have waived the right to contest such new Ground Rent.

- d. If the Lessor and Tenant are unable to agree upon a new Ground Rent during the Rent Negotiation Period, then the Lessor and Tenant shall each appoint an appraiser to determine the fair market value of the Premises. The Lessor and Tenant shall identify the name of their appraiser by written notice to the other party. The appointment of the appraiser will be made and notice of the appointment will be given to the other party within twenty-one (21) days after the end of the Rent Negotiation Period (the “**Selection Period**”). Each appraiser must be a member of the American Institute of Real Estate Appraisers, have the designation of Member of the Appraisal Institute (“**MAI**”), and have current aviation appraisal experience in appraising property in the geographic area where the Premises is situated. Each party is responsible for paying the fees and costs of its appraiser.

In the event that Tenant does not appoint an appraiser and provide the Lessor with written notice of the appointment within the Selection Period: (i) the initial Lessor Revaluation will automatically be deemed to be accepted by Tenant, (ii) the new monthly Ground Rent, specified in the Revaluation Notice will become effective on the applicable Revaluation Date, (iii) Tenant will be deemed to have waived the right to further contest the amount of the Lessor Revaluation by arbitration or in any other manner, and (iv) the Revaluation Process will be over.

In the event that the Lessor does not appoint an appraiser and provide Tenant with written notice of the appointment within the Selection Period:, (i) the monthly Ground Rent will remain unchanged or will equal the fair market rental value determined by Tenant’s appraiser, whichever is greater, (ii) such monthly Ground Rent will become effective on the applicable Revaluation Date, (iii) the Lessor will be deemed to have waived the right to contest the amount of the new monthly Ground Rent by arbitration or in any other manner, and (iv) the Revaluation Process will be over.

If the Lessor and Tenant each properly appoint an appraiser during the Selection Period, both appraisers will make an independent determination of the fair market rental value of the Premises. Each appraisal must be completed and a copy of the appraisal report delivered to the other party no later than sixty (60) days from the date the appraiser was appointed (the “**Appraisal Period**”) unless

otherwise extended by the mutual agreement of the Lessor and Tenant.

Upon completion of both appraisals, the Lessor and Tenant shall make a final attempt to establish a new monthly Ground Rent by negotiation. If the Lessor and Tenant agree in writing on a new monthly Ground Rent, the new monthly Ground Rent will become effective on the applicable Revaluation Date and both the Lessor and Tenant will be deemed to have waived the right to contest such new Ground Rent.

- e. In the event that the Lessor and Tenant cannot agree on a revaluation of the monthly Ground Rent within thirty (30) days following the Appraisal Period, either the Lessor or Tenant may declare an impasse in the negotiations by providing written notice of the impasse to the other party. The written notice of impasse (the **“Final Proposal”**) will include all of the following information: (i) a statement that the declaring party has determined that negotiations have reached an impasse; (ii) the declaring party’s final proposed Ground Rent revaluation figure; (iii) a statement that the recipient has ten (10) business days to either give written acceptance of the amount of the Ground Rent revaluation specified in the Final Proposal or deliver a counter-final proposal (the **“Counter-Final Proposal”**) to the declaring party; and (iv) any other supplementary information as the declaring party deems appropriate. The party upon whom the Final Proposal is served shall then have ten (10) business days following receipt of the Final Proposal to either accept the Final Proposal or to reject the Final Proposal and deliver a Counter-Final Proposal to the declaring party. If either the Final Proposal or the Counter-Final Proposal is accepted in writing, then the new monthly Ground Rent will become effective on the applicable Revaluation Date and both the Lessor and Tenant will be deemed to have waived the right to contest such new Ground Rent.

If neither the Final Proposal nor the Counter-Final Proposal is accepted, not later than forty-five (45) days after delivery of the Final Proposal, the appraiser selected by the Lessor and the appraiser selected by Tenant will jointly select a third appraiser with the designation of MAI and with current aviation appraisal experience in appraising property in the geographic area where the Premises is situated. The third appraiser will determine the fair market value of the Premises. The third appraiser will render a final written decision within thirty (30) days of his appointment. The cost of the third appraiser will be shared equally by the Lessor and Tenant. The appraiser’s decision is binding on all parties and will apply retroactively to the Revaluation Date.

7. Percentage and Other Additional Rent:

- A. Percentage Rent: In addition to paying Monthly Rent and Ground Rent, Tenant shall pay Percentage Rent. “**Percentage Rent**” means an amount equal to two percent (2%) of the Gross Receipts, as defined below. Percentage Rent is due no later than the twentieth day of the month for goods sold and services provided by Tenant during the previous month.
- B. Gross Receipts: “**Gross Receipts**” means all revenue and receipts of the Tenant that is derived from or related to the Premises, including but not limited to the gross amount received from all sales and cash payments received therefor; credit extended at the time of a credit sale; all charges for services performed, including but not limited to sales of oil and other lubricants; lease payments from Subtenants; and the gross amount received from any and all of the sources of income derived from the businesses conducted on the Premises. Gross Receipts excludes the following:
- i. Federal, state and municipal sales taxes, excise taxes, gross receipts taxes and all other similar taxes separately stated or collected from customers.
  - ii. Receipts from wholesale sales of parts and accessories wherein the resale permit number issued by the Board of Equalization of the State of California, is necessarily used for such sale; provided, however, this exception applies to only those wholesale sales that do not exceed 5% of the retail sales of parts and accessories.
  - iii. Receipts from the sale of new and used aircraft; provided a flat fee of \$500 per transaction is paid to the Lessor upon the sale of each new and used aircraft.
  - iv. Commissions paid for financing or discounts to be paid by Tenant to secure financing for any of the business conducted or sales of any kind or nature by Tenant.
  - v. All revenue against which Tenant later provides a credit for returns to suppliers or manufactures.
  - vi. Amounts received by Tenant for settlement of any claims for loss or damage to products purchased by Tenant.
  - vii. Deposits received for any State recycling fund.
  - viii. Reimbursable expenses incurred by Tenant on behalf of its customers.

- ix. Receipts from the sale of fuel for which Tenant pays the County the Fuel Flowage Fee, as defined below.
  - x. Receipts from the storage of aircraft owned by the Guarantor, as defined in Recital C.
- C. Statement of Gross Receipts: Tenant shall furnish to the Lessor a written statement of monthly Gross Receipts (“**Statement of Gross Receipts**”) within sixty (60) days after the close of each calendar quarter.
- D. Certified Annual Statement: Within one hundred twenty (120) days following the close of Tenant’s fiscal year, and within one hundred twenty (120) days following the termination of this Lease, Tenant shall deliver to the Lessor an annual statement of Gross Receipts, certified as being correct by an authorized accounting officer of the Tenant (“**Certified Annual Statement**”). If the Certified Annual Statement shows that an additional amount of Percentage Rent is due and payable to the Lessor, Tenant shall make such payment currently with the delivery of the Certified Annual Statement to the Lessor.
- E. Records: The Lessor may inspect the books and records of Tenant and any and all Subtenants from which any Statement of Gross Receipts or Certified Annual Statement is prepared at any reasonable time upon request. For this purpose, Tenant shall keep for a period of five (5) years after submission of any such statement to the Lessor, all of Tenant’s records, books, accounts, and other data pertaining or necessary to the verification of Gross Receipts as defined herein, and shall, upon request, make the same available to the Lessor, the Lessor’s auditor, representative or agent for examination at any time during such 5-year period. Failure to keep, maintain, and make available the records, books, accounts, and other data required by this Section is a default of this Lease.
- F. Audits: The Lessor may, at the Lessor’s option, engage the services of an independent certified public accountant, who is not paid on a commission basis, to audit and verify the accuracy of Tenant’s records, books, and accounts, including the Certified Annual Statement. In the event the audit shows that an additional amount of Percentage Rent is due and payable to the Lessor, Tenant shall make such payment within seven (7) days of the Lessor’s demand therefore. If the audit shows that there has been an overpayment of Percentage Rent, the Lessor shall, at the sole option of the Lessor, promptly repay to Tenant the amount of such overpayment or credit same to future Rent next due the Lessor by Tenant, at the Lessor’s sole election. If the audit shows an underpayment by Tenant that is greater than five percent (5%) of the Percentage Rent paid to the Lessor, Tenant shall pay for the reasonable and actual cost of the audit.
- G. Charter Landing Fee: If Tenant or a subtenant of Tenant elects to conduct FAR Part 135 Charter operations to, from, or through the Premises, the Lessor is entitled to a landing fee for the FAR Part 135 Charter activity that is a minimum

of \$16 per landing for aircraft below 16,000 pounds or \$1.50 per 1,000 pounds for aircraft that are at or over 16,000 pounds (the “**Charter Landing Fee**”) in accordance with Section 7.A. In no event will any Charter Landing Fee be deemed Additional Rent nor does Tenant have any liability to the Lessor if a Subtenant is delinquent in its payment of a Charter Landing Fee.

- H. Fuel Flowage Fee: In the event Tenant self-fuels aircraft on the Premises, on the first day of each calendar quarter, Tenant shall pay to Lessor the Fuel Flowage Fee. For purposes of this Lease, the “**Fuel Flowage Fee**” is equal to the result obtained by multiplying (i) the number of gallons of aviation fuel purchased by any party using the Premises, including Tenant, and all Subtenants (as such term is defined in Section 11, Rental Operations) from any non-Airport source, by (ii) the stated per gallon fee in effect at the Buchanan Field Airport for other auxiliary aviation and corporate hangar tenants (the “**Per Gallon Fee**”). The Per Gallon Fee will increase annually by \$0.005 per gallon on March 1 of each year.

The Per Gallon Fee will be reviewed and may be revised by Lessor in its sole discretion every five (5) years after the Effective Date of this Lease. Lessor shall give notice to Tenant in writing of any revised Fuel Flowage Fee, which will be effective the month after such notice is given. It is understood that any fuel flowage fee schedule will apply uniformly to all Buchanan Field Airport corporate hangar and Auxiliary Aviation tenants at the time of the 5-year revision.

Tenant may operate a fueling facility or fuel truck on the Premises for the purpose of self-fueling of based aircraft only. All self-fueling must be in compliance with Federal Aviation Administration Advisory Circular 150/5190-5. No fueling of automobiles or trucks is allowed on the Premises. With respect to non-Tenant aircraft, Tenant may not taxi such aircraft to Tenant’s fueling facility, or deliver fuel to such aircraft by operation of a fuel truck, or provide any other assistance in the fueling of such aircraft.

- I. Records to Be Maintained: Tenant shall record all sales and other transactions, whether cash or credit, and shall keep full and accurate books of account and records in accordance with United States Generally Accepted Accounting Principles consistently applied, including without limitation, a sales journal general ledger, and all bank account statements showing deposits of gross receipts revenue. In addition, Tenant shall keep all cash register receipts with regard to gross receipts, credits, refunds and other pertinent transactions, as well as records of all other exclusions and deductions from Gross Receipts.
- J. Additional Rent: In addition to the Monthly Rent, Ground Rent and Percentage Rent, Tenant shall pay as additional rent, all other charges, costs and fees required to be paid by Tenant pursuant to the provisions of this Lease (such amounts, “**Additional Rent**,” and together with the Monthly Rent, Ground Rent and Percentage Rent, “**Rent**”).

8. Additional Payment Provisions:

- A. Late Rental Payments: In the event Tenant fails to pay Lessor any amount due under this lease within five (5) days after such amount is due, Tenant shall pay to Lessor a late charge of One Hundred and No/100 Dollars (\$100) per occurrence (the “**Late Charge**”), plus interest on the unpaid balance at a rate of one and one-half percent (1.5%) per month, from the date the payment was due and payable until paid in full. Tenant shall pay all Late Charges as additional rent on or before the date the next installment of rent is due. Lessor and Tenant hereby agree that it is and will be impracticable and extremely difficult to ascertain and fix Lessor’s actual damage from any late payments and, thus, that Tenant shall pay as liquidated damages to Lessor the Late Charge specified in this Section, which is the result of the parties’ reasonable endeavor to estimate fair average compensation for the late payment (other than attorneys’ fees and costs). Lessor’s acceptance of the Late Charge as liquidated damages does not constitute a waiver of Tenant’s default with respect to the overdue amount or prevent Lessor from exercising any of the rights and remedies available to Lessor under this lease.
- B. Form and Place of Payment: Tenant shall pay all rents and fees in cash or by personal check, certified check, or money order, payable to the County of Contra Costa, by delivering same on or before due date to the Director of Airports Office, 550 Sally Ride Drive, Concord, California 94520, or at such other place as Lessor may designate from time to time.
- C. Returned Checks: If a check written by Tenant is returned for insufficient funds, Lessor may impose a reasonable service charge in addition to any Late Charge and in addition to any charges imposed by the bank. Lessor may require Tenant to pay rent by certified check or money order if Tenant’s bank or banks have returned one or more personal checks within the preceding twelve (12) month period.
- D. Security Deposit: Upon execution of this Lease, Tenant will pay to Lessor the sum of Seventeen Thousand Three Hundred Sixty-Five Dollars (\$17,365) in cash as security for the faithful performance of the terms, covenants, and conditions of this lease (the “**Security Deposit**”).

Upon the occurrence of a Default, as defined in Section 29, Lessor may in its sole discretion (but is not required to) apply the Security Deposit, or any portion of it, to any expense, loss or (i) any rent or other sum owed to Lessor, (ii) any amount that Lessor may spend or become obligated to spend in exercising Lessor’s rights under this lease, or (iii) damage sustained by Lessor resulting from Tenant’s Default. Upon demand by Lessor, Tenant shall immediately pay to Lessor a sum equal to that portion of the Security Deposit expended or applied by Lessor as provided in this subsection so as to maintain the Security Deposit at its original level.

Upon the expiration or termination of this lease and (i) Tenant's satisfaction of the conditions set forth in Section 12. Condition of Premises, and (ii) a final accounting by Lessor, any remaining Security Deposit balance shall be refunded to Tenant, without interest. Tenant waives the provisions of California Civil Code section 1950.7, and all other provisions of law in force or that become in force after the date of execution of this lease, that provide that Lessor may claim from a Security Deposit only those sums reasonably necessary to remedy defaults in the payment of Rent, to repair damage caused by Tenant or to clean the Premises. Lessor and Tenant agree that Lessor may, in addition, claim those sums reasonably necessary to compensate Lessor for any other foreseeable or unforeseeable loss or damage caused by the act or omission of Tenant or Tenant's officers, agents, employees, independent contractors or invitees.

9. Lessor Processing and Transaction Fees: In the event that Tenant requires or requests Lessor's review, investigation, processing, recordation, or any other action in connection with any Tenant document, proposal or other matter that requires Lessor's staff time and resources, other than time and resources of the Contra Costa County Airports Division (e.g., a proposed assignment or other transfer, or an estoppel certificate), Tenant shall pay Lessor a transaction fee of Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) plus all of Lessor's costs, including, but not limited to, staff time at rates determined by the County Auditor for time spent in connection with the until the matter is complete ("Transaction Fee"). The Transaction Fee will increase by Five Hundred and No/100 Dollars (\$500.00) on every fifth anniversary of the Effective Date and is due thirty (30) days after demand therefor by Lessor.
10. Use of Premises: Except as otherwise provided herein, the Leased Premises may be used by Tenant only for the operation of a corporate hangar and as an auxiliary aviation site and related services, and for no other purpose.

A. Uses Permitted on the Premises:

The following are the only uses permitted on the Premises:

- i. Specialty aircraft services, which may include aircraft management, aircraft maintenance, aircraft chartering, aircraft detailing, unique aviation sales and services, and hangar space rental.
- ii. Storage of aircraft leased or owned by Tenant.
- iii. Hangar storage of aircraft, other than Tenant-owned or Tenant-leased aircraft, pursuant to a Rental Agreement, as defined below, entered into in accordance with Section 11.
- iv. Maintenance of aircraft owned by Tenant or a Subtenant, provided that such maintenance is performed ONLY by (i) owner of the aircraft, (ii) a

bonafide employee or contractor of the owner of the aircraft, or (iii) an established Buchanan Field Airport Fixed Based Operator.

- v. Operation of corporate aircraft on a non-commercial aviation basis.
- vi. Aviation-oriented use of office space.
- vii. Self-fueling of based aircraft pursuant to Section 7.H.
- viii. Hangar storage of aircraft other than Tenant-owned or Tenant-leased aircraft pursuant to a Rental Agreement, as defined below, entered into in accordance with Section 11.
- ix. FAR Part 135 charter operations, including enplanement or disenplanement of passengers as approved in writing by the Director of Airports.
- x. Commercial aviation operations that are approved in advance and in writing by the Director of Airports.

B. Uses Not Permitted on the Premises:

- i. Maintenance, except as expressly permitted in subsection A above.
- ii. Any use not explicitly listed in subsection A above.
- iii. Aircraft fueling for commercial purposes.
- iv. Leaving aircraft (whether belonging to Tenant or any Subtenant) unattended on aprons not abutting taxi lanes.

Two violations of subsection B within a twelve-month period is a default of this Lease.

Tenant may not use the premises for any other purpose without the Director of Airport's express prior written consent. Any use of the premises other than as described herein without the Director of Airports' prior written consent is a default of this lease.

11. Rental Operations:

- A. Subject to the terms of this Section, Tenant may rent hangar space and office space to subtenants (each, a "**Subtenant**") pursuant to the rules and regulations adopted from time to time by the Airport, including but not limited to the following:
  - i. All office and hangar rental agreements (each, a "**Rental Agreement**") are subject to the terms and conditions of, and be subordinate to, this

Lease. The term of a Rental Agreement may not be greater than the term of this Lease.

- ii. Rental Agreements do not create a landlord-tenant or any other legal relationship between the Lessor and Tenant's Subtenant.
- iii. Tenant is, and at all times will remain, entirely responsible for the full performance of this Lease.
- iv. Tenant or its authorized representative must be available during normal business hours, either at the Airport or by telephone/email to discuss the rental of hangar space and to conduct business.
- v. By December 1 each year, Tenant shall give the Lessor a list of the name, address, phone number, and email address of all current Subtenants, along with the identification and make of all of each Subtenant's hangared aircraft and a description of each Subtenant's business activity, if applicable.
- vi. Tenant is responsible for all materials stored in the hangars, whether the materials are stored by Tenant or Tenant's agents, employees, or Subtenants.
- vii. No commercial aviation operations are permitted without the prior written consent of the Director of Airports.

B. Additional Terms Applicable to Commercial and Charter Rental Agreements:

- i. Tenant shall cause each Subtenant conducting commercial activities or charter operations to enter into a license agreement with the Lessor that governs the payment of the commercial license fee and/or Charter Landing Fee by the Subtenant directly to the Lessor (a "**License Agreement**").
- ii. Tenant shall use good faith efforts to cause all Subtenants of the Premises who elect to conduct FAR Part 135 Charter operations to, from, or through the Premises, to strictly comply with the provisions of this Section 11.B.
- iii. If a Subtenant is found to be conducting any commercial aviation activity in a hangar or office space without the written consent of the Director of Airports, Tenant shall immediately serve the Subtenant of such hangar or office space with a thirty (30) day cure or quit notice and concurrently serve the Director of Airports with a copy of such notice. If the offending Subtenant fails to cause the cessation of such commercial activity within thirty (30) days of the cure or quit notice, Tenant shall terminate the Subtenant's Rental Agreement.

- iv. Tenant does not have any liability to the Lessor if a Subtenant is delinquent in or is otherwise in violation of the provisions of a License Agreement.
- v. Tenant shall include provisions in all commercial and charter rental agreements to require that Subtenant:
  - a. Pay the Lessor the commercial license fee and/or Charter Landing Fee.
  - b. Acknowledge that the underlying leased premises are owned in fee by Lessor and that the Tenant has entered into a lease with Lessor for the Leased Premises.
  - c. First enter into a License Agreement with the Lessor to engage in commercial operations on the Premises pursuant to the license provisions of the Lease and subject to terms and conditions established between Lessor and Subtenant for the privilege of conducting its business at the Airport and in consideration for the impacts such commercial operations may have on the Airport.
  - d. Not operate any commercial operations under a Rental Agreement until a License Agreement has been executed by Lessor and the Subtenant.
  - e. Provide Tenant with a copy of any executed License Agreement and immediately inform Tenant of the termination of any such License Agreement.
  - f. Acknowledge that in the event Subtenant (i) engages in commercial operations on the Leased Premises without having first entered into a License Agreement, (ii) is in default or breach of his or her License Agreement with the Lessor, or (iii) has its License Agreement terminated for any reason and Subtenant nevertheless continues to engage in commercial operations on the Leased Premises, Subtenant's Rental Agreement can be terminated by the Tenant.
  - g. Upon notification by the Lessor to Tenant of a violation of the provisions of this Section 11, or a License Agreement by a Subtenant, Tenant shall within ten (10) days of receipt of such written notice, either (i) cancel or otherwise terminate the Rental Agreement, or (ii) cure the default under the License Agreement. Lessee's failure to either terminate the Rental Agreement or cure the default under the License Agreement is a default under this Lease.

12. Condition of Premises:

A. No Warranty: Tenant is leasing the Premises in an “as is” physical condition with no warranty, express or implied, on the part of Lessor as to the physical condition of the Premises, including but not limited to, the condition of any existing improvements., the soil and the geology of the soil, the air, surface water and groundwater, the presence of known and unknown faults, the presence of Hazardous Materials and all other kinds of contamination and pollutants of any kind in the air, soil, groundwater and surface water, and the suitability of the Premises for the construction and use of the improvements thereon.

B. Tenant Independent Investigation: It is the sole responsibility of Tenant, in its sole cost and expense, to investigate the condition of the Premises to its satisfaction, including (i) the suitability of the soil, geologic, environmental and seismic conditions of the Premises for the intended use contemplated herein, and (ii) the presence of any contaminants, or Hazardous Materials, as defined in Section 18.A., in air, soil, groundwater and surface water in, on, or under the Premises and pollutants of any kind located on or within the Premises. This Lease imposes no responsibility or obligation on Lessor to prepare or implement any remediation plan or to attain remediation of the Premises to a level of standard required for Tenant’s use or any other purpose. Lessor makes no warranties, representations, covenants, or agreements concerning remediation for the purposes of Tenant’s use or any changes in Environmental Laws, as defined in Section 18.B., affecting such uses.

The respective agreements and obligations of Lessor and Tenant under this Section 12 will survive the expiration or termination, for any reason, of this Lease.

C. No Concealment: Notwithstanding anything in this Lease to the contrary, Lessor represents to Tenant that Lessor is not concealing any knowledge of the presence of contamination possessed by the current officers and managers of the Airport. However, Lessor makes no representation regarding what would be revealed by a review and search of its records, interviews of its employees or past employees or the undertaking of due diligence to discover any information or knowledge not now known to its present officers and managers.

D. Maintenance: Tenant shall maintain the Premises in accordance with Section 15. Maintenance, Repair and Storage.

13. Utility Obligations: Tenant shall pay, on Tenant’s own account, all charges for utilities used or consumed on the Premises, including, but not limited to, gas, water, electricity, garbage disposal, storm water and sanitary sewer services, janitorial services, and telephone services.

In the event Lessor, or any utility company, requires that any existing or new overhead

distribution system be installed underground, Tenant shall, at its own cost and expense, provide all necessary facility changes on the Premises so as to receive such services.

14. Alterations and Additions:

- A. Tenant may not do any of the following: (i) erect or place any additional structures on the Premises, (ii) make any improvements or alterations to the exterior of any Tenant's Buildings, aircraft, ramp, parking area or landscaping, (iii) make any improvements or alterations to the interior of any of Tenant's Buildings that require the issuance of a building permit without written consent of Lessor. Tenant shall provide the Director of Airports with written plans detailing any proposed improvement. If the Director of Airports does not provide a written response to Tenant's proposed changes within thirty (30) days of the date the Director of Airports confirms his receipt of such plans, the proposed improvement will be deemed approved by the Director of Airports. The Director of Airports may not unreasonably withhold or condition its approval of any proposed improvement.
- B. In the event Tenant makes alterations, constructs additions, or adds additional structures that violate the conditions contained in this Lease (an "**Unauthorized Addition**"), at the Director of Airports sole discretion, Tenant shall remove all or any portion of such Unauthorized Addition at Tenant's sole cost and expense. If Tenant is required to remove any Unauthorized Addition, Tenant, at its sole cost and expense, shall restore the Premises to substantially the condition existing immediately prior to the existence of the Unauthorized Addition, or such other condition designated by Lessor in its election. If Tenant is not required to remove all or any portion of the Unauthorized Addition, then at the Director of Airports sole discretion will advise Tenant if all or any portion of the Unauthorized Addition will remain on and be surrendered with or be removed from the Premises, at the Tenant's sole cost and expense, on the expiration or termination of the Lease.
- C. If the Director of Airports has given written consent to Tenant, permitting Tenant to make certain alterations or make any additional improvements to the Premises, Tenant may not commence construction until Tenant has (i) obtained all necessary building permits and all other approvals required, and (ii) provided Lessor with twenty (20) days advance written notice of the commencement of such construction. In addition, Tenant shall cause a Notice of Lessor Non-Responsibility to be posted and recorded during construction in accordance with Civil Code Sections 3094 and 3129. A copy of the notice is to be mailed to Lessor upon filing it with the County Recorder.

15. Maintenance, Repair and Storage:

- A. Premises Maintenance: Tenant shall, at its sole expense, throughout the term of this Lease, maintain the Premises improvements and appurtenances thereto,

including but not limited to, Tenant's Buildings and other structures, signs, driveways, parking surfaces, curbs, walkways, perimeter fences, landscaping, drainage and sewage lines, utility lines, irrigation systems and other facilities (collectively, the "**Improvements**"), in a first-class condition, ordinary wear and tear excepted. Tenant shall cause all maintenance, repairs, and replacements to be of a quality substantially equal to the original material and workmanship. Lessor is the sole judge of the maintenance standards required.

Tenant shall perform all maintenance and repairs in compliance with, and all maintenance and repairs necessary to comply with, all applicable statutes, ordinances, resolutions, regulations, orders, and policies now in existence or adopted from time to time by the United States, the State of California, the County of Contra Costa and other government agencies with jurisdiction over the Airport.

If Tenant fails to perform its maintenance obligations as described herein within thirty (30) days of written notice by County to Tenant of such failure, County shall have the right to enter upon the Premises and to perform such necessary maintenance obligations and Tenant shall be required to reimburse County for the costs thereof within ten (10) days after receipt of an itemized invoice therefore. If such maintenance obligations are of such a nature that they cannot reasonably be completed within such thirty (30) day period, Tenant shall be deemed to have performed its maintenance obligations within such thirty (30) day period if Tenant has started such maintenance obligations within such thirty (30) day period and diligently pursues such maintenance obligations to completion.

- B. Lease Maintenance Plan: In order to determine what maintenance is required to maintain the aircraft hangars, office space, aircraft taxi space, aircraft ramp, the parking area(s), any other facilities and landscaping on the Premises (together, the "**Improvements**") in a "first class condition," as required by this Lease, through the remaining term of the Lease (such maintenance, the "**Maintenance Work**"), the Lessor and Tenant shall conduct a joint inspection of the Improvements. The joint inspection is to occur not earlier than April 1, 2035 and not later than April 1, 2036 or not earlier than April 1, 2045 and not later than April 1, 2046 or not earlier than April 1, 2055 and not later than April 1, 2056 or not earlier than April 1, 2065 and not later than April 1, 2066 if the Tenant elects to extend the Lease pursuant to Section 4.B.

The Maintenance Work may include, but is not limited to, the following:

- i. Interior and exterior building improvements, including roof, doors, windows, signage, street facades, painting, flooring, fixtures (i.e., lights, toilets and sinks), et cetera.
- ii. The replacement of asphalt, and the cut and repair of any concrete features on the aircraft ramp and in the parking lot of the Premises.

- iii. The repair, replacement, and upgrade of HVAC.
- iv. The repair, replacement and upgrade of plumbing and electrical systems in the offices and aircraft hangars.

Within ninety (90) days after the joint inspection of the Premises, Tenant shall prepare and submit to the Director of Airports for his approval a detailed plan that itemizes the Maintenance Work to be performed (the “**Maintenance Plan**”). The Maintenance Plan must include a timeline for the performance of the Maintenance Work and the expected cost of the Maintenance Work. The Director of Airports will review the Maintenance Plan and approve or disapprove it within thirty (30) days of receipt. If the Maintenance Plan is not approved by the Director of Airports, the Director of Airports shall set forth in writing and notify Tenant of his reasons for withholding such approval. Tenant shall thereafter submit a revised Maintenance Plan to the Director of Airports, which approval is to be granted or denied within thirty (30) days of receipt in accordance with the procedures set forth above. The Director of Airports may not unreasonably withhold approval of a Maintenance Plan. If a Maintenance Plan has not been approved by December 1, 2036 or December 1, 2046, 2056, or 2066 if Lease was extended, Tenant will be in default of this Lease. Tenant’s failure to execute the Maintenance Plan is a default of this Lease.

If at any time the Lessor determines that it will require Tenant to remove a particular Improvement pursuant to Section 26, the Lessor shall give Tenant prompt written notice of such determination, and thereafter Tenant will not be required to comply with the terms of this Section 15 with respect to such Improvement. Notwithstanding the above, Tenant has an ongoing obligation to maintain all Improvements in accordance with Section 15.A.

- C. Plans and Lessor’s Approval: Prior to commencing any Maintenance Work, Tenant shall obtain the Director of Airports’ written approval of all plans prepared by architects, engineers or contractors that relate to the Maintenance Plan, and all modifications or amendments thereto, (including all working drawings and other supplements thereto, but excluding immaterial field changes).
- D. Tenant Responsibility for Maintenance Work: Tenant is solely responsible for obtaining all necessary permits and approvals and for paying any and all fees required for the Maintenance Work. Approval of the Maintenance Plan by the Director of Airports does not constitute a representation or warranty as to its conformity with other requirements, and responsibility therefor remains at all times in Tenant.

Tenant shall cause all Maintenance Work to be constructed in conformance with: (i) all requirements of the Lessor, (ii) the Maintenance Plan, (iii) all applicable statutes, ordinances, building codes, Airport Policy and Standards for

Development, and rules and regulations of the Lessor, and (iv) the rules and regulations of all other authorities having jurisdiction over the Premises or Tenant's operations thereon, including, but not limited to, the Contra Costa County Department of Conservation and Development, the Contra Costa County Public Works Department and the Federal Aviation Administration.

- E. Performance Bond: Not less than ten (10) working days before the commencement of maintenance pursuant to the Maintenance Plan, Tenant shall, at its sole cost and expense, furnish to the Lessor a performance bond of a surety company licensed to transact business in the State of California, or other type of security satisfactory to the Lessor, that (i) is in the amount of one hundred percent (100%) of the total estimated cost of the Maintenance Work that is being performed, (ii) names Tenant as principal, and (iii) guarantees faithful performance of all construction work associated with the Maintenance Plan by March 31, 2041, or such earlier date as is identified in the Maintenance Plan as the date the maintenance work will be completed. The performance bond or other security must be in a form acceptable to the Lessor.
- F. Payment Bond: Not less than ten (10) working days before the commencement of maintenance pursuant to the Maintenance Plan, Tenant shall, at its sole cost and expense, furnish to the Lessor either of the following: (i) a payment bond of a surety company licensed to transact business in the State of California that (x) is in the amount of one hundred percent (100%) of the total estimated cost of the Maintenance Plan and all other necessary appurtenances specific therein, and (y) guarantees the payment of all labor, materials, provisions, supplies and equipment used in, upon, for or about the performance of the construction work; or (ii) an alternate form of security that is acceptable to the Lessor in its sole discretion. The payment bond must be in a form acceptable to the Lessor and must satisfy the requirements of California Civil Code section 3248.
- G. Inspection and Acceptance: Tenant shall obtain all applicable permits and authorizations of, all local, state, federal and other government agencies and entities that have jurisdiction over the Maintenance Work, including but not limited to, the Contra Costa County Department of Conservation and Development and the Contra Costa County Public Works Department. All Maintenance Work is subject to inspection, testing, and acceptance in accordance with applicable laws, rules, regulations, and requirements of all governmental agencies and entities that have jurisdiction over the Maintenance Work. Nothing in this Lease is to be construed as approval of any permit or authorization of any local, state, or federal government agency or entity that has jurisdiction over the Maintenance Work.
- H. No Warranties: The inspection, testing and acceptance by the Lessor under this or any other section of this Lease, of any plans submitted by or acts performed by Tenant does not constitute a warranty by the Lessor, and does not relieve Tenant of its obligation to fulfill the provisions of this Lease and of the Maintenance Plan

as approved by the Lessor, nor is the Lessor thereby estopped from exercising any of its remedies provided at law or equity or under this Lease.

- I. Engineering: Tenant is responsible for all engineering work and the accuracy thereof. Any material deviations from the Maintenance Plan approved by the Director of Airports must have prior written approval by the Lessor.
  - J. Paving and Concrete: As required under Section 16, and as necessary during the Term of this Lease, Tenant shall upgrade the pavement for the aircraft movement areas within the Premises, and the concrete floors in the Hangars, to enable them to accommodate the heaviest aircraft expected to operate in the area, or a fully loaded fuel truck, whichever is heavier. When installed, the pavement must have an expected pavement life of at least twenty (20) years. All road access must be in compliance with Lessor Public Works Department standards.
  - K. Notice of Non-Responsibility: Tenant shall cause a notice of the Lessor non-responsibility to be posted and recorded by Tenant during construction in accordance with Civil Code Sections 3094 and 3129. A copy of the notice must be filed with the Lessor Recorder and mailed to the Director of Airports after filing.
  - L. Storage on Premises: No materials, supplies, products, equipment or other personal property that is not directly necessary for the operation of Tenant's business, and no vehicles other than Tenant's employees' personal vehicles and the fuel truck described in Section 10. Use of Premises, shall be permitted to remain on any portion of the Premises without the prior written consent of the Director of Airports. Tenant shall store personal property items, supplies and materials and combustibles inside the Tenant's Buildings in a safe, neat and sanitary manner.
16. Lawful Conduct: Tenant shall obey and observe, and shall ensure that all persons entering upon the Premises obey and observe, all the terms and conditions of this Lease and all statutes, ordinances, resolutions, regulations, orders, and policies now in existence or adopted from time to time by the United States, (including, but not limited to, the Federal Aviation Administration) the State of California, the County of Contra Costa, the Central Contra Costa Sanitary District, the San Francisco Bay Regional Water Quality Control Board, and all other government agencies with jurisdiction over the Airport (collectively, the "**Applicable Laws**") including, but not limited to, Applicable Laws concerning health, safety, fire, accessibility, police, and the environment.

Tenant shall pay all fines and penalties levied against it by any government agency for Tenant's violation of any Applicable Law associated with activities on the Premises.

17. Waste, Quiet Conduct, Nuisance, Pollution: Tenant may not commit, or suffer to be committed, any waste upon the Premises or any nuisance or other act or thing that may disturb the quiet enjoyment or the use of the Airport or surrounding property.

Tenant shall provide, as legally required, a separate drainage, collection, and/or liquid waste separation system to ensure that no untreated liquid waste from any type of operation, including aircraft cleaning and oil change operations, enters the Airport storm drainage or sanitary system.

Tenant may not permit any activity on the Premises that directly or indirectly produces unlawful or excessive amounts or levels of air pollution, (e.g., gases, particulate matter, odors, fumes, smoke, dust), water pollution, noise, glare, heat emissions, trash or refuse accumulation, vibration, prop-wash, jet blast, electronic or radio interference with navigational and communication facilities used in the operation of the Airport or by aircraft, or any other activity that is hazardous or dangerous by reason or risk of explosion, fire, or harmful emissions.

18. Hazardous Materials:

A. Definition of Hazardous Materials: As used in this Lease, the term “Hazardous Materials” means any hazardous or toxic substance, hazardous or radioactive material, or hazardous waste, pollutant or contaminant at any concentration that is or becomes regulated by the United States, the State of California, or any local government authority having jurisdiction over the Premises. Hazardous Materials include, but are not limited to, the following: (i) Any “hazardous waste,” “extremely hazardous waste,” or “restricted hazardous waste,” as defined in Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health & Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) any “hazardous substance” as that term is defined in Section 25316 of the California Health & Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) any material or substance listed as a chemical known to cause cancer or reproductive toxicity pursuant to Section 6380 of the California Labor Code, Division 5, Part 1, Chapter 2.5 (Hazardous Substances Information and Training Act); (iv) any “hazardous waste” as that term is defined in the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 *et seq.* (42 U.S.C. Section 6903); (v) any “hazardous substance” as that term is defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 *et seq.* (42 U.S.C. Section 9601); (vi) any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance, within the meaning of any other applicable federal, state, or local statute, ordinance, resolution, regulation, order, policy, or requirement, including consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect; (vii) any petroleum product; (viii) any radioactive material, including any “source materials”, “special nuclear materials”, or “byproduct material” as defined in 42 U.S.C. Section 2011 *et seq.*; (ix) any asbestos in any form or condition; and (x) any polychlorinated biphenyls (PCBs) and any substances or any compounds containing PCBs.

B. Use of Hazardous Materials: Tenant may not cause or permit any Hazardous

Material, as defined in this Section, to be generated, brought onto, stored, used, emitted, released, discharged or disposed of in, on, under, or about the Premises by Tenant or its officers, employees, agents, contractors, renters, guests or invitees, except for limited quantities of (i) standard office and janitorial supplies containing chemicals categorized as Hazardous Materials; (ii) motor oils, hydraulic fluids, fuel and other materials commonly used in aircraft storage and fueling facilities; (iii) such other Hazardous Materials as are approved in advance in writing by Lessor. During the term of this Lease, Tenant shall strictly comply with all applicable laws, statutes, ordinances, regulations, orders, etc., in effect that relate to public health and safety and protection of the environment including, but not limited to those identified in this Section (“**Environmental Laws**”).

- C. Notification to the Director of Airports: If, during Term of this Lease, Tenant becomes aware of (i) any actual or threatened release of any Hazardous Materials on, under, or about the Premises; or (ii) any inquiry, investigation, proceeding, or claim by any government agency or other person regarding the presence of Hazardous Material on, under, or about the Premises, Tenant shall (i) immediately provide verbal notification to the Director of Airports and (ii) provide written notification of such release or investigation to the Director of Airports within twenty-four (24) hours after learning of it. In the event Tenant receives any claims, notices of violation, reports, or other writing concerning the aforementioned release or investigation, Tenant shall furnish copies of all such materials to Lessor no later than the business day following Tenant’s receipt thereof.

Notification to the Director of Airports under this Section does not relieve Tenant of any obligation to notify any government agency under any Applicable Law.

- D. Indemnification: Tenant shall, at Tenant’s sole expense and with legal counsel reasonably acceptable to Lessor, indemnify, protect, defend, and hold harmless Lessor and Lessor’s officers, employees, agents, and contractors from and against any and all demands, losses, claims costs, suits liability and expenses including without limitation, attorney’s fees and consultant fees arising out of or relating to the violation by Tenant or Tenant’s officers, employees, agents, contractors, Subtenants, renters, guests or invitees of any Environmental Laws or the use, handling, generation, emission, release, discharge, storage or disposal of any Hazardous Materials by Tenant or Tenant’s officers, employees, agents, contractors, Subtenants, renters, guests or invitees. This indemnification applies whether or not the concentration of such Hazardous Materials exceed state or federal maximum contaminant or action levels or whether any government agency has issued a cleanup order. Losses, claims, costs, suits, liability, and expenses covered by this indemnification provision include, but are not limited to: (i) losses attributable to diminution in the value of the Premises; (ii) loss or restriction of use of rentable space on the Premises; (iii) adverse effect on the marketing of any rental space on the Premises; and (iv) penalties and fines levied by, and remedial or enforcement actions of any kind issued by any regulatory agency (including but

not limited to the costs of any required testing, remediation, repair, removal, cleanup or detoxification of the Premises and surrounding properties). Tenant is not required to indemnify Lessor against liability arising solely as a result of Hazardous Materials that are present in, on, under or about the Premises as of the Effective Date of this Lease. This indemnification clause will survive any expiration or termination of this Lease.

19. Stormwater Discharge: Lessor has applied for and received a National Pollutant Discharge Elimination Permit (“NPDEP”) under the Federal Clean Water Act, which covers Tenant’s operations on the Premises. In accordance with Section 16, Lawful Conduct, of this Lease, Tenant shall comply with (i) all laws and regulations arising under the Federal Clean Water Act that are applicable to Tenant’s operations on the Premises; and (ii) Lessor’s NPDEP.

Tenant shall ensure that no pollution or Hazardous Materials of any type is discharged into the stormwater system at the Airport, and shall comply with Lessor’s NPDEP in all respects and in accordance with the Stormwater Control Plan and Stormwater Control Operation and Maintenance Plan for the Premises, and any amendments thereto, and in accordance with all applicable laws and regulations and other Lessor requirements. Copies of the Stormwater Control Plan and Stormwater Control Operation and Maintenance Plan for the Premises will be maintained on file at the Contra Costa County Public Works Department and are incorporated herein by reference.

Tenant is responsible for any discharge by Tenant, its officers, employees, agents, contractors, renters, guests or invitees during the entire term of this Lease. Any fine or remedial action required of Lessor, by any agency or agencies having jurisdiction over the Airport, as a result of actions or discharges from the Premises by Tenant, its officers, employees, agents, contractors, renters, guests or invitees, will be charged to Tenant, and Tenant shall immediately reimburse Lessor for these costs upon demand. In addition, any discharge of pollutants or Hazardous Materials, as defined herein, on or from the Premises is a default under this Lease and is grounds for its termination.

20. Rules And Regulations: Tenant shall observe and obey all policies, rules, and regulations promulgated by Lessor’s Board of Supervisors and any other government entities or agencies having jurisdiction over the Airport.
21. Noise Ordinance: Tenant shall comply with County Ordinances 87-8 and 88-82, as amended, and all other rules and ordinances relating to noise standards at the Airport, as may be approved from time to time by the County Board of Supervisors.
22. Security: Lessor has no obligation to provide security to the Premises. Tenant shall provide, through the use of buildings, structures, walls, fences, gates and similar barriers, or a combination thereof, uninterrupted on-site security at all times for the prevention of unauthorized pedestrian and vehicular access to the aircraft operating area by way of the Premises. Tenant shall control direct or indirect points of entry to the aircraft operating area to accommodate authorized individuals and authorized vehicles in compliance with

FAA and Airport security requirements. Tenant shall also provide security for on-site facilities, such as vehicular parking lots, buildings, hangars and fueling facilities on the Premises. Tenant shall provide adequate lighting to provide for all-night illumination of the perimeter of all buildings on the Premises, including, aprons, aircraft tie-down areas, vehicular parking lots and pedestrian walkways surrounding the Premises. If at any time during the Term of this Lease additional security requirements are imposed on the Airport by the FAA or any other agency having jurisdiction over the Airport, Tenant shall comply with said security requirements at Tenant's sole expense. If Airport is fined by FAA for a security violation caused by Tenant, Tenant shall immediately reimburse Lessor upon demand.

23. Indemnification: Tenant shall defend, hold harmless, and indemnify the Indemnitees (as defined below) from the liabilities defined in this Section 23.
- A. **"Indemnities"** means Lessor, its governing body, elective and appointive boards, commissions, officers, employees, representatives and agents.
  - B. **"Liabilities"** means any liability or claim for damage of any kind allegedly suffered, incurred or threatened because of an Act (as such term is defined below) and such liabilities shall include, but are not limited to personal injury, death, property damage, inverse condemnation claims of third parties or any combination of these, and including the defense of any suits or actions at law or equity concerning these.
  - C. An **"Act"** means any act, intentional or negligent, or omission by Tenant, its officers, employees, agents, representatives, invitees, contractors, Subtenants, renters or guests in connection with the occupancy and use of the Premises by Tenant, its shareholders, or any Subtenant, renter or assignee, or the matters covered by this Lease, or claimed to be attributable to Tenant, its officers, employees, agents, representatives, invitees, contractors, Subtenants, renters, guests, assignees, or one or more of them;
  - D. The promise and agreement in this Section are not conditioned or dependent on whether Tenant or Lessor has prepared, supplied, or approved any plans or specifications in connection with work performed pursuant to Section 14. Alterations and Additions, or Section 15. Maintenance, Repair and Storage, or has insurance or other indemnification covering any of these matters. This indemnification clause will survive any expiration or termination of this Lease.
24. Insurance: Tenant shall procure and maintain, at its own cost and expense, at all times during the Term of this Lease, the following policies issued by insurance companies authorized to do business in California, with a financial rating of at least an A-status (unless otherwise stated below) as rated in the most recent edition of Best's Insurance Reports:
- A. Commercial General Liability and Property Damage Insurance: Tenant shall obtain and maintain, owner, landlord, and tenant commercial general liability

insurance with a financial rating of at least an A- or P status (pooled insurance coverage) covering and insuring all parties hereto (including naming Contra Costa County and its officers, agents, and employees as additional insureds under the policy or policies) with a minimum combined single limit coverage of Three Million and No/100 Dollars (\$3,000,000.00) for all damages due to bodily injury, sickness or disease, or death to any person and damage to property, including the loss of use thereof, arising out of each accident or occurrence arising out of Tenant's leasehold interest in, or maintenance or use of, the Premises and all operations necessary or incidental thereto. Liability insurance will be factored periodically to maintain adequate coverage.

- B. Property and Fire Insurance: Tenant shall insure for fire and extended coverage risks all personal property, improvements, and alterations in, on, or about the Premises. Such insurance must be in an amount equal to one hundred percent (100%) of insurable, full replacement value of any improvements located on thereon, and include vandalism and malicious mischief endorsements. Such property insurance policies must contain loss payable endorsements in favor of the parties as their respective interests may appear hereunder.
  - C. Worker's Compensation: Tenant shall obtain workers' compensation insurance as required by law, covering all employees of Tenant, and such insurance shall be kept in force during the entire Term of this Lease.
  - D. Form of Policies: Tenant shall cause all policies of insurance required by this Section to be in such standard form and written by such qualified insurance companies as is satisfactory to Lessor. Tenant shall provide evidence of such insurance to Lessor in the form of (i) a copy of the policies, and (ii) a duly executed certificate of insurance. All of such certificates shall name "Contra Costa County, its officers, agents, and employees" as additional insureds. Said policy or policies or certificates shall contain a provision that written notice of policy lapses, cancellation or any changes thereto shall be delivered to Lessor no fewer than thirty (30) days in advance of the effective date thereof.
  - E. Notice: Tenant shall give Lessor prompt and timely notice of any claim made or suit instituted of which it has knowledge and which could in any way directly, contingently or otherwise, affect either Tenant or Lessor or both, and both Tenant and Lessor shall have the right to participate in the defense of such claim or suit to the extent of its respective interest.
25. Taxes: Tenant agrees to pay before delinquency all taxes (including, but not limited to, possessory interest tax), assessments, and other charges that are levied and assessed upon Tenant's interest in the Premises, or upon Tenant's personal property installed or located in or on the Premises, by Contra Costa County and other legally authorized government authority. Tenant may pay any taxes and assessments under protest, without liability, cost or expense to Lessor, to contest the amount in good faith.

26. Inspection, Access and Notice: Upon twenty-four (24) hour written notice to Tenant, Lessor and its agents may enter and inspect the Premises and any and every building, structure, or improvement thereon. Lessor also has the right to serve or to post and to keep posted on the Premises, or on any part thereof, any notice permitted by law or this Lease, including but not limited to a notice pursuant to Section 3094 of the Civil Code. Lessor is not liable in any manner for any inconvenience, disturbance, loss of business, or other damage arising out of Lessor's entry on the Premises as allowed in this Section. Lessor shall conduct its activities as allowed in this Section in a manner that will cause the least possible inconvenience, annoyance, or disturbance to Tenant, and may not materially interfere with access to or use of the Premises. Tenant shall provide an access gate through the Premises for emergency vehicles.
27. Assignment and Encumbrances: Tenant may not voluntarily sell, assign, transfer or encumber (each, a "**Transfer**"), its interest in this Lease or in the Premises, or allow any other person or entity (except Tenant's authorized representatives) to occupy or use all or any part of the Premises, without first obtaining Lessor's written consent, which may not be unreasonably withheld. Notwithstanding the foregoing sentence, Lessor has the right to require financial and other information from a proposed assignee, purchaser, transferee or other encumbering party (each, a "**Transferee**"), to make its decision, and Tenant shall assist Lessor in obtaining such information from any proposed Transferee. Any Transfer without Lessor's prior written consent is voidable and, at Lessor's election, constitutes a Default. Any consent to a Transfer does not constitute a further waiver of the provisions of this Section.

If Tenant is a corporation or a limited liability company, any (i) dissolution, merger, consolidation, or other reorganization of Tenant, or (ii) sale or other transfer of a controlling percentage of the capital stock or membership interests, as the case may be, of Tenant, or (iii) sale of fifty percent (50%) of the value of the assets of Tenant, will be deemed a voluntary assignment. The phrase "controlling percentage" means (a) in the case of a corporation, the ownership of, and the right to vote, stock possessing more than fifty percent (50%) of the total combined voting power of all classes of Tenant's capital stock issued, outstanding, and entitled to vote for the election of directors and (b) in the case of a limited liability company, ownership of, and the right to vote, membership interests possessing more than fifty percent (50%) of the total combined voting interests of Tenant.

If Tenant is in default of monetary obligations to Lessor pursuant to this Lease, Tenant immediately and irrevocably assigns to Lessor, as security for Tenant's monetary obligations under this Lease, all rent from any subletting or renting of all or part of the Premises as permitted by this Lease. A receiver for Tenant appointed on Lessor's application, may collect such rent and apply it toward Tenant's obligations under this Lease.

If Lessor consents to any Transfer or if Tenant makes any Permitted Transfer pursuant to this Section 27, Tenant shall be relieved of all responsibility for any obligation, payment or performance falling due or arising after the effective date of such Transfer or Permitted Transfer. Furthermore, on and after the effective date of such Transfer or Permitted

Transfer, Tenant shall be released of all obligations under this Lease and Landlord shall look solely to the Transferee or Permitted Transferee.

28. Surrender of Possession:

- A. Improvements: Title to all Improvements, including all alterations or additions (including Unauthorized Additions) thereto, will remain in Tenant until the expiration, cancellation, or other earlier termination of this Lease. Upon expiration, cancellation or other earlier termination of this Lease, except as otherwise provided herein, title to all Improvements will automatically vest in Lessor and will remain on and will be surrendered with the Premises.

If Lessor does not desire title to any portion of the Site Improvements, Lessor shall notify Tenant in writing as soon as practicable which of the Site Improvements are to be removed by Tenant (the “**Excluded Improvements**”). Tenant shall remove the Excluded Improvements above ground level, within one hundred twenty (120) days following the effective date of such notice.

If Tenant fails to remove the Excluded Improvements, Lessor may remove them at Tenant’s expense, and, upon written demand by Lessor, Tenant shall immediately reimburse Lessor, in full, for all of the costs and expenses incurred by Lessor in removing the Excluded Improvements.

Within thirty (30) days after expiration, cancellation, or termination of this Lease, Tenant shall surrender to Lessor the Premises and all improvements, including alterations and additions, in good condition (ordinary wear and tear and destruction to the Premises covered by Section 31. Destruction, excepted). If Tenant is required to remove Excluded Improvements, Tenant shall surrender that portion of the Premises where the Excluded Improvements are located within one hundred twenty (120) days after the expiration, cancellation, or termination of this Lease in good condition (ordinary wear and tear and destruction to such Premises covered by Section 31. Destruction, excepted). If Tenant fails to surrender the Premises to Lessor on expiration, cancellation, or termination of this Lease, Tenant shall defend, indemnify, and hold Lessor harmless from any and all claims, liability, costs, and damages resulting from Tenant’s failure to surrender the Premises, including, without limitation, claims made by a succeeding tenant or renter.

- B. Personal Property: Title to personal property belonging to Tenant will remain in Tenant at all times during the Term of this Lease, and Tenant has the right at any time to remove any or all of its personal property from the Premises, provided that upon any such removal, Tenant shall repair, at Tenant’s expense, any damage resulting therefrom and leave the Premises in a clean and neat condition.
- C. If Tenant fails to remove any personal property from the Premises within thirty (30) days after the expiration, cancellation, or termination of this Lease, such personal property may be removed by Lessor at Tenant’s expense, by charging

such expense to the Security Deposit, as provided in Section 8, Additional Payment Provisions. If Lessor's cost to remove personal property from the Premises exceeds the amount of the Security Deposit, then Tenant shall reimburse Lessor the difference between Lessor's cost and the amount of the Security Deposit, immediately upon receipt of Lessor's written demand therefor.

D. Effectiveness: The provisions of this Section will survive the expiration, cancellation or earlier termination of this Lease.

29. Default: The occurrence of any of the following is a "**Default**" by Tenant:

A. Tenant's failure to pay any Rent or other charges when due, if the failure continues for thirty (30) days after such payment is due. Notwithstanding the foregoing, failure to pay any Rent or other charges when due twice in any twelve (12) month period is a Default without further notice from Lessor.

B. Tenant's failure to undertake such reasonable maintenance of the Premises as directed by the Director of Airports, if the failure continues for thirty (30) days after notice of any reasonably required maintenance has been given to Tenant.

C. Tenant's failure to cure a safety hazard immediately upon notice from Lessor to do so. If, in the sole discretion of the Director of Airports, the required cure of the noticed safety hazard cannot be completed within twenty-four (24) hours, Tenant is not in Default of this Lease if Tenant commences to cure the failure within the twenty-four (24) hour period and diligently and in good faith continues to cure the Default as soon as reasonably possible.

D. Tenant's failure to provide any instrument or assurance or estoppel certificate required by this lease if the failure continues for five (5) business days after written notice of the failure from Lessor to Tenant.

E. Tenant's failure to perform any other obligation under this Lease if the failure continues for thirty (30) days after written notice of the failure from Lessor to Tenant. If, in the sole discretion of the Director of Airports, the required cure of the noticed default cannot be completed within thirty (30) days, Tenant is not in Default of this Lease if Tenant commences to cure the Default within the thirty (30) day period and diligently and in good faith continues to cure the Default to completion.

F. The committing of waste on the Premises, including any intentional act by Tenant to harm the Premises.

G. Tenant's failure to comply with any of the provisions of Section 35, Non-Discrimination.

H. To the extent permitted by law:

i. A general assignment is given by Tenant or any guarantor of the Lease for

the benefit of creditors.

- ii. The filing by or against Tenant or any guarantor, of any proceeding under an insolvency or bankruptcy law, unless (in the case of an involuntary proceeding) the proceeding is dismissed within sixty (60) days of its filing.
- iii. The appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is unconditionally restored to Tenant or that guarantor within thirty (30) days and the trusteeship or receivership is dissolved.
- iv. Any execution or other judicially authorized seizure of all or substantially all of the assets of Tenant located on the Premises, or of Tenant's interest in this lease, unless that seizure is discharged within thirty (30) days.

When this Lease requires service of notice, that notice shall replace rather than supplement any equivalent or similar statutory notice, including any notices required by Code of Civil Procedure section 1151 or any similar or successor statute. When a statute requires service of a notice in a particular manner, service of that notice (or similar notice required by this Lease) in the manner required by Section 40, Notices, will replace and satisfy the statutory service-of-notice procedures, including those required by Code of Civil Procedure section 1162 or any similar or successor statute.

30. Lessor's Remedies: Lessor has the following remedies upon the occurrence of a Default. These remedies are not exclusive; they are cumulative and in addition to any remedies now or later allowed by law:

- A. Lessor may terminate this Lease and Tenant's right to possession of the Premises at any time. No act by Lessor other than giving written notice to Tenant shall terminate this Lease. Lessor's acts of maintenance, efforts to re-let the Premises, or the appointment of a receiver on Lessor's initiative to protect Lessor's interest under this Lease do not constitute a termination of Tenant's right to possession. Upon termination of this Lease, Lessor has the right to recover from Tenant:
  - i. The worth, at the time of the award, of the unpaid Rent and fees that had been earned at the time of the termination of this Lease;
  - ii. The worth, at the time of the award, of the amount by which the unpaid Rent and fees that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent and fees that Tenant proves could have been reasonably avoided;
  - iii. The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent and fees that Tenant proves could have been reasonably avoided; and

- iv. Any other amount, and court costs, necessary to compensate Lessor for all detriment proximately caused by Tenant's Default.

"The worth, at the time of the award," as used in (i) and (ii) of this Section, is to be computed by allowing interest at the rate of ten percent (10%) per annum or the maximum rate permitted by law, whichever is less. "The worth, at the time of the award," as used in (iii) of this Section, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

- B. Lessor, at any time after the occurrence of a Default described in Section 29.B, can cure the Default at Tenant's cost, provided Tenant has failed to cure such Default within the thirty (30) day notice period described in Section 29.B.
- C. Lessor, at any time after the occurrence of a Default described in Section 29.C, can cure the Default at Tenant's cost, provided Tenant has failed to cure such Default within the twenty-four (24) hour notice period described in Section 29.C or fails to diligently and in good faith continues to cure the Default as soon as reasonably possible.
- D. If Lessor at any time, by reason of Tenant's Default, pays any sum to cure a Default or does any act that requires the payment of any sum, the sum paid by Lessor will be due from Tenant to Lessor within thirty (30) days from the time the sum is paid, following written notice by Lessor to Tenant of the amount due. If such amount is not paid within thirty (30) days of the notice, the amount due will bear interest at the rate of ten percent (10%) per annum or the maximum rate permitted by law, whichever is less, from the date the sum is paid by Lessor until Lessor is completely reimbursed by Tenant. The amount due from Tenant, together with interest accrued thereon, is Additional Rent.

31. Destruction: Tenant shall notify Lessor in writing of any damage to the Premises resulting from fire, earthquake or any other event of a sudden, unexpected or unusual nature.

- A. Twenty-Five Percent or Less: In the event of damage to or destruction of any Improvement valued at twenty-five percent (25%) or less of the then-replacement value of the Improvement, Tenant shall repair or replace the Improvement and no rent abatement will apply.
- B. Greater than Twenty-Five Percent: In the event of damage to or destruction of any Improvement valued in excess of twenty-five percent (25%) of the then-replacement value of the Improvement, Tenant has the option to either terminate this Lease or to repair or replace the Improvement so it is in substantially the same condition as it was in immediately before such damage or destruction. Tenant shall give written notice of its election to Lessor within thirty (30) days after the date of the loss or destruction of the Improvement. If Tenant elects to terminate this Lease, this Lease shall terminate as of the date of Tenant's notice to

Lessor. If Tenant elects to rebuild, Tenant is entitled to a proportionate reduction of Ground Rent (i) while repairs are being made, or (ii) for three months, whichever is less, unless Tenant is compensated by insurance for rent due Lessor, in which case rent abatement will not apply to the extent of Tenant's reimbursement from its insurer for lost rent. The proportionate reduction in rent will be calculated by multiplying the monthly rent by a fraction, the numerator of which is the number of square feet that are unusable by the Tenant and the denominator of which is the total square feet in the Premises.

Tenant will have one hundred eighty (180) days to commence repair or restoration of the Improvements, and shall diligently pursue the completion of the repair or restoration.

32. Condemnation:

- A. If the whole or any part of the Premises is taken as a result of the exercise of the power of eminent domain or is conveyed to any entity having such power under threat of exercise thereof (both such actions being hereinafter referred to as "**Condemnation**"), this Lease will automatically terminate as to the portion taken as of the date physical possession is taken by the condemnor. The value of any damages to the remainder of the Premises sustained by Tenant and Lessor as a result of a Condemnation action will be determined by a court of law or by negotiation and agreement with the condemnor.
- B. If the remaining part of the Premises is not reasonably suitable for the use described in Section 10, Use of Premises, as reasonably determined by Tenant, this Lease may be terminated by either Lessor or Tenant through written notice to the other party within thirty (30) days of the condemning agency's adoption of a resolution of necessity (or such agency's equivalent determination), to condemn the whole or any portion of the Premises. If a Condemnation takes (i) twenty-five percent (25%) or more of the Premises, or (ii) the portion of the Premises providing Tenant access to the Site Improvements, Tenant may terminate this Lease by providing Lessor written notice within thirty (30) days of the condemning agency's adoption of a resolution of necessity (or such agency's equivalent determination), to condemn such portion of the Premises. If the remaining part of the Premises is reasonably suitable for the operation of the business described in Section 10, as reasonably determined by Tenant, this Lease will continue in full force and effect as to such remaining part. If this Lease is not terminated as of the date of such Condemnation, Ground Rent will be reduced to an amount equal to the product of (i) the then-current Ground Rent multiplied by (ii) a fraction, the numerator of which is the number of square feet of the Premises remaining after such Condemnation, and the denominator of which is the number of square feet of the Premises prior to such Condemnation.

In the event that all or any part of the Premises is taken by Condemnation or conveyed in lieu thereof, both parties have the right to pursue a condemnation award against the condemning agency. To the extent allowed by law, Tenant is

entitled to any award for lost business, the residual value of its leasehold interest, moving expenses, and the depreciated value of any fixtures or property improvements installed and not removed by Tenant. Lessor is entitled to all other amounts awarded, including but not limited to, all amounts awarded for land value. No claim made by or payment to Tenant will diminish or otherwise adversely affect Lessor's award. Provided the Lessor is not the condemning agency, Tenant will not have, and may not make, any claim against Lessor for any loss, damage or other matter arising out of any Condemnation.

33. Cancellation by Lessor: If, at any time five (5) years or more after the Effective Date of this Lease, Lessor requires the Premises for purposes other than a corporate hangar and auxiliary aviation business, Lessor may terminate this Lease with not less than twelve months' prior written notice (the "**Material Change Termination Option**"). The written notice provided by Lessor will specify the date on which the Lease will terminate (the "**Termination Date**"). The Termination Date may not be sooner than the tenth anniversary of the Effective Date.

If Lessor exercises its Material Change Termination Option, Lessor shall pay Tenant an amount equal to (i) the value of Tenant's remaining interest in the Premises based on the fair market value of the remaining term of the Lease and any other relevant factors, and (ii) the then-existing fair market value of the Site Improvements (the "**Termination Value**"). Payment of the Termination Value is due within ten (10) days of the earlier to occur of (i) the Termination Date and (ii) Tenant's satisfaction of the return conditions set forth in Section 15.

Tenant has no right to recover the value of its Improvements in the event the Lease is terminated as a result of Tenant's Default or for any reason other than as specified in this Section.

34. Financing of Leasehold Estate:

A. Tenant's Right to Encumber. Subject to the conditions set forth below, Tenant may, at any time, encumber, at its discretion, all or any portion of its interest in the Lease, the leasehold estate, and the Site Improvements by mortgage (a "**Leasehold Mortgage**"). Tenant may each have only one Leasehold Mortgage outstanding at any time. Any Leasehold Mortgage will be subject and subordinate to all rights and interests of Lessor and will be a lien only on Tenant's interests in and to this Lease and the leasehold estate, and will not be a lien on Lessor's fee interest in the Premises or reversionary interest in the Site Improvements. Any Leasehold Mortgage is subject to the terms and provisions of this Lease and the holder of the Leasehold Mortgage (the "**Mortgagee**"), or anyone claiming by, through, or under the Mortgagee, will not, by virtue of the Leasehold Mortgage, acquire any greater rights hereunder than Tenant has under this Lease. Tenant shall deliver to Lessor copies of all documents recorded to evidence any and all Leasehold Mortgages and all notices of default received by Tenant from a Mortgagee. Tenant shall also cause the Mortgagee to deliver copies of default notices to Lessor, simultaneously upon mailing to Tenant.

- B. Tenant's Obligations. Tenant covenants and agrees to pay the indebtedness secured by a Leasehold Mortgage when the same becomes due and payable and to perform, when such performance is required, all obligations of the mortgagor thereunder. Tenant further agrees not to suffer or permit any default to occur and continue under a Leasehold Mortgage.
- C. Rights of Mortgagee. A Mortgagee may enforce its rights under its Leasehold Mortgage and acquire title to the Tenant's leasehold estate in any lawful way. Subject to this Lease, including without limitation, the "Use of Premises" and "Rent" provisions hereof, and all other terms, provisions and conditions of this Lease, upon foreclosure of such Leasehold Mortgage and the Director of Airports' receipt of a copy of the final judgment confirming the sale, the successor in interest may take possession of that portion of the leasehold estate subject to the Leasehold Mortgage. During such time as the Mortgagee or any successor in interest is the owner and holder of the leasehold estate and Tenant's interest hereunder, whether by foreclosure or otherwise, such interests are subject to all of the terms, conditions and provisions of this Lease.
- D. Lessor shall provide Mortgagee with a copy of any notice of default served upon Tenant by Lessor, provided that Lessor has been notified in writing of the name and address of such Mortgagee. Lessor agrees that if Tenant fails to cure such default within the time provided for in this Lease, then the Mortgagee may have an additional thirty (30) days to cure such default, or if such default cannot be cured within that time, then Mortgagee may have an additional sixty (60) days to cure such default, if within such thirty (30) days, the Mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default.
- E. Notice of Compliance. Upon written request by Tenant, Lessor shall execute, acknowledge, and deliver to Tenant or to any Mortgagee, a written statement stating (i) whether the Lease is unmodified and is in full force and effect, and if modified, whether the modified Lease is in full force and effect, and stating the nature of the modification, (ii) whether Lessor is aware of any Default by Tenant in the performance or observance of any term or condition of this Lease, (iii) whether any notice has been given to Tenant of any Default that has not been cured (and, if so, specifying the nature of the Default) and (iv) any other information reasonably requested of Lessor.

35. Non-Discrimination:

- A. Tenant hereby covenants and agrees that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a United States Department of Transportation ("**DOT**") program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations, Part 21, Non-discrimination in Federally Assisted Programs of the

Department of Transportation, (“**49 CFR Part 21**”), and as such regulations may be amended.

- B. Tenant hereby covenants and agrees: (i) that no person shall be excluded from participation in, denied the benefits of, or be otherwise subjected to, discrimination in the use of the Premises on the grounds of race, color, sex, or national origin; (ii) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination on the grounds of race, color, sex, or national origin; and (iii) that Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, as such regulations may be amended.
- C. In the event of a breach of any of the above non-discrimination covenants, Lessor shall have the right to terminate this Lease and to re-enter and repossess the Premises and the facilities thereon. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including the expiration of any appeal rights.
- D. Tenant shall furnish its accommodations and services on a fair, equal, and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- E. Noncompliance with subsection D. above constitutes a material breach thereof and, in the event of such noncompliance, Lessor has the right to terminate this Lease without liability therefore or, at the election of Lessor or the United States, either Lessor or the United States government, or both have the right to judicially enforce the provisions of subsection D.
- F. Tenant agrees that it shall insert the above subsections A through E in any rental agreement by which Tenant grants a right or privilege to any person, firm, or corporation to render accommodations or services, or both to the public on the Premises.
- G. If required by state, federal or local law, Tenant assures that it will undertake an Affirmative Action program (as such term is defined by 14 CFR Part 152, Sub-part E (“**Sub-part E**”)), as required by Sub-part E to ensure that no person is excluded from participating in any employment activities covered by Sub-part E on the grounds of race, creed, color, national origin, or sex. Tenant assures Lessor that no person will be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Sub-part E. Tenant assures Lessor that it will require that its covered suborganizations provide assurances to Tenant that they similarly will undertake Affirmative Action programs, and that they will require assurances from their suborganizations, as required by Sub-part E, to undertake the same effort.

36. Operation of Airport by Lessor:

- A. Aviation Hazards: Lessor shall take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, including preventing Tenant from constructing, or permitting the construction of, any building or other structure on the Premises that, in the opinion of Lessor or the Federal Aviation Administration, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- B. Navigational Aids: Lessor reserves the right during the Term of this Lease, during any renewal and/or extension or holdover period thereof to install air navigational aids including lighting, in, on, over, under, and across the Premises. In the exercise of any of the rights hereof, Lessor shall give Tenant no less than ninety (90) days written notice of its intention to install such air navigational aids. Following installation, Lessor is responsible for the maintenance and operation of such

37. Airport Use and Development:

- A. Lessor reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Tenant and without interference or hindrance.
- B. Lessor reserves the right, but is not obligated to Tenant, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities at the Airport, together with the right to direct and control all activities of Tenant in this regard.
- C. This Lease is subordinate to the provisions and requirements of any existing or future agreement between Lessor and the United States, including but not limited to the Federal Aviation Administration, relative to the development, operation, and maintenance of the Airport.
- D. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight includes the right to cause in said airspace all noise inherent in the operation of any aircraft used for navigation or flight through said airspace, and all noise inherent in landing at, taking off from, and operations at the Airport.

38. Development of Premises:

- A. Tenant shall comply with the notification and review requirements covered by 14 CFR Part 77 of the Federal Aviation Regulations in connection with any construction, modification or alteration of any present or future building or structure situated on the Premises.

- B. Tenant may not cause or permit the construction of any structure or object, or the growth of any tree on the Premises, to exceed the established height contours. In the event the aforesaid covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at Tenant's sole cost and expense.
  - C. Tenant may not use or develop the Premises in any manner that might interfere with or otherwise constitute a hazard to the landing and taking off of aircraft from the Airport or otherwise constitute a hazard (an "**Interference Hazard**"). Upon learning of any Interference Hazard, Lessor may enter upon the Premises and cause the abatement of such Interference Hazard at the sole cost and expense of Tenant.
  - D. Nothing herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. § 40103) or to consent to future construction, modification or alteration.
  - E. This Lease and all of its provisions are subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation, and taking over of the Airport by the United States during a time of war or national emergency.
39. Instrument of Transfer: This Lease shall be subordinate and subject to the provisions and requirements of the Instrument of Transfer by and between the United States and County dated the 9th day of October 1947, and recorded in Book 1137 at page 114 of Official Records of Contra Costa County, California.
40. Choice of Law: This Lease is governed by the laws of the State of California.
41. Notices: Any and all notices to be given under this Lease, or otherwise, may be served by enclosing same in a sealed envelope addressed to the party intended to receive the same, at its address set forth herein, and deposited in the United States Post Office as certified mail with postage prepaid. When so given, such notice will be effective from the third date of its mailing. Notices may also be given via a reputable overnight courier service, effective on the next business day following delivery of the notice to the courier service for next day business delivery. Unless otherwise provided in writing by the parties hereto, the address of Lessor, and the proper party to receive any such notices on its behalf, is:

Director of Airports  
Contra Costa County Airports  
550 Sally Ride Drive  
Concord, CA 94520-5550

and the address of Tenant is:

Conco Aviation Center, LLC  
5141 Commercial Circle  
Concord, CA 94520  
(925) 685-6799

42. Time is of the Essence: Time is of the essence for each provision of this Lease.
43. Binding on Successors: The terms of this Lease inure to the benefit of and bind the heirs, successors, executors, administrators and assigns of the parties hereto, subject to the limitations on assignment of this Lease.
44. Invalid Provisions; Severability: It is expressly understood and agreed by and between the parties hereto that in the event any covenant, condition or provision contained herein is held to be invalid by a court of competent jurisdiction, such invalidity does not invalidate any other covenant, condition or provision of this Lease, provided, however, that the invalidity of any such covenant, condition or provision does not materially prejudice either Lessor or Tenant in their respective rights and obligations contained in the valid covenants, conditions and provisions of this Lease.
45. Entire Agreement: This Lease and all exhibits (which are incorporated herein and made a part of this Lease by this reference) referred to in this Lease constitute the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed, and supersedes all prior or contemporaneous understandings or agreements of the parties. No alterations or variations of this Lease are valid unless they are in writing and signed by Lessor and Tenant.
46. Cumulative Rights and Remedies: The rights and remedies with respect to any of the terms and conditions of this Lease are cumulative and not exclusive and are in addition to all other rights and remedies at law or in equity. Each right or remedy shall be construed to give it the fullest effect allowed in law.
47. No Third-Party Beneficiaries: Nothing in this Agreement, express or implied, is intended to confer on any person, other than Lessor and Tenant and their respective successors-in-interest, any rights or remedies under or by reason of this Lease.
48. No Continuing Waiver: The waiver by Lessor of any breach of any of the terms or conditions of this Lease does not constitute a continuing waiver or a waiver of any subsequent breach of the same or of any other terms or conditions of this Lease. The receipt by Lessor of any Rent with knowledge of the breach of any term or condition of this Lease may not be deemed to be a waiver by Lessor, unless such waiver is specifically expressed in writing by the Director of Airports. No payment by Tenant or receipt by Lessor of a lesser amount than specified in this Lease may be deemed to be other than a payment on account of such Rent and may not be deemed to be a waiver of notice of termination and of forfeiture of this Lease.

49. Covenant Against Liens; Recordation Against Premises: Neither Tenant nor Lessor shall permit any mechanic's, materialman's, or other lien against the Premises, or the property of which the Premises forms a part, in connection with any labor, materials, or services furnished or claimed to have been furnished. If any such lien is filed against the Premises, or property of which the Premises forms a part, the party charged with causing the lien will cause the same to be discharged; provided however, that either party may contest any such lien, so long as the enforcement thereof is stayed.
50. Drafting Conventions: The section headings and captions of this Lease are, and the arrangement of this Lease is, for the sole convenience of the parties to this Lease. The section headings, captions, and arrangement of this Lease do not in any way affect, limit, amplify or modify the terms and provisions of this Lease.

The Lease is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. The parties to this Lease and their counsel have read and reviewed this Lease and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply to the interpretation of this Lease. The definitions in this Lease apply equally to both singular and plural forms of the terms defined.

If any date specified in this Lease as a date for taking action falls on a day that is not a business day, then that action must be taken on the next business day.

Tenant hereby represents and warrants that it is a corporation duly organized and validly existing under the laws of the State of California.

[Remainder of Page Intentionally Left Blank]

51. Lease Authorization: This Lease is made and entered into by Lessor in exercise of authority as recognized in Section 25536 of the Government Code of the State of California.

The parties are signing this Lease as of the date set forth in the introductory clause.

**LESSOR**

**CONTRA COSTA COUNTY**, a political  
Subdivision of the State of California.

By \_\_\_\_\_  
Keith Freitas  
Director of Airports

**TENANT**

**Conco Aviation Center, LLC**

By  \_\_\_\_\_  
Name: Steve Goncalves  
Title:

**RECOMMENDED FOR APPROVAL:**

By \_\_\_\_\_  
Karen A. Laws  
Principal Real Property Agent

By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Beth Lee  
Assistant Director of Airports

**APPROVED AS TO FORM:**

By Sharon L. Anderson, County Counsel

By \_\_\_\_\_  
Kathleen M. Andrus,  
Deputy County Counsel

**Exhibit "A"**

A portion of Rancho Monte Del Diablo, situated in the County of Contra Costa, State of California, described as follows:

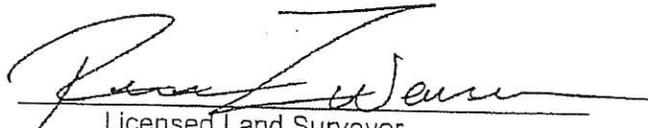
Commencing at Point BF-4 as said point is described in the Deed of Trust and Assignment of Rents recorded August 13, 1964, in Book 4681 of Official Records at page 700, said point being on the centerline of said taxiway "E"; thence north 24° 28' 35" east 539.00 feet; thence leaving said centerline north 65° 31' 25" west, 75.00 feet to the Point of Beginning; thence from said Point of Beginning north 65° 31' 25" west 292.40 feet; thence south 24° 28' 35" west 97.00 feet; thence north 65° 31' 25" west 45.00 feet; thence south 24° 28' 35" west 18.54 feet; thence south 88° 47' 38" west 81.79 feet to the easterly right of way line of Sally Ride Drive (formerly Terminal Road); thence along said right of way line north 1° 12' 22" west 392.00 feet; thence leaving said right of way line north 61° 00' 00" east 256.01 feet; thence south 65° 31' 25" east 428.63 feet to a point on a line parallel with and 75.00 feet southwesterly of the centerline of said taxiway "E"; thence along said parallel line south 24° 28' 35" west 408.02 feet to the Point of Beginning.

Containing an area of 5.31 acres (231,215 square feet) of land, more or less.

Bearings and distances used in the above description are based on the California Coordinate System, Zone III. To obtain ground distances, multiply given distances by 1.0000614.

This real property description has been prepared by me or under my direction, in conformance with the Professional Land Surveyors Act.

Signature:

  
\_\_\_\_\_  
Licensed Land Surveyor  
Contra Costa County Public Works

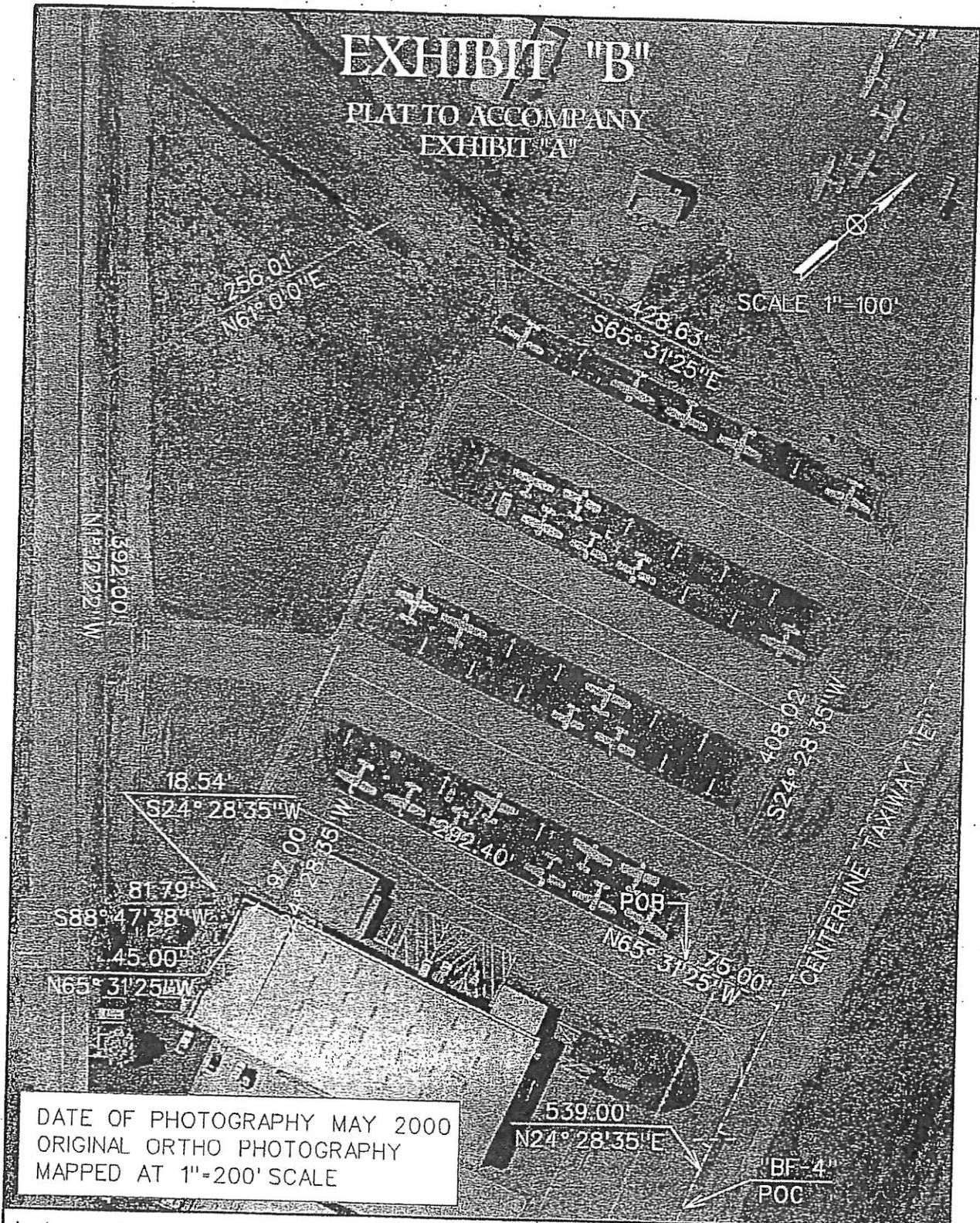
Date:

12/14/04



# EXHIBIT "B"

PLAT TO ACCOMPANY  
EXHIBIT "A"



DATE OF PHOTOGRAPHY MAY 2000  
ORIGINAL ORTHO PHOTOGRAPHY  
MAPPED AT 1"=200' SCALE

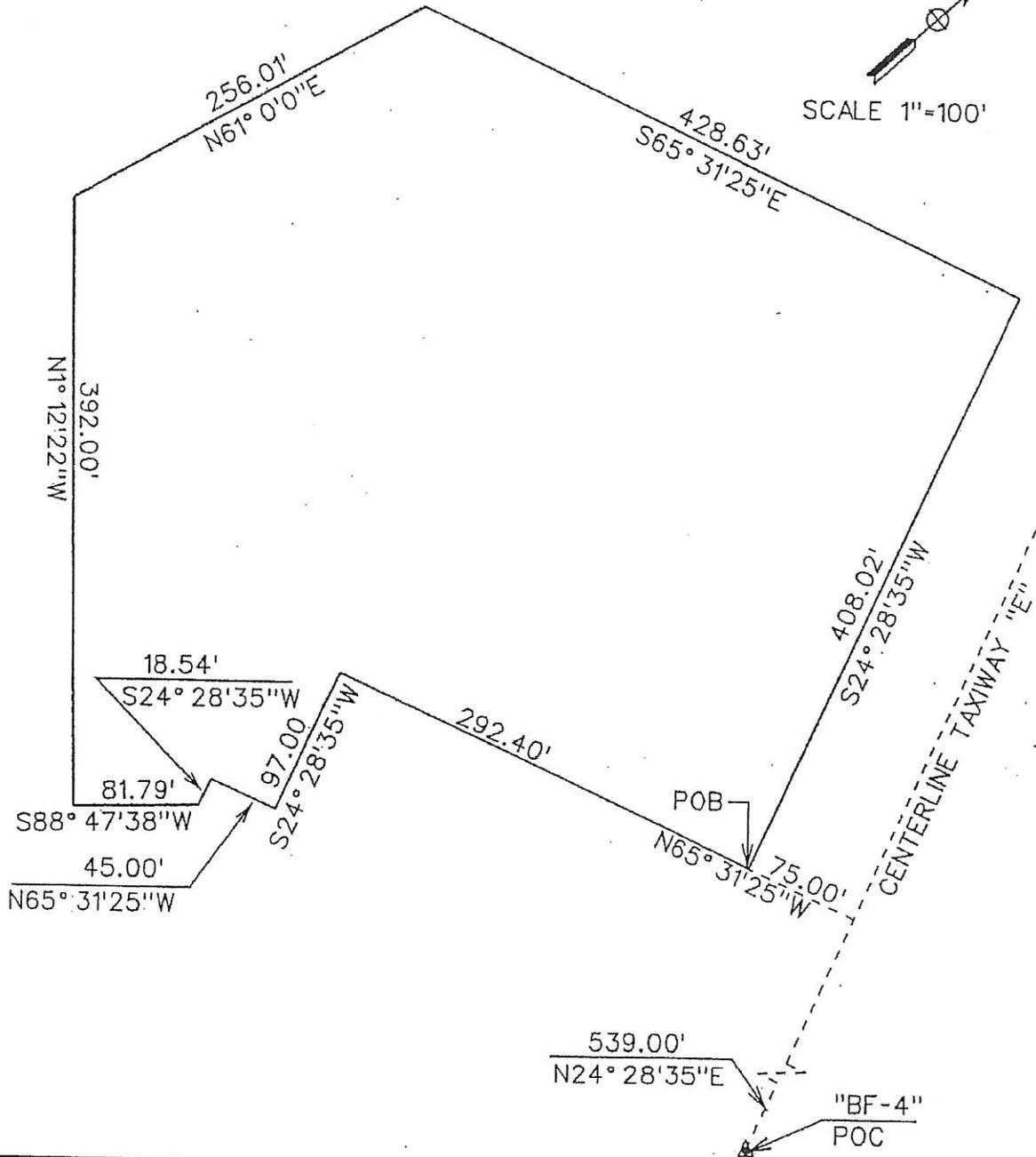
Instrument :	Scale: 1:100	Date: OCT. 2004
Series No.	Recorded	Drawn By: PP
		Checked By: RZ
		Cad File: RW534004.dgn

# EXHIBIT "B"

PLAT TO ACCOMPANY  
EXHIBIT "A"



SCALE 1"=100'



Instrument :	Scale: 1:100	Date: OCT, 2004
Series No.	Recorded	Drawn By: PP
		Checked By: RZ
		Cad File: RW534004.dgn

**COUNTY OF CONTRA COSTA  
GUARANTY OF LEASE**

This Guaranty of Lease (“**Guaranty**”) is dated April 1, 2017, and is by GONSALVES & SANTUCCI, INC., a California corporation (the “**Guarantor**”), for the benefit of the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the “**Lessor**”).

RECITALS

- A. Lessor owns and operates Buchanan Field, a public airport located in Concord, California (the “**Airport**”).
- B. Simultaneous with the execution of this Guaranty, the Lessor is entering into lease of even date herewith with Conco Aviation Center, LLC (“**Lessee**”), under which the Lessor is leasing to Lessee real property consisting of 5.31 acres of land located at the Airport (the “**Lease**”). A copy of the Lease is attached to this Guaranty as Exhibit A and made a part hereof for all purposes.
- C. Guarantor has a financial interest in Lessee and the Lessor would not enter into the Lease if Guarantor did not execute and deliver this Guaranty for the initial twenty (20) year term.

NOW THEREFORE, in consideration of the execution of the Lease by Lessor and as a material inducement to Lessor to execute the Lease, Guarantor hereby:

- 1. Unconditionally and irrevocably guarantees for the initial twenty (20) year term of the Lease the prompt payment by Lessee of all rents and other sums payable by Lessee under the Lease and the faithful and prompt performance by Lessee of each and every one of the terms, conditions and covenants of the Lease to be kept and performed by Lessee, together with the full and prompt payment of any and all costs and expenses of and incidental to the enforcement of this Guaranty, including, without limitation, reasonable attorneys’ fees.
- 2. Agrees that Lessor may from time to time, without notice to Guarantor, which notice is hereby waived by Guarantor, amend, extend, waive, renew or compromise the Lease, in whole or in part, without releasing, extinguishing or affecting in any manner whatsoever the liability of Guarantor hereunder, the foregoing acts being hereby consented to by Guarantor, provided that Guarantor is only responsible for rent and other amounts owing for the initial twenty (20) year term of the Lease. This is a continuing and unlimited guaranty and Guarantor waives the benefits of the provisions of section 2815 of the California Civil Code.

3. Agrees that this Guaranty will remain in full force and effect and is binding on Guarantor until the twentieth (20<sup>th</sup>) anniversary of the Effective Date, at which time this Guaranty will automatically terminate without the requirement of any action by any party.
4. Agrees that until the twentieth anniversary of the Effective Date of the Lease so long as any portion of the Lease is due and owing or to become due and owing by the Lessee to the Lessor, the Guarantor will not, without the prior written consent of the Lessor, collect or seek to collect from the Lessee the claim, if any, by subrogation or otherwise, acquired by the Guarantor or through payment of any of the Lease. Without in any manner limiting the generality of the foregoing, Guarantor waives the benefits of the provisions of sections 2809, 2810, 2819, 2845, 2849 and 2850 of the California Civil Code and any similar or analogous statutes of California or any other jurisdiction.
5. Agrees that possession of this instrument of guaranty by Lessor is conclusive evidence of due execution and delivery hereof by Guarantor.
6. Agrees that this Guaranty is binding on the legal representatives, successors and assigns of Guarantor, and inures to the benefit of Lessor, its successor, assigns and legal representatives.
7. Agrees that Guarantor may be joined in any action or proceeding commenced against the Lessee in connection with or based on the Lease and recovery may be had against Guarantor in any such action or proceeding or in any independent action or proceeding against Guarantor, should the Lessee fail to duly and punctually pay and perform any of the obligations of the Lease without any requirement that Lessor first assert, prosecute or exhaust any remedy or claim against the Lessee.
8. Agrees that this Guaranty will be deemed to be a contract made under and pursuant to the laws of the State of California and is governed by the laws of the State of California; and that wherever possible, each provision of this Guaranty will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guaranty is prohibited or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of the Guaranty.
9. Agrees that the liability of Guarantor and all rights, powers, and remedies of Lessor under this Guaranty and under any other agreement now or at any time hereafter in force between Lessor and Guarantor relating to the Lease are cumulative and not alternative, and such rights, powers, and remedies are in addition to all rights, powers, and remedies given to Lessor by law or in equity.
10. Agrees that no failure on the part of the Lessor to exercise, and no delay in exercising, any right or remedy hereunder will operate as or constitute a waiver thereof; nor will any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy granted hereby or by any related document or by law.

11. Agrees that Guarantor will not, without the prior written consent of Lessor, commence, or join with any other person in commencing, any bankruptcy, reorganization, or insolvency proceeding against Lessee and that the obligations of Guarantor under this Guaranty may not be altered, limited, or affected by any proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation, or arrangement of Lessee, or by any defense that Lessee may have by reason of any order, decree, or decision of any court or administrative body resulting from any such proceeding.
12. Agrees that (i) the Guarantor has received legal and adequate consideration for the execution of this Guaranty and has executed and delivered this Guaranty to Lessor in good faith in exchange for reasonably equivalent value, (ii) the Guarantor is not presently insolvent and will not be rendered insolvent by virtue of the execution and delivery of this Guaranty, (iii) the Guarantor has not executed or delivered this Guaranty with actual intent to hinder, delay or defraud the Guarantor's creditors, and (iv) the Lessor has entered into the Lease in reliance on this Guaranty.
13. Agrees that, unless otherwise notified by Guarantor, copies of any notices from Lessor to Guarantor under this Guaranty are to be sent to Guarantor at the following addresses:

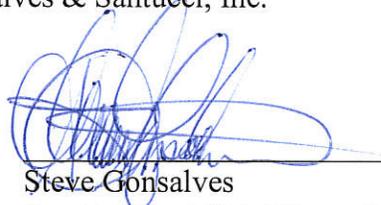
Gonsalves & Santucci, Inc.  
5141 Commercial Circle  
Concord, California 94520

This Guaranty is being executed on the date set forth in the introductory paragraph.

GUARANTOR

Golsalves & Santucci, Inc.

By:



Steve Gonsalves  
President and Chief Executive Officer

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF CONTRA COSTA )

On March 21, 2017, before me, Cynthia M. Lohman, Notary Public, personally appeared, Steve Eansalves who proved to me on the basis of satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Cynthia M. Lohman (seal)



EXHIBIT A

FULLY EXECUTED COPY OF LEASE BETWEEN  
CONTRA COSTA COUNTY AND CONCO AVIATION CENTER, LLC



Contra  
Costa  
County

To: Board of Supervisors  
From: Sharon Offord Hymes, Risk Manager  
Date: March 28, 2017

Subject: Final Settlement of Claim, James Lee v. Contra Costa County

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**RECOMMENDATION(S):**

RECEIVE this report concerning the final settlement of James Lee and AUTHORIZE payment from the Workers' Compensation Internal Service Fund in an amount not to exceed \$75,000.

**FISCAL IMPACT:**

Workers' Compensation Internal Service Fund payment of \$75,000.

**BACKGROUND:**

Attorney Jeffrey E. D'Andre, defense counsel for the County, has advised the County Administrator that within authorization an agreement has been reached settling the workers' compensation claim of James Lee v. Contra Costa County. The Board's March 14, 2017 closed session vote was: Supervisors Gioia, Andersen, Burgis, Mitchoff and Glover - Yes. This action is taken so that the terms of this final settlement and the earlier March 14, 2017 closed session vote of this Board authorizing its negotiated settlement are known publicly.

**CONSEQUENCE OF NEGATIVE ACTION:**

Case will not be settled.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Sharon Hymes-Offord  
(925) 335-1450

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CHILDREN'S IMPACT STATEMENT:

None.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: Claims

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**RECOMMENDATION(S):**

DENY claims filed by David Gaines, Robin Gaines, Victor Gutierrez, Kelly Moriarty, Reed Robertson, Adam Vancil, et al., Nicholas Ventimiglio, and Darnell Washington. DENY amended claims filed by Viking Insurance a subrogee of Brian Farley and Reed Robertson. DENY late claims filed by Tadeusz Wyrzykowski (2), and Ron Kooyman.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

N/A

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Joellen Bergamini  
925.335.1906

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: Mark Peterson, District Attorney  
Date: March 28, 2017

Subject: National Crime Victims' Rights Week Presentation

---

**RECOMMENDATION(S):**

ADOPT a Resolution to proclaim April 2-8, 2017 as National Crime Victims' Rights Week in promotion of victims' rights and to recognize crime victims and those who advocate on their behalf.

**FISCAL IMPACT:**

None

**BACKGROUND:**

The National Campaign for Victims' Rights led to President Ronald Reagan's reforms on behalf of crime victims, his declaration of the first National Crime Victims' Rights Week, and victims' rights legislation and victim services. National Crime Victims' Rights Week offers an opportunity to renew and strengthen our partnerships and teamwork, and to highlight the collaborative approaches that are integral to the U.S. Department of Justice's mission. Through partnerships, organizations can mobilize their experience skills, resources, and stakeholders to help plan a powerful strategy to provide direct services to crime victims.

In commemoration of National Crime Victims' Rights Week , the

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cherie Mathisen,  
925-957-2234

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

District Attorney's Office will host a special ceremony on Friday, April 7, 2017 from 10:30 to noon in the BOS chambers located at 651 Pine Street, Martinez to recognize the following individuals:

Clerical Staff-Alicia Smith

Victim Advocate-Stephanie Grant

Probation Officer-Tanaka Cato

District Attorney Investigations-Josh Medal

Deputy District Attorney-Molly Manoukian

Law Enforcement: Crimes Persons, Leo Broberg, San Francisco Police Department

Law Enforcement: Crimes Persons, Lt. Brian South, Moraga Police Department

Law Enforcement: Special Investigations, Joanna Grivetti

Law Enforcement: Sexual Assault, Don Nelson and Kris Tong, Richmond Police Department

Above and Beyond-Kent Osborne, Mike's Auto Body

Making a Difference-Liz Torres, Monument Crisis Center

Special Courage-Victoria Velasquez and family

ATTACHMENTS

Resolution No. 2017/99

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2017/99**

**PROCLAIMING APRIL 2-8, 2017 AS NATIONAL CRIME VICTIMS' RIGHTS WEEK**

Whereas, Americans are the victims of more than 20 million crimes each year, affecting individuals, and communities;

Whereas, Providing victims with knowledge of their rights and available services further strengthens their ability to recover by restoring a sense of self-empowerment;

Whereas, A trauma-informed response to victims promotes healing and fosters strength in survivors;

Whereas, Unaddressed trauma from victimization weakens the resilience of victims and their communities, impeding their ability to withstand future trauma;

Whereas, Victims who feel understood and supported are more likely to disclose their victimization, seek services and participate in the justice process;

Whereas, A multidisciplinary response, involving collaboration among victim service professionals, criminal justice officials, legal professionals, medical and mental health providers, and community leaders is essential to reach and serve all victims - especially those who are marginalized, have disabilities, or live in remote locations;

Whereas, Strengthening the multidisciplinary response - bringing diverse skills, perspectives, and understandings together in the service of victims - also serves to build the resilience of those responders, by strengthening the confidence in their roles, abilities, and sense of contribution;

Whereas, National Crime Victims' Rights Week, April 2-8, 2017, provides an opportunity to recommit to ensuring that all victims of crime - especially those who are challenging to reach or serve - are afforded their rights and receive a trauma-informed response; and

Whereas, the Contra Costa County Board of Supervisors is dedicated to strengthening victims and survivors in the aftermath of crime, building resilience in our communities and our victim responders, and working for justice for all victims and survivors.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Supervisors does hereby proclaim the week of April 2-8, 2017, as Crime Victims' Rights Week and reaffirm their commitment to creating a victim service and criminal justice response that assists all victims of crime; and to express our sincere gratitude and appreciation for those community members, victim service providers, and criminal justice professionals who are committed to improving our response to all victims of crime so that they may find relevant assistance, support, justice and peace. BE IT FURTHER RESOLVED THAT the Board of Supervisors announces the 7th Annual Crime Victims' Rights Week Recognition Ceremony to be hosted by the District Attorney on Friday, April 7, 2017 from 10:30 a.m. to Noon at the Board of Supervisors' chambers located at 651 Pine Street, Martinez.

\_\_\_\_\_  
**FEDERAL D. GLOVER**  
Chair, District V Supervisor

\_\_\_\_\_  
**JOHN GIOIA**  
District I Supervisor

\_\_\_\_\_  
**CANDACE ANDERSEN**  
District II Supervisor

\_\_\_\_\_  
**DIANE BURGIS**  
District III Supervisor

\_\_\_\_\_  
**KAREN MITCHOFF**  
District IV Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Honoring the 2017 Youth Hall of Fame Honorees at the 24th Annual Cesar E. Chavez Commemorative Celebration

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**RECOMMENDATION(S):**

ADOPT Resolution No. 2017/64 recognizing the 2017 Youth Hall of Fame honorees of the 24th Annual Cesar E. Chavez Commemorative Celebration, as recommended by the Cesar Chavez Committee.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Trish Dominguez,  
674-7723

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Resolution No.

2017/64

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2017/64**

**Honoring the 2017 Youth Hall of Fame Awardees at the 24<sup>th</sup> Annual Cesar E. Chavez Commemorative Celebration**

WHEREAS, In 1994, the Board of Supervisors of Contra Costa County, California established the Youth Hall of Fame to recognize students and adults who make valuable contributions to our communities; and WHEREAS, several nominations were received and reviewed by the Cesar Chavez Commemorative Celebration Committee;

NOW, THEREFORE, BE IT RESOLVED that the Contra Costa County Board of Supervisors does hereby honor and congratulate the winners of the 2017 Youth Hall of Fame Awards:

**Shreejal Luitel** – Age 15, 9<sup>th</sup> Grade, Middle College High School for Good Samaritan: Representing youth who go out of their way to do good without getting recognition.

**Trey Hall** – Age 17, 12<sup>th</sup> Grade, Heritage High School for Volunteerism: Representing youth who give their time and energy to a worthy cause or organization.

**Sarah Nunnink** – Age 17, 12<sup>th</sup> Grade, Heritage High School for Teamwork: Representing youth who work unselfishly for the good of the team.

**Vicente Mancia** – Age 15, 10<sup>th</sup> Grade, DeAnza High School for Creativity: Representing youth who use their musical, literary or artistic talent to benefit a school or community.

**Charlie Cleberg** – Age 17, 12<sup>th</sup> Grade, Hercules High School for Perseverance: Representing youth who have worked hard to overcome obstacles to achieve success.

\_\_\_\_\_  
**FEDERAL D. GLOVER**  
Chair, District V Supervisor

\_\_\_\_\_  
**JOHN GIOIA**  
District I Supervisor

\_\_\_\_\_  
**CANDACE ANDERSEN**  
District II Supervisor

\_\_\_\_\_  
**DIANE BURGIS**  
District III Supervisor

\_\_\_\_\_  
**KAREN MITCHOFF**  
District IV Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: Candace Andersen, District II Supervisor  
Date: March 28, 2017

Subject: Recognizing the City of San Ramon, the San Ramon Library Foundation and the Contra Costa County Library Upon the Reopening of the Newly Renovated San

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Jen Quallick, (925)  
957-8860

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Resolution No.  
2017/105

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2017/105**

**Recognizing the City of San Ramon, the San Ramon Library Foundation and the Contra Costa County Library Upon the Reopening of the Newly Renovated San Ramon Library.**

**WHEREAS**, the newly renovated and expanded San Ramon Library is a successful collaboration between the City of San Ramon, Contra Costa County Library and the San Ramon Library Foundation; and

**WHEREAS**, the renovation and expansion of the San Ramon Library was funded by the City of San Ramon; and

**WHEREAS**, the San Ramon Library Foundation has a long history of supporting quality library service, has been heavily involved in all phases of planning for the renovated San Ramon Library and successfully raised funds for the opening day collection; and

**WHEREAS**, the renovated San Ramon Library will feature an additional 3100 square feet of resources, meeting rooms, study rooms and state of the art technology; and

**WHEREAS**, the City of San Ramon Library was the first to approve funds for additional hours and the first to be open on Sundays; and

**WHEREAS**, the first San Ramon Library opened to the public on April 15, 1989, twenty-eight years to the day, the community now celebrates the Library's grand re-opening; and

**WHEREAS**, all residents are invited to enjoy a dedicated Jazz section, listening rooms, a large music collection and WiFi connections to the Classic Wurlitzer jukebox and look forward to the 20<sup>th</sup> Annual Jazz Concert Series in the Fall of 2017; and

**WHEREAS**, the library's renovation includes larger spaces for children and teens, including an early literacy area; and

**WHEREAS**, the renovated San Ramon Library will feature dual WiFi networks, in-library use of laptops and new furnishings to support improved connectivity for mobile devices; and

**WHEREAS**, every day, public libraries open minds, enrich lives, and bring our community together.

Libraries serve as places for education, cultural exchange, and recreation and relaxation. They serve people of all ages and from all walks of life.

**Now, Therefore, Be It Resolved** that the Board of Supervisors of Contra Costa County does hereby honor and congratulate the City of San Ramon, the San Ramon Library Foundation and the Contra Costa County Library on the occasion of the grand reopening of the newly renovated San Ramon Library on April 15th, 2017.

\_\_\_\_\_  
**FEDERAL D. GLOVER**  
Chair, District V Supervisor

\_\_\_\_\_  
**JOHN GIOIA**  
District I Supervisor

\_\_\_\_\_  
**CANDACE ANDERSEN**  
District II Supervisor

\_\_\_\_\_  
**DIANE BURGIS**  
District III Supervisor

\_\_\_\_\_  
**KAREN MITCHOFF**  
District IV Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: Diane Burgis, District III Supervisor  
Date: March 28, 2017

Subject: HUGH HENDERSON RETIREMENT RESOLUTION

---

**RECOMMENDATION(S):**

None.

**FISCAL IMPACT:**

None.

**BACKGROUND:**

None.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: LEA CASTLEBERRY  
(925) 252-4500

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Resolution No.

2017/114

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

**AYE:**   
**NO:**   
**ABSENT:**   
**ABSTAIN:**   
**RECUSE:**



**Resolution No. 2017/114**

IN THE MATTER OF RECOGNIZING FIRE CHIEF HUGH HENDERSON FOR HIS 38 YEARS OF PUBLIC SERVICE

WHEREAS, in 1979 Hugh Henderson began his service working for the Office of the Sheriff, Marine Patrol Division as a Police Cadet; and

WHEREAS, in 1980 he worked as a Paid On Call/Volunteer for the Bethel Island Fire Protection District and in 1982 promoted to Captain; and

WHEREAS, in 1981 he worked as a Police Cadet for the Brentwood Police Department and in 1983 promoted to Reserve Police Officer and in 1984 Reserve Sergeant; and

WHEREAS, in 1982 he began working for East County Ambulance as an EMT/Driver and in 1983 became the Operations Manager/EMT; and

WHEREAS, in 1985 he worked as a Protection Services Officer for Lawrence Livermore Lab; and

WHEREAS, in 1988 Hugh went back to the Brentwood Police Department as a Full Time Police Officer; and

WHEREAS, in 1991 Hugh worked as a Paid On Call Firefighter for the East Diablo Fire Protection District and in 1993 became Senior Fire Fighter/Engineer; and

WHEREAS, in 1995 he began working for the El Cerrito Fire Protection District as a Firefighter and in 1997 was promoted to Engineer and in 1999 a Captain; and

WHEREAS, in 1995 Hugh was promoted as Reserve Police Officer for the Brentwood Police Department as the 1st Special Enforcement Team (SET) and later the 1st SWAT for the Brentwood Police Department; and

WHEREAS, in 2000 Hugh became the Captain Police Reserve Division for the Brentwood Police Department until 2004; and

WHEREAS, in 2003 he became the Communications Manager for the California Federal Incident Management, Team 3 until 2005; and

WHEREAS, in 2005 Hugh became the Battalion Chief for the East Contra Costa Fire Protection District and in 2008 the Interim Chief and in 2010 the Fire Chief until March 2017; and

NOW, THEREFORE, BE IT RESOLVED that the Contra Costa County Board of Supervisors hereby recognizes and honors Fire Chief Hugh Henderson for his 38 years of public service to Contra Costa County, and give its full appreciation for his dedicated service to the people of Contra Costa County.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: LEA CASTLEBERRY (925)  
252-4500**

**ATTESTED: March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

Contra  
Costa  
County



To: Board of Supervisors  
From: Dianne Dinsmore, Human Resources Director  
Date: March 28, 2017

Subject: Introduce Ordinance No. 2017/04 Amending Section 33-5.311 of the County Ordinance Code

---

**RECOMMENDATION(S):**

INTRODUCE Ordinance No. 2017-04 amending the County Ordinance Code to exclude from the merit system the new classification of Sheriff's Chief of Management Services-Exempt, WAIVE READING and FIX April 18, 2017, for adoption.

**FISCAL IMPACT:**

No fiscal impact related to this item.

**BACKGROUND:**

This action introduces Ordinance No. 2017-04 in anticipation of returning to the Board with a recommendation to adopt the Ordinance on the April 18, 2017 agenda. The Ordinance will ultimately add the position of Sheriff's Chief of Management Services-Exempt to the listing of positions exempt from the merit system in County Ordinance Code section 33-5.311.

This item should be considered along with a separate item on today's agenda creating the classification of Sheriff's Chief of Management Services-Exempt and allocating it to the salary schedule.

**CONSEQUENCE OF NEGATIVE ACTION:**

The proposed Ordinance will not be introduced to the Board and a date will not be fixed for adoption.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Tanya Williams  
925-335-1714

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Ordinance No.

2017-04

**ORDINANCE NO. 2017-04**

**(Exclude from the Merit System the new classification of Sheriff's  
Chief of Management Services-Exempt)**

The Contra Costa County Board of Supervisors ordains as follows (omitting the parenthetical footnotes from the official text of the enacted or amended provisions of the County Ordinance Code):

**SECTION I:** Section 33-5.311 of the County Ordinance Code is amended to exclude from the merit system the new classification of Sheriff's Chief of Management Services-Exempt:

33-5.311 – District attorney and sheriff.

- (a) Investigators, detectives, and others, paid from the special funds furnished to the district attorney and sheriff under Government Code Sections 29400 ff. and 29430 ff., are excluded.
- (b) In the district attorney's office, the district attorney program assistant-exempt class, senior deputy district attorneys-exempt, district attorney chief of inspectors-exempt, special counsel, special detectives, chief assistant district attorney-exempt, and assistant district attorney-exempt, are excluded and are appointed by the district attorney.
- (c) In the sheriff's department, the undersheriff and three commanders are excluded and are appointed by the sheriff-coroner.
- (d) The secretary to the undersheriff is excluded and is appointed by the sheriff-coroner.
- (e) The sheriff's executive assistant is excluded and is appointed by the sheriff-coroner.
- (f) In the sheriff's department, the class of chief of police-contract agency-exempt is excluded and is appointed by the sheriff-coroner.
- (g) In the sheriff's department, the class of sheriff's chief of management services-exempt is excluded and is appointed by the sheriff-coroner.

(Ord. Nos. 2017-04, § 1, 3-28-17; 2010-07, § 1, 5-18-10; Ords. 2004-6 § 1, 99-19, 96-3 § 1, 95-34 § 1, 87-16, 85-55 § 2, 85-29 § 2, 81-70 § 2, 81-32 § I[4], 81-29, 80-70, 74-72 § 2, 73-9 § 9: former §§ 32-2.610, .602 (5, 6): prior code § 2413 (e, t): Ords. 7047, 1032, 939, 325 § 4)

**SECTION II: EFFECTIVE DATE.** This ordinance becomes effective 30 days after passage, and within 15 days of passage shall be published once with the names of the

supervisors voting for and against it in the \_\_\_\_\_, a newspaper published in this County.

PASSED ON \_\_\_\_\_ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: DAVID J. TWA, Clerk of the  
Board of Supervisors and County Administrator

By: \_\_\_\_\_  
Deputy

\_\_\_\_\_ Board Chair

[SEAL]

H:\Human Resources\Ordinance Code Changes\Ord re exclude Sheriff's Chief of Mgmt Svcs- March 2017.doc



Contra  
Costa  
County

To: Board of Supervisors  
From: Karen Mitchoff, District IV Supervisor  
Date: March 28, 2017

Subject: Appoint Kevin Van Buskirk to the District IV Seat of the Contra Costa County Planning Commission

---

**RECOMMENDATION(S):**

APPOINT the following individual to fill the District IV Seat on the Contra Costa County Planning Commission to a term ending on June 30, 2019:

Kevin Van Buskirk  
Pleasant Hill, CA 94523

**FISCAL IMPACT:**

None.

**BACKGROUND:**

The County Planning Commission (CPC) consist of seven members appointed by the board on the basis that one member shall be nominated by each of the five supervisors and two members shall be nominated by the board of supervisors as a whole. The appointed commissioners serve for four-year terms beginning on July 1st and ending on June 30th.

The Planning Commission is responsible for:

- Exercise all powers and duties prescribed by law, including consideration of matters referred to it by the zoning administrator except those powers and duties specifically reserved or delegated

- 
- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Lia Bristol, (925)  
521-7100

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

to other divisions of the planning agency

- Initiate preparation of general plans, specific plans, regulations, programs and legislation to implement the planning power of the county.
- Be generally responsible for advising the legislative body of matters relating to planning.
- Be the advisory agency as designated in Title 9 of this code for the purpose of passing on subdivisions.
- Hear and decide all applications or requests for proposed entitlements estimated to generate one hundred or more peak hour trips unless otherwise provided by this code or board order.
- Hear and make recommendations regarding proposed development agreements when it is hearing the related project applications being processed concurrently with the development agreements.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Gioia, District I Supervisor  
Date: March 28, 2017

Subject: APPOINT Andrew Chahrour to the El Sobrante Municipal Advisory Council

---

**RECOMMENDATION(S):**

APPOINT Andrew Chahrour to the Appointee Seat III on the El Sobrante Municipal Advisory Council (ESMAC) to a term ending on 12/31/2018.

**FISCAL IMPACT:**

None.

**BACKGROUND:**

The El Sobrante Municipal Advisory Council shall advise the Board of Supervisors on: 1) Services which are or may be provided to unincorporated El Sobrante by the County or other local governmental agencies. Such services include, but are not limited to, public health, safety, welfare, public works, and planning, 2) the feasibility of organizing the existing special districts serving unincorporated El Sobrante in order to more efficiently provide public services such as, but not limited to, water, sewer, fire, and parks and recreation, 3) representing unincorporated El Sobrante before the Local Agency Formation Commission on proposed boundary changes affecting the community, 4) representing unincorporated El Sobrante before the County Planning Commission(s) and the Zoning Administrator on land use and other planning matters affecting the community. In this regard, the Council shall cooperate with any other planning advisory bodies in unincorporated El Sobrante

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: James Lyons,  
510-231-8692

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

in order to avoid duplication and delay in the planning process, 5) Provide input and reports to the Board of Supervisors, County staff, or any other County hearing body on issues of concern to unincorporated El Sobrante, and 6) representing unincorporated El Sobrante before other public entities and agencies. It is understood that the Board of Supervisors is the final decision making authority with respect to issues concerning unincorporated El Sobrante and that the Council shall shall solely in an advisory capacity.

Andrew Chahrour  
El Sobrante, CA 94803

Supervisor Gioia advertises his open advisory body seats in numerous ways including through his website, eblasts, and newsletters, as well as with the traditional media.

ATTACHMENTS

Andrew\_Chahrour\_App

RECEIVED

MAR 09 2017

CLERK BOARD OF SUPERVISORS  
CONTRA COSTA CO.



RECEIVED

FEB 08 2017

Contra  
Costa  
County

CLERK BOARD OF SUPERVISORS  
CONTRA COSTA CO.

For Office Use Only  
Date Received:

For Reviewers Use Only:  
Accepted Rejected

### BOARDS, COMMITTEES, AND COMMISSIONS APPLICATION

**MAIL OR DELIVER TO:**

Contra Costa County  
CLERK OF THE BOARD  
651 Pine Street, Rm. 106  
Martinez, California 94553-1292  
**PLEASE TYPE OR PRINT IN INK**  
(Each Position Requires a Separate Application)

BOARD, COMMITTEE OR COMMISSION NAME AND SEAT TITLE YOU ARE APPLYING FOR:

El Sobrante Municipal Advisory Council

PRINT EXACT NAME OF BOARD, COMMITTEE, OR COMMISSION

PRINT EXACT SEAT NAME (if applicable)

1. **Name:** Chahrour Andrew Chaker  
 (Last Name) (First Name) (Middle Name)

2. **Address:** El Sobrante California 94803  
 (No.) (Street) (Apt.) (State) (Zip Code)

3. **Phones:** \_\_\_\_\_  
 (Home No.) (Work No.) (Cell No.)

4. **Email Address:** andrew.chahrour@gmail.com

5. **EDUCATION:** Check appropriate box if you possess one of the following:

High School Diploma  G.E.D. Certificate  California High School Proficiency Certificate

Give Highest Grade or Educational Level Achieved \_\_\_\_\_

Names of colleges / universities attended	Course of Study / Major	Degree Awarded	Units Completed		Degree Type	Date Degree Awarded
			Semester	Quarter		
A) Bucknell University	Environmental Science	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>	46		BS	06/2006
B) Bucknell University	minor in Economics	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>				
C) Bucknell University	minor in Anthropology	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>				
D) Other schools / training completed: Permaculture + Ecological Design	Course Studied Food, Shelter, Water	Hours Completed Thousands			Certificate Awarded: Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>	

6. PLEASE FILL OUT THE FOLLOWING SECTION COMPLETELY. List experience that relates to the qualifications needed to serve on the local appointive body. Begin with your most recent experience. A resume or other supporting documentation may be attached but it may not be used as a substitute for completing this section.

<p>A) Dates (Month, Day, Year)  <u>From</u>      <u>To</u>                      01/01/2010    4/30/2015</p> <p>Total: <u>Yrs.</u>    <u>Mos.</u>                      5 Years, 3 months</p> <p>Hrs. per week <u>50</u> . Volunteer <input type="checkbox"/></p>	<p>Title                      Program Director, Designer</p> <hr/> <p>Employer's Name and Address                      Planting Justice                      3463 San Pablo Ave                      Oakland, CA 94608</p>	<p>Duties Performed                      Design, build, and maintain productive landscape gardens for hundreds of clients.                      Coordinate a growing team of landscapers, designers, and site leaders towards successful, timely completion of projects.                      File for permits when req'd for carpentry, water systems, etc.</p>
<p>B) Dates (Month, Day, Year)  <u>From</u>      <u>To</u>                      05/01/2015    Present</p> <p>Total: <u>Yrs.</u>    <u>Mos.</u>                      Coming up on 2 years</p> <p>Hrs. per week <u>50</u> . Volunteer <input type="checkbox"/></p>	<p>Title                      Farm Manager</p> <hr/> <p>Employer's Name and Address                      Planting Justice                      3463 San Pablo Ave                      Oakland, CA 94608</p>	<p>Duties Performed                      Design and manage implementation of a 5-acre fruit orchard with the most diverse organic collection of fruiting shrubs in North America.                      Manage teams of 3-10 through infrastructure development of new orchard: fence, water, landscape. Volunteer coordination &amp; events.</p>
<p>C) Dates (Month, Day, Year)  <u>From</u>      <u>To</u>                      03/01/2011    Present</p> <p>Total: <u>Yrs.</u>    <u>Mos.</u>                      Coming up on 6 years</p> <p>Hrs. per week <u>10-20</u> . Volunteer <input type="checkbox"/></p>	<p>Title                      Founding Member</p> <hr/> <p>Employer's Name and Address                      Wild &amp; Radish, LLC                      1188 Nob Hill Ave                      Pinole, CA 94564</p>	<p>Duties Performed                      Active member in collective land use planning &amp; landscape design. Carpentry, land management, and property maintenance.                      Design and re-remodel of residential structures.                      Rotating roles:</p>
<p>D) Dates (Month, Day, Year)  <u>From</u>      <u>To</u>                      01/01/2010    Present</p> <p>Total: <u>Yrs.</u>    <u>Mos.</u>                      Seven years and counting</p> <p>Hrs. per week _____ . Volunteer <input type="checkbox"/></p>	<p>Title                      Founder, President, CEO</p> <hr/> <p>Employer's Name and Address                      Clean Water Components                      2075 Manor Rd                      El Sobrante, CA 94803</p>	<p>Duties Performed                      Small business owner and operator. Manage all aspects of this social enterprise; compliance, governance, financials, technology and website sales, inventory stocking, and order fulfillment.</p>

7. How did you learn about this vacancy?

CCC Homepage  Walk-In  Newspaper Advertisement  District Supervisor  Other \_\_\_\_\_

8. Do you have a Familial or Financial Relationship with a member of the Board of Supervisors? (Please see Board Resolution no. 2011/55, attached): No  Yes

If Yes, please identify the nature of the relationship: \_\_\_\_\_

I CERTIFY that the statements made by me in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge and understand that all information in this application is publically accessible. I understand and agree that misstatements / omissions of material fact may cause forfeiture of my rights to serve on a Board, Committee, or Commission in Contra Costa County.

Sign Name:  Date: 3/6/17 AC  
~~6/16/2017~~

### Important Information

1. This application is a public document and is subject to the California Public Records Act (CA Gov. Code §6250-6270).
2. Send the completed paper application to the Office of the Clerk of the Board at: 651 Pine Street, Room 106, Martinez, CA 94553.
3. A résumé or other relevant information may be submitted with this application.
4. All members are required to take the following training: 1) The Brown Act, 2) The Better Government Ordinance, and 3) Ethics Training.
5. Members of boards, commissions, and committees may be required to: 1) file a Statement of Economic Interest Form also known as a Form 700, and 2) complete the State Ethics Training Course as required by AB 1234.
6. Advisory body meetings may be held in various locations and some locations may not be accessible by public transportation.
7. Meeting dates and times are subject to change and may occur up to two days per month.
8. Some boards, committees, or commissions may assign members to subcommittees or work groups which may require an additional commitment of time.

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA and for  
Special Districts, Agencies and Authorities Governed by the Board Adopted Resolution  
no. 2011/55 on 2/08/2011 as follows:**

IN THE MATTER OF ADOPTING A POLICY MAKING FAMILY MEMBERS OF THE BOARD OF SUPERVISORS INELIGIBLE FOR APPOINTMENT TO BOARDS, COMMITTEES OR COMMISSIONS FOR WHICH THE BOARD OF SUPERVISORS IS THE APPOINTING AUTHORITY

WHEREAS the Board of Supervisors wishes to avoid the reality or appearance of improper influence or favoritism;

NOW, THEREFORE, BE IT RESOLVED THAT the following policy is hereby adopted:

- I. SCOPE: This policy applies to appointments to any seats on boards, committees or commissions for which the Contra Costa County Board of Supervisors is the appointing authority.
- II. POLICY: A person will not be eligible for appointment if he/she is related to a Board of Supervisors' Member in any of the following relationships:
  1. Mother, father, son, and daughter;
  2. Brother, sister, grandmother, grandfather, grandson, and granddaughter;
  3. Great-grandfather, great-grandmother, aunt, uncle, nephew, niece, great-grandson, and great-granddaughter;
  4. First cousin;
  5. Husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepson, and stepdaughter;
  6. Sister-in-law (brother's spouse or spouse's sister), brother-in-law (sister's spouse or spouse's brother), spouse's grandmother, spouse's grandfather, spouse's granddaughter, and spouse's grandson;
  7. Registered domestic partner, pursuant to California Family Code section 297.
  8. The relatives, as defined in 5 and 6 above, for a registered domestic partner.
  9. Any person with whom a Board Member shares a financial interest as defined in the Political Reform Act (Gov't Code §87103, Financial Interest), such as a business partner or business associate.

# **Andrew Chaker Chahrour**

andrew.chahrour@gmail.com

*This resume covers my activities prior to 2010!*

## **Education**

### ***Bucknell University, Lewisburg, PA***

#### **Bachelor of Arts in Environmental Studies, May 2006**

- Cumulative GPA: 3.5
- Minors in Economics and Philosophy
- 2005 Yarnell Prize in Environmental Affairs – Awarded to a student in high academic standing who is a leader in campus environmental efforts
- Dean's List Spring 2005, Fall 2005, and Spring 2006

### ***Semester Abroad: School for International Training, Belem, Brazil***

#### **Amazonian Resource Management and Human Ecology, Fall 2004**

## **Work Experience**

### ***Planting Justice, Oakland, CA***

#### **Volunteer and Board Member (08/2009 – present)**

- Designed and built first edition PJ website
- Volunteer at garden work parties
- Volunteer at rooftop work parties
- Help with IT and PJ emails

### ***Multinational Exchange for Sustainable Agriculture (MESA), Berkeley, CA***

#### **Program Assistant and Technology Coordinator (08/2007 – 2/2010)**

- Assist in all aspects of the MESA's program management
- Manage website development, maintenance and content quality control
- Continuing development of website as a tool to systematically address multi-party constituent needs
- Visit member farms to evaluate success of Steward placement and training imparted
- Coordinate successful public and private events in the community
- Design marketing materials, brochures, and manage email communications
- Database management, maintenance and protocol development
- Responsible for maintenance and upkeep of office technological systems

### ***Greenbelt Alliance, San Francisco, CA***

#### **Green Vision Intern (05/2007 – 10/2007)**

- Reviewed San Francisco Bay Area countywide plans in detail and extracted relevant numbers to produce digital maps in ArcGIS that provided visual representation of the "maximum development potential" for counties in the Bay Area
- Used these maps in to inform organization priorities and determine effective strategies for the protection of green space.

### ***ConsumerConscience LLC, Cincinnati, OH***

#### **Co-founder, Co-Owner, Site Administrator (09/2006 - Present)**

- Ongoing development of this wiki since inception in every aspect
- Continuing to grow our network of partner organizations and database developers
- Coordinating site architecture, functionality, graphic design and promotion.
- Performed legal research to assure compliance with Internet law as an intermediary host
- Authored company's mission statement and most of the site content.

### ***Bureau of Land Management - Department of the Interior, Lander, WY***

#### **Recreation and Forestry Intern (06/2006 - 11/2006)**

- Conducted aspen stand inventories to prioritize future forestry prescriptions

**RECEIVED**  
FEB 08 2017  
CLERK BOARD OF SUPERVISORS  
CONTRA COSTA CO.

Office of the Clerk of the Board  
651 Pine Street  
Room 106  
Martinez, CA 94553

OAKLAND, CA 94615  
06 FEB 2017 PM 2:11  
USA 33  
FOREVER

94553-12999



I have now  
Signed this application.  
My apologies for the  
mistake  
Andrew

El Sobrante, CA 94803



Office of the Clerk of the Board

651 Pine St

Room 106

Martinez, CA 94553

DANFORD  
CA 945  
07 MAR '17  
PM 5 L



94553-12999





Contra  
Costa  
County

To: Board of Supervisors  
From: Candace Andersen, District II Supervisor  
Date: March 28, 2017

Subject: RESIGNATION FROM THE COUNTY SERVICE AREA P-5 CITIZENS ADVISORY COMMITTEE

---

**RECOMMENDATION(S):**

ACCEPT the resignation of Robert Saydah, DECLARE a vacancy in the Appointee 3 Seat on the County Service Area P-5 Citizens Advisory Committee, effective immediately, and DIRECT the Clerk of the Board to post the vacancy, as recommended by Supervisor Candace Andersen.

**FISCAL IMPACT:**

None.

**BACKGROUND:**

Established on April 18, 1972, by Resolution Number 72/257, the purpose of the County Service Area P-5 Citizen Advisory Committee is to act as a liaison between the citizens of the P-5 Police District and the Office of the Sheriff of Contra Costa County by: Advising the Board of Supervisors and the Office of the Sheriff of the community's needs and desires regarding police protection; Promoting public safety in the areas of home safety, traffic safety, vacation security and crime prevention through the neighborhood watch program; and maintaining oversight of expenditures of the public funds accruing in the P-5 Police District.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Jill Ray,  
925-957-8860

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: District 2 Supervisor, Maddy Book, CSA P5 CAC

BACKGROUND: (CONT'D)

This untimely vacancy is due to the unfortunate sudden passing of Mr. Saydah.

CONSEQUENCE OF NEGATIVE ACTION:

Since the seat will remain filled, we will be unable to appoint a new member to ensure quorum is met.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Declare Vacancy on the Hazardous Materials Commission

---

**RECOMMENDATION(S):**

ACCEPT the resignation of Wade Harper, DECLARE a vacancy in City #1 Alternate seat on the Hazardous Materials Commission, and DIRECT the Clerk of the Board to post the vacancy.

**FISCAL IMPACT:**

Not applicable.

**BACKGROUND:**

The Hazardous Materials Commission was established in 1986 to advise the Board, County staff and the mayor's council members, and staffs of the cities within the County, on issues related to the development, approval and administration of the County Hazardous Waste Management Plan. Specifically, the Board charged the Commission with drafting a hazardous materials storage and transportation plan and ordinance, coordinating the implementation of the hazardous materials release response plan and inventory program, and to analyze and develop recommendations regarding hazardous materials issues with consideration to broad public input, and report back to the Board on Board referrals.

The bylaws of the Commission provide that two City seats be appointed by the Mayors Conference. Mr. Harper has resigned the City #1 Alternate seat and the department wishes to fill this vacancy as soon as possible.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: 03/28/2017  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Michael Kent,  
925-313-6587

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm, Michael Kent

CONSEQUENCE OF NEGATIVE ACTION:

The vacancy will not be posted.



Contra  
Costa  
County

To: Board of Supervisors  
From: Federal D. Glover, District V Supervisor  
Date: March 28, 2017

Subject: APPOINTMENTS TO SUSTAINABILITY COMMISSION

---

**RECOMMENDATION(S):**

APPOINT the following individuals to the Contra Costa County Sustainability Commission for a term to end on March 31, 2021:

District V Representative

Charles Davidson  
Hercules, CA

District V Alternate

Mark Thomson  
Martinez, CA

**FISCAL IMPACT:**

None.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: David Fraser,  
925-335-8200

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

**BACKGROUND:**

The Sustainability Commission is to advise the Board on issues related to the County's Climate Action Plan and opportunities to realize equity and fairness across the diverse communities of Contra Costa County in sustainability programs that support the Climate Action Plan. They are to provide suggestions to staff and the Board on how to better engage Contra Costa County residents on sustainability issues and implementation of the Climate Action Plan.

Applications were accepted and reviewed and the recommendation is to approve the above-named individuals.

**CONSEQUENCE OF NEGATIVE ACTION:**

The District V seats will remain vacant.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Appropriation Adjustment for Behavioral Health Services Administration

---

**RECOMMENDATION(S):**

Health Services Department (0451)/Fleet ISF (0064): Approve Appropriation and Revenue Adjustment No. 5055 authorizing the transfer of appropriations in the amount of \$27,309 from Behavioral Health Services Division – Conservator/Public Guardian (0451) to General Services – ISF Fleet Services (0064) for the purchase of one (1) vehicle for transportation of conserved clients.

**FISCAL IMPACT:**

This action increases appropriations in General Services – Fleet Services (0064) and reduces appropriations in Conservator/Public Guardian Office (0451) by \$27,309. This purchase is funded 100% by the Department's General Fund allocation.

**BACKGROUND:**

The Conservatorship/Public Guardian Office seeks to provide more efficient and reliable support for clients who are deemed by the court to be either gravely disabled due to a mental disorder or to lack of capacity due to cognitive impairment. Having an additional vehicle will aid the department in being able to meet the required responsibility of transporting clients to court, as well as have more availability to transport very impaired clients to medical and psychiatric

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Cynthia Belon,  
925-957-5201

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

BACKGROUND: (CONT'D)

appointments and to help them move to new placements. There is a current caseload of 282 Conservatees. Additionally, many clients are placed in locked psychiatric facilities, which are not within the County. This requires staff to travel outside the County to visit to their clients. Purchase of this vehicle will allow Conservator/Public Guardian staff to better meet the needs of their clients.

CONSEQUENCE OF NEGATIVE ACTION:

If this appropriation adjustment is not approved, the Division will not be able to purchase a vehicle to support client transportation.

ATTACHMENTS

TC 24/27 No. 5055 HSD



**CONTRA COSTA COUNTY  
ESTIMATED REVENUE ADJUSTMENT/  
ALLOCATION ADJUSTMENT  
T/C 24**

AUDITOR-CONTROLLER USE ONLY

FINAL APPROVAL NEEDED BY:

- BOARD OF SUPERVISORS
- COUNTY ADMINISTRATOR
- AUDITOR-CONTROLLER

ACCOUNT CODING		DEPARTMENT : CONSERVATORSHIP/GUARDIANSHIP (#0451)			
ORGANIZATION	REVENUE ACCOUNT	REVENUE ACCOUNT DESCRIPTION	INCREASE		<DECREASE>
4284	9951	Reimbursement Gov/Gov	27,309	00	00
<b>TOTALS</b>			27,309	00	0 00

**APPROVED**

AUDITOR-CONTROLLER:

BY: *G. Gope* DATE 3/20/17

COUNTY ADMINISTRATOR:

BY: *Emil Mendoza* DATE 3/21/17

BOARD OF SUPERVISORS:

YES:

NO:

BY: \_\_\_\_\_ DATE \_\_\_\_\_

EXPLANATION OF REQUEST:

To transfer appropriation from Conservator (#0451) towards the purchase of vehicle for the purpose of transporting clients.

*Patrick Godley*

PATRICK GODLEY CHIEF FINANCIAL OFFICER 3/13/2017  
SIGNATURE TITLE DATE

REVENUE ADJ. RAOO 5055  
JOURNAL NO.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Purchase of vehicle for the Senior Nutrition Program

---

**RECOMMENDATION(S):**

APPROVE Appropriation and Revenue Adjustment No.5061 authorizing the transfer of appropriations in the amount of \$26,000 from Public Health Senior Nutrition Program (0450) to General Services – ISF Fleet Services (0064) for the purchase of a replacement vehicle for the Senior Nutrition Program.

**FISCAL IMPACT:**

This action increases appropriations in General Services – ISF Fleet Services (0064) and reduces appropriations in Public Health Senior Nutrition Program (0450) by \$26,000. The new vehicle purchase will be fully funded with Senior Nutrition Program funds. (100% Local)

**BACKGROUND:**

The Senior Nutrition Program Provides nutritious meals to elderly residents in Contra Costa County through the Meals on Wheels program. The Senior Nutrition Program has had to add a driver to service routes in Far East County and an additional vehicle is needed for the growth of the program in this area.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Dan Peddycord,  
313-6712

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm, Lorie Brown

CONSEQUENCE OF NEGATIVE ACTION:

If this purchase is not approved, the Public Health Nutrition Program will be required to find alternative ways to deliver meals to home-bound senior residents of Far East County, which may jeopardize the Department's ability to comply with the terms of the Senior Nutrition grant.

ATTACHMENTS

TC24/27 No. 5061 HSD

CONTRA COSTA COUNTY  
 APPROPRIATION ADJUSTMENT /  
 ALLOCATION ADJUSTMENT  
**T/C 27**

AUDITOR-CONTROLLER USE ONLY

FINAL APPROVAL NEEDED BY:

- BOARD OF SUPERVISORS  
 COUNTY ADMINISTRATOR  
 AUDITOR-CONTROLLER

ACCOUNT CODING		DEPARTMENT : Health Svcs-Calif Child Services #0460			
ORGANIZATION	EXPENDITURE SUB-ACCOUNT	EXPENDITURE ACCOUNT DESCRIPTION	<DECREASE>		INCREASE
4284	4953	Auto & Trucks			26,000 00
5750	4954	MEDICAL & LAB EQUIPMENT	26,000	00	
5750	5011	Reimbursements - Gov/Gov			26,000 00
TOTALS			26,000	00	52,000 00

APPROVED

AUDITOR-CONTROLLER:

BY: [Signature] DATE 3/21/17

COUNTY ADMINISTRATOR:

BY: [Signature] DATE 3/22/17

BOARD OF SUPERVISORS:

YES:

NO:

BY: \_\_\_\_\_ DATE \_\_\_\_\_

EXPLANATION OF REQUEST.

To Transfer appropriation from Public Health to Fleet Services for a new vehicle for Senior Nutrition Far East County Route

[Signature]

COO/CFO  
TITLE

3/16/17  
DATE

Pat Godley

APPROPRIATION APOO 5061  
ADJ. JOURNAL NO.

CONTRA COSTA COUNTY  
ESTIMATED REVENUE ADJUSTMENT/  
ALLOCATION ADJUSTMENT  
**T/C 24**

AUDITOR-CONTROLLER USE ONLY

FINAL APPROVAL NEEDED BY:

- BOARD OF SUPERVISORS  
 COUNTY ADMINISTRATOR  
 AUDITOR-CONTROLLER

ACCOUNT CODING		DEPARTMENT: <u>Fleet ISF 0004</u>			
ORGANIZATION	REVENUE ACCOUNT	REVENUE ACCOUNT DESCRIPTION	INCREASE		<DECREASE>
4284	9951	Reimbursements-Gov/Gov	26,000	00	00
TOTALS			26,000	00	0 00

**APPROVED**

AUDITOR-CONTROLLER:

BY: [Signature] DATE 3/21/17

COUNTY ADMINISTRATOR:

BY: [Signature] DATE 3/22/17

BOARD OF SUPERVISORS:

YES:

NO:

BY: \_\_\_\_\_ DATE \_\_\_\_\_

EXPLANATION OF REQUEST.

To Transfer appropriation from Public Health to Fleet Services for a new vehicle for Senior Nutrition Far East County Route

[Signature]

SIGNATURE TITLE DATE  
Pat Godley

REVENUE ADJ. RA00 5061  
JOURNAL NO.



Contra  
Costa  
County

To: Board of Supervisors  
From: LEGISLATION COMMITTEE  
Date: March 28, 2017

Subject: School Siting: County Comments on the State's Efforts to Reform Title 5 School Siting and Design Practices

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**RECOMMENDATION(S):**

AUTHORIZE staff to send a letter to the State Superintendent of Public Instruction regarding the reform of school siting practices.

**FISCAL IMPACT:**

None.

**BACKGROUND:**

**History**

The reform of State school siting policies is a longstanding item of the Board of Supervisors (BOS). The County has found that state supported school siting practices are in conflict with both local and state goals related to community development/growth management, student safety, agricultural preservation, safe routes to school, complete streets, sustainability, health in all policies, and greenhouse gas reduction. This issue has for years been addressed in the County's legislative platform (see excerpts at the end of this staff report).

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: John Cunningham (925)  
674-7833

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

### Update

The County's efforts in advocating for the reform of school siting is being bolstered by three new efforts now taking place at the state:

- 1. In late 2016, the California Department of Education (CDE) initiated a long anticipated update to Title 5, which contains school siting and design guidance.** County staff has attended a webinar held by CDE on the update and met with CDE staff at the County Office of Education's regular school facilities coordination meeting. The process is anticipated to take until 2018 to complete.
- 2. The State Assembly Committee on Education initiated an effort to "streamline" the Title 5 school approval process.** In contrast to CDE's well publicized update to Title 5, very little is known about this streamlining effort. As alluded to in the Board of Supervisor's February 8, 2017 letter to the Assembly Committee on Education (attached), it does not appear that the streamlining effort is being coordinated with CDE's Title 5 update.
- 3. The Governor's Office of Planning and Research (OPR) and the Strategic Growth Council have been conducting research and outreach regarding State school siting practices.** OPR staff has interviewed County staff regarding our experience with school siting issues. In addition OPR staff attended the California County Planning Directors Association 2017 Annual Conference and gave a presentation on their efforts relative to Title 5 and school siting. At the Conference, Contra Costa County staff communicated our concerns about the school siting practices. In addition, many other Counties voiced their concerns to OPR staff as well.

In the past, the County has been advocating for school siting reform absent any formal process at the state to accommodate or respond to our concerns. Therefore, staff recommends making the most of the opportunity represented by the three efforts listed above. The attached draft letter communicates County staff's recommendations for consideration by the State on school siting practices.

### **Draft Letter**

Given the general input to the State being provided at this time the approach being recommended is to have staff, through the Planning Integration Team for Community Health (PITCH), provide comments to the State. At this early point in the Title 5 update process we are asking that our concepts be further explored by the State. As the process moves ahead, staff will return to the BOS with more explicit recommendations. Those recommendations are likely to require legislation in 2018 to grant the necessary authority to CDE to appropriately manage the school siting program.

Having the PITCH Departments approach the state on this topic is a new strategy. This letter can also be used by staff representing each discipline, engineering, planning, and public health, to approach their respective professional organizations and related advocacy groups for support on this effort.

Staff from the PITCH Departments have provided input on the letter and attended the March 13, 2017 meeting of the Legislative Committee. As seen in the proposed letter, staff is requesting that the State examine the involvement of the Local Agency Formation Commission in school siting decisions. Staff from LAFCO also reviewed the letter, expressed support for the effort but did not offer additional comment.

### **Legislative Platform Excerpts**

Reform of school siting practices is supported in the County's State Legislative Program:

#### ***Agriculture***

*SUPPORT funding for agricultural land conservation programs and agricultural enterprise programs, and support revisions to State school siting policies, to protect and enhance the viability of local agriculture. The growth in East County and elsewhere has put significant pressure on agricultural lands, yet agriculture is important not only for its production of fresh fruits, vegetables and livestock, but also as a source of open space.*

## **Transportation**

*SUPPORT efforts to improve safety throughout the transportation system. The County supports new and expanded projects and programs to improve safety for bicyclists, pedestrians and wheelchair users, as well as projects to improve safety on high-accident transportation facilities such as Vasco Road. Data on transportation safety would be improved by including global positioning system (GPS) location data for every reported accident to assist in safety analysis and planning. The County also supports the expansion of school safety improvement programs such as crossing guards, revised school zone references in the vehicle code, Safe Routes to Schools (SR2S) grants, efforts to improve the safety, expansion and security of freight transportation system including public and private maritime ports, airports, rail yards, railroad lines, rail bridges and sidings. The County also supports limits or elimination of public liability for installing traffic-calming devices on residential neighborhood streets.*

*1. SUPPORT efforts to coordinate development of state-funded or regulated facilities such as courts, schools, jails, roads and state offices with local planning. The County supports preserving the authority of Public Works over County roads by way of ensuring the Board of Supervisors' control over County roads as established in the Streets & Highways Code (Ch2 §940) is not undermined. This includes strongly opposing any action by a non-local entity that would ultimately dilute current Board of Supervisors discretion relative to road design and land use.*

*2. SUPPORT efforts to coordinate planning between school districts, the state, and local jurisdictions for the purposes of: (1) locating and planning new schools, (2) funding programs that foster collaboration and joint use of facilities, and (3) financing off-site transportation improvements for improved access to existing schools. The County will urge the California Department of Education's current Title 5 update effort to include removing the current conflict between current school siting policies and sustainable communities. Related to this effort, the County supports reform of school siting practices by way of legislative changes related to any new statewide school construction bond authorization. The County takes the position that reform components should include bringing school siting practices and school zone references in the vehicle code into alignment with local growth management policies, safe routes to school best practices, State SB 375 principles, and the State Strategic Growth Council's "Health in All Policies Initiative."*

## **CONSEQUENCE OF NEGATIVE ACTION:**

If the letter is not transmitted, the Board of Supervisors will miss **1)** an opportunity to advocate for issues in the County's State Legislative Platform and, **2)** the California Department of Education's April 14, 2017 deadline to provide comments on the initial review of California Code of Regulations - Title 5: School Facilities Construction.

## **CHILDREN'S IMPACT STATEMENT:**

Reforming school siting practices would help achieve the following outcomes identified in the Children's Report Card:

*Outcome 2: Youth Are Healthy and Preparing for Adulthood: Physical Fitness*

*Outcome 4: Families and Communities Are Safe: Injury Hospitalizations*

## **ATTACHMENTS**

CCC Title-5 Markup

CCC to CA\_CDE re-Title5(Schools)draft

Contra Costa County Comments on Title 5 Revision Process. Revisions are in redline/strikeout format. Annotations/comments on the revisions are in [brackets and in typewriter font].

Title 5. Education  
Division 1. California Department of Education  
Chapter 13. School Facilities and Equipment  
Subchapter 1. School Housing  
Article 1. General Standards  
§ 14001. Minimum Standards.

Educational facilities planned by school districts shall be:

- (a) Evolved from a statement of educational program requirements which reflects the school district's educational goals and objectives.
- (b) Master-planned to provide for maximum site enrollment..
- (c) Located on a site which meets California Department of Education standards as specified in Section 14010.
- (d) Designed for the environmental comfort and work efficiency of the occupants.
- (e) Designed to require a practical minimum of maintenance.
- (f) Designed to meet federal, state, and local statutory requirements for structure, fire, and public safety.
- (g) Designed and engineered with flexibility to accommodate future needs.
- (h) Located and designed to support reductions of greenhouse gasses and vehicle miles traveled consistent with state goals.
- (i) Include access infrastructure, at the time of school opening, consistent with the 2008- Complete Streets Act. [Reflects authority established with the "safety" references in EDC § 17251 (c) and (f)].

Note: Authority cited: Sections 17251(b) and 33031, Education Code. Reference: Sections 17017.5 and 17251(b), Education Code.

#### HISTORY

1. Amendment filed 9-23-77; effective thirtieth day thereafter (Register 77, No. 39).
  2. Amendment of text and adoption of Note filed 11-12-93; operative 12-13-93 (Register 93, No. 46).
  3. Amendment of Note filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).
- 5 CCR § 14001, 5 CA ADC § 14001

Title 5. Education  
Division 1. California Department of Education  
Chapter 13. School Facilities and Equipment  
Subchapter 1. School Housing  
Article 2. School Sites  
§ 14010. Standards for School Site Selection.

All districts shall select a school site that provides safety and that supports learning. The following standards shall apply to site selection and be addressed in a written report provided to the governing board, the district advisory committee, and the local land use agency [requirements are consistent with EDC § PART 10.5. SCHOOL FACILITIES: Schoolsites: 17211]:

(a) The net usable acreage and enrollment for a new school site shall be consistent with the numbers of acres and enrollment established in the 2000 Edition, "School Site Analysis and Development" published by the California Department of Education and incorporated into this section by reference, in toto, unless sufficient land is not available or circumstances exist due to any of the following:

(1) Urban or suburban development results in insufficient available land even after considering the option of eminent domain.

(2) Sufficient acreage is available but it would not be economically feasible to mitigate geological or environmental hazards or other site complications which pose a threat to the health and/or safety of students and staff.

(3) Sufficient acreage is available but not within the attendance area of the unhoused students or there is an extreme density of population within a given attendance area requiring a school to serve more students on a single site. Choosing an alternate site would result in extensive long-term bussing of students that would cause extreme financial hardship to the district to transport students to the proposed school site.

(4) Geographic barriers, traffic congestion, inadequate transportation infrastructure for student cyclists, pedestrians, and/or other wheeled/active transportation, high vehicle speeds, or other constraints throughout the attendance boundary would cause extreme school access issues for the school district and the community at large. financial hardship for the district to transport students to the proposed school site. [Regarding the struck out text, excepting special needs students, school districts are not obligated to provide transportation. Regardless, the listed issues DO create a hardship for parents, students, and local jurisdictions who, when school districts site schools in remote areas, are left to somehow get students safety to/from school sites which are often infrastructure islands surrounded by rural landscape.]

(b) If a school site is less than the recommended acreage required in subsection (a) of this section, the district shall demonstrate how the students will be provided an adequate educational program including physical education as described in the district's adopted course of study.

(c) The property line of the site even if it is a joint use agreement as described in subsection (o) of this section shall be at least the following distance from the edge of respective power line easements:

(1) 100 feet for 50-133 kV line.

(2) 150 feet for 220-230 kV line.

(3) 350 feet for 500-550 kV line.

(d) If the proposed site is within 1,500 feet of a railroad track easement, a safety study shall be done by a competent professional trained in assessing cargo manifests, frequency, speed, and schedule of railroad traffic, grade, curves, type and condition of track need for sound or safety barriers, need for pedestrian and vehicle safeguards at railroad crossings, presence of high pressure gas lines near the tracks that could rupture in the event of a derailment,

preparation of an evacuation plan. In addition to the analysis, possible and reasonable mitigation measures must be identified. [Roadways and automobiles are a more substantial threat to student safety than railroads. Implementation of the County's "Ensure Complete Streets Consistency" proposal will help to ensure an appropriate review of roadway safety, on par with the railroad language]

(e) The site shall not be adjacent to a road or freeway that any site-related traffic and sound level studies have determined will have safety problems or sound levels which adversely affect the educational program.

(f) Pursuant to Education Code sections 17212 and 17212.5, the site shall not contain an active earthquake fault or fault trace.

(g) Pursuant to Education Code sections 17212 and 17212.5, the site is not within an area of flood or dam flood inundation unless the cost of mitigating the flood or inundation impact is reasonable.

(h) The site shall not be located near an above-ground water or fuel storage tank or within 1500 feet of the easement of an above ground or underground pipeline that can pose a safety hazard as determined by a risk analysis study, conducted by a competent professional, which may include certification from a local public utility commission.

(i) The site is not subject to moderate to high liquefaction or landslides.

(j) The shape of the site shall have a proportionate length to width ratio to accommodate the building layout, parking and playfields that can be safely supervised and does not exceed the allowed passing time to classes for the district.

(k) The site shall be easily accessible from arterial roads and shall allow minimum peripheral visibility from the planned driveways in accordance with the Sight Distance Standards established in the "Highway Design Manual," Table 201.1, published by the Department of Transportation, July 1, 1990 edition, and incorporated into this section by reference, in toto.

(l) The site shall not be on major arterial streets with a heavy traffic pattern as determined by site-related traffic studies including those that require student crossings unless mitigation of traffic hazards and a plan for the safe arrival and departure of students appropriate to the grade level has been provided by city, county or other public agency in accordance with the "School Area Pedestrian Safety" manual published by the California Department of Transportation, 1987 edition, incorporated into this section by reference, in toto. [Considering the wealth of new, relevant statutes and policies that the state has developed over the past 10 years this language should be rewritten. Contemporary references (as opposed to the 1987 School Area Pedestrian Safety document) should be referenced including, the 2008 Complete Streets Act, Health In All Policies, AB32/SB375 concepts, Caltrans Smart Mobility Framework, and the numerous revisions to the Highway Design Manual.]

(m) Existing or proposed zoning of the surrounding properties shall be compatible with schools in that it would not pose a potential health or safety risk to students or staff in accordance with Education Code Section 17213 and Government Code Section 65402, the multimodal circulation and safety plan, and other available studies of traffic surrounding the site.

(n) The site shall be located within the proposed attendance area to accommodate and encourage student walking and active transportation avoid extensive bussing unless bussing is used to promote ethnic diversity. Accommodation shall be documented in the multimodal circulation and safety plan. [The comment is reflective of the County's comment, "Ensure Complete Streets Consistency"]

(o) The site shall be selected to promote joint use of parks, libraries, museums and other public services, the acreage of which may be included as part of the recommended acreage as stated in subsection (a) of this section.

(p) The site shall be conveniently located for public services including but not limited to fire protection, police protection, public transit and trash disposal whenever feasible.

(q) The district shall consider environmental factors of light, wind, noise, aesthetics, and air pollution in its site selection process.

(r) Easements on or adjacent to the site shall not restrict access or building placement.

(s) The cost and complications of the following shall be considered in the site selection process and should not result in undue delays or unreasonable costs consistent with State Allocation Board standards:

(1) Distance of utilities to the site, availability and affordability of bringing utilities to the site.

(2) Site preparation including grading, drainage, demolition, hazardous cleanup, including cleanup of indigenous material such as serpentine rock, and off-site development of streets, curbs, gutters and lights.

(3) Eminent domain, relocation costs, severance damage, title clearance and legal fees.

(4) Long-term high landscaping or maintenance costs.

(5) Existence of any wildlife habitat that is on a protected or endangered species list maintained by any state or federal agency, existence of any wetlands, natural waterways, or areas that may support migratory species, or evidence of any environmentally sensitive vegetation.

(t) If the proposed site is on or within 2,000 feet of a significant disposal of hazardous waste, the school district shall contact the Department of Toxic Substances Control for a determination of whether the property should be considered a Hazardous Waste Property or Border Zone Property.

(u) At the request of the governing board of a school district, the State Superintendent of Public Instruction may grant exemptions to any of the standards in this section if the district can demonstrate that mitigation of specific circumstances overrides a standard without compromising a safe and supportive school environment.

Note: Authority cited: Sections 17251(b) and 33031, Education Code. Reference: Sections 17212, 17212.5, 17213, 17251(b) and 17251(f), Education Code.

#### HISTORY

1. Renumbering of former section 14010 to section 14011 and new section filed 11-12-93; operative 12-13-93 (Register 93, No. 46). For prior history, see Register 77, No. 39.

2. Amendment of section and Note filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14010, 5 CA ADC § 14010

➔ § 14011. Procedures for Site Acquisition - State-Funded School Districts.

A state-funded school district is defined as a school district having a project funded under Chapter 12.5 (commencing with Section 17070.10) of the Education Code. A state-funded school district, before acquiring title to real property for school use, shall obtain written approval from the California Department of Education using the following procedures:

(a) Request a preliminary conference with a consultant from the School Facilities Planning Division and in consultation review and evaluate sites under final consideration.

(b) Contact the School Facilities Planning Division of the California Department of Education to obtain a "School Facilities Planning Division Field Site Review," form SFPD 4.0, published by the California Department of Education, as last amended in December 1999 and incorporated into this section by reference, in toto, which lists the site options in order of merit according to the site selection standards delineated in Section 14010.

(c) Prepare a statement of policies as delineated on the "School Facilities Planning Division School Site Report," form SFPD 4.02, as last amended in December 1999 and incorporated into this section by reference, in toto, covering the range and organization of grades to be served, the transportation of pupils, and the ultimate maximum pupil enrollment to be housed on the site. Prepare a statement showing how the site is appropriate in size as justified by the school district's Facilities Master Plan, including acreage increases above the California Department of Education recommendation made to compensate for off-site mitigation. A school district may choose, in place of a master plan, a developer fee justification document or a five-year plan if it addresses enrollment projections, needed schools, and site sizes.

(d) Prepare maps showing present and proposed school sites, significant roads or highways, unsanitary or hazardous installations, such as airports or industries and the indicated boundary of the pupil attendance area to be served as delineated on form SFPD 4.02.

(e) Meet with appropriate local government, recreation, and park authorities to consider possible joint use of the grounds and buildings and to coordinate the design to benefit the intended users as required by Education Code Section 35275.

(f) Give written notice to the local planning agency having jurisdiction to review the proposed school site or addition to an existing school site and request a written report from the local planning agency of the investigations and recommendations for each proposed site with respect to conformity with the adopted general plan as required by Public Resources Code Section 21151.2 and Government Code Section 65402 and provide documentation to the California Department of Education (CDE) demonstrating the notice and report request to the local planning agency. CDE shall not provide any administrative, procedural, or financial support to the school district without fulfillment of this requirement. [This requirement is in response to our experience with school districts not being aware of or disregarding the referenced sections of the code. Please see the County's 8-24-16 letter to the Liberty Union High School District (LUHSD) attached to our Title 5 Comment letter. The letter to LUHSD is also available here: [www.cccounty.us/no-notice](http://www.cccounty.us/no-notice)]

(g) Comply with Education Code Sections 17212 and 17212.5, with particular emphasis upon an engineering investigation made of the site to preclude locating the school on terrain that may be potentially hazardous:

(1) The geological and soils engineering study shall address all of the following:

(A) Nature of the site including a discussion of liquefaction, subsidence or expansive soils, slope, stability, dam or flood inundation and street flooding.

(B) Whether the site is located within a special study zone as defined in Education Code Section 17212.

(C) Potential for earthquake or other geological hazard damage.

(D) Whether the site is situated on or near a pressure ridge, geological fault or fault trace that may rupture during the life of the school building and the student risk factor.

(E) Economic feasibility of the construction effort to make the school building safe for occupancy.

(2) Other studies shall include the following:

(A) Population trends

(B) Transportation

(C) Water supply

(D) Waste disposal facilities

(E) Utilities

(F) Traffic hazards

(G) Surface drainage conditions

(H) Other factors affecting initial and operating costs.

(h) Prepare an environmental impact report, or negative declaration in compliance with the Environmental Quality Act, Public Resources Code, Division 13, (commencing with Section 21000 with particular attention to Section 21151.8). As required by Education Code Section 17213, the written findings of the environmental impact report or negative declaration must include a statement verifying that the site to be acquired for school purposes is not currently or formerly a hazardous, acutely hazardous substance release, or solid waste disposal site or, if so, that the wastes have been removed. Also, the written findings must state that the site does not contain pipelines which carry hazardous wastes or substances other than a natural gas supply line to that school or neighborhood. If hazardous air emissions are identified, the written findings must state that the health risks do not and will not constitute an actual or potential danger of public health of students or staff. If corrective measures of chronic or accidental hazardous air emissions are required under an existing order by another jurisdiction, the governing board shall make a finding that the emissions have been mitigated prior to occupancy of the school.

(i) Consult with, or demonstrate that the lead agency, if other than the district preparing the environmental impact report or negative declaration, has consulted with the appropriate city/county agency and with any air pollution control district or air quality management district having jurisdiction, concerning any facilities having hazardous or acutely hazardous air emissions within one-fourth of a mile of the proposed school site as required by Education Code Section 17213.

(j) For purposes of Environmental Site Assessment, school districts shall comply with Education Code sections 17210.1, 17213.1, and 17213.2.

(k) Follow the recommendations of the State Superintendent of Public Instruction report based upon the Department of Transportation, Division of Aeronautics, findings, if the proposed site is within two miles of the center line of an airport runway or proposed runway as required by Education Code Section 17215.

(l) Follow the standards for school site selection in Section 14010 of this article.

(m) Conduct a public hearing by the governing board of the school district as required in Education Code Section 17211 to evaluate the property using the standards described in Section 14010 of this article. The school district's facility advisory committee may provide an evaluation of the proposed site to the governing board.

(n) Submit the request for exemption from a standard in Section 14010 of this article, with a description of the mitigation that overrides the standard, to the California Department of Education.

(o) Certify there are no available alternative school district-owned sites for the project deemed usable for school purposes by the California Department of Education or certify that the school district intends to sell an available alternative school district-owned site and use the proceeds from the sale for the purchase of the new school site.

Note: Authority cited: Sections 17251(b) and 33031, Education Code. Reference: Sections 17070.50, 17072.12, 17210.1, 17211, 17212, 17213 and 17251(b), Education Code.

#### HISTORY

1. Renumbering and amendment of section 14010 to section 14011 and adoption of Note filed 11-12-93; operative 12-13-93 (Register 93, No. 46).

2. Amendment of section heading, section and Note filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14011, 5 CA ADC § 14011

➔ **§ 14012. Procedures for Site Acquisition - Locally-Funded School Districts.**

A locally-funded school district is defined as a school district with a project not applying for funding from any state program administered by the State Allocation Board as defined in Chapter 12.0 (commencing with Section 17000) or Chapter 12.5 (commencing with Section 17070.10) of the Education Code. A locally-funded school district, before acquiring title to real property for school use, shall:

- (a) Evaluate the property using the standards established in Section 14010 and items (e) through (l) in Section 14011;
- (b) Comply with terms of the complaint investigation described in Section 14012(d); and
- (c) May request advice from the California Department of Education as described in Education Code Section 17211(a).
- (d) Prepare documentation of and retain for purposes of a complaint investigation the exemption from the standard in Section 14010 of this article with a description of the mitigation that overrides the standard. Locally-funded school districts may request from the California Department of Education a review of the adequacy of the mitigation measure.
- (e) Comply with Education Code section 17268 regarding potential safety or health risks to students and staff.

Note: Authority cited: Sections 17251(b) and 33031, Education Code. Reference: Sections 17251(a) and (b) and 17268, Education Code.

#### HISTORY

1. New section filed 11-12-93; operative 12-13-93 (Register 93, No. 46).
2. Repealer of former section 14012 and renumbering of former section 14013 to new section 14012, including amendment of section heading, section and Note, filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14012, 5 CA ADC § 14012

➔ **§ 14013. Procedures for Site Acquisition - Locally-Funded Districts. [Renumbered]**

Note: Authority cited: Section 39001(b), Education Code. Reference: Sections 17700 et. seq., 39101(a), and 39101(b), Education Code.

HISTORY

1. New section filed 11-12-93; operative 12-13-93 (Register 93, No. 46).
  2. Renumbering of former section 14013 to section 14012 filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).
- 5 CCR § 14013, 5 CA ADC § 14013

§ 14030. Standards for Development of Plans for the Design and Construction of School Facilities.

The following standards for new schools are for the use of all school districts for the purposes of educational appropriateness and promotion of school safety:

(a) Educational Specifications.

Prior to submitting preliminary plans for the design and construction of school facilities, and as a condition of final plan approval by CDE, school board-approved educational specifications for school design shall be prepared and submitted to the California Department of Education based on the school district's goals, objectives, policies and community input that determine the educational program and define the following:

(1) Enrollment of the school and the grade level configuration.

(2) Emphasis in curriculum content or teaching methodology that influences school design.

(3) Type, number, size, function, special characteristics of each space, and spatial relationships of the instructional area that are consistent with the educational program.

(4) Community functions that may affect the school design. [Substantial detail and examples should be added to remove ambiguity]

(b) Site Layout.

Parent drop off, bus loading areas, ~~and~~ parking, and non-motorized access shall be separated or otherwise designed to allow students to enter and exit the school grounds safely unless these features are unavailable due to limited acreage in urban areas or restrictive locations, specifically [Comments are consistent with authority established in the "safety" references in EDC § 17251 (c) and (f)].

(1) Buses do not pass through parking areas to enter or exit school site unless a barrier is provided that prevents vehicles from backing directly into the bus loading area.

(2) Parent drop off area is adjacent to school entrance and separate from bus area and staff parking.

(3) Vehicle traffic pattern does not interfere with foot traffic patterns. Foot traffic does not have to pass through entrance driveways to enter school. Crosswalks are clearly marked to define desired foot path to school entrance.

(4) Parking stalls are not located so vehicles must back into bus or loading areas used by parents. Island fencing or curbs are used to separate parking areas from loading/unloading areas.

(5) To provide equal access to insure the purposes of the least restrictive environment, bus drop off for handicapped students is in the same location as for regular education students.

(6) To ensure safe, efficient access an active transportation plan for the school's entire attendance boundary shall be developed. [consistent with authority established in the "safety" references in EDC § 17251 (c) and (f)]

(7) Bicyclist and pedestrian access to school sites shall be encouraged through prioritized access and bicycle parking.

(c) Playground and Field Areas.

Adequate physical education teaching stations shall be available to accommodate course requirements for the planned enrollment, specifically:

(1) A variety of physical education teaching stations are available to provide a comprehensive physical education program in accordance with the district's adopted course of study (including hardcourt, field area and indoor spaces).

(2) The physical education teaching stations are adequate for the planned student enrollment to complete the minimum instruction and course work defined in Education Code Sections 51210(g), 51220(d) and 51225.3(a)(1)(F).

(3) Supervision of playfields is not obstructed by buildings or objects that impair observation.

(4) Joint use for educational purposes with other public agencies is explored. Joint use layout with parks is not duplicative and fulfills both agencies' needs.

(d) Delivery and Utility Areas.

Delivery and service areas shall be located to provide vehicular access that does not jeopardize the safety of students and staff:

(1) Delivery/utility vehicles have direct access from the street to the delivery area without crossing over playground or field areas or interfering with bus or parent loading unless a fence or other barrier protects students from large vehicle traffic on playgrounds.

(2) Trash pickup is fenced or otherwise isolated and away from foot traffic areas.

(e) Future Expansion.

Site layouts shall have capability for expansion without substantial alterations to existing structures or playgrounds:

(1) Site layout designates area(s) for future permanent or temporary additions that are compatible with the existing site plans for playground layout and supervision.

(2) Utilities to the expansion area are included in the plans and have the capacity to accommodate anticipated growth.

(3) Exits, corridors, stairs, and elevators are located to accommodate capacity of additions, particularly in such buildings added as the multi-purpose/cafeteria, administration, gymnasium/or auditorium.

(f) Placement of Buildings.

Building placement shall consider compatibility of the various functions on campus and provide optimum patterns of foot traffic flow around and within buildings. Site layout of buildings, parking, driveways, and physical education areas shall be adequate to meet the instructional, security and service needs of the educational program:

(1) Building placement is compatible with other functions on campus; e.g., band room is not next to library.

(2) Physical relationship of classrooms, auxiliary, and support areas allows unobstructed movement of staff and students around the campus.

(3) Building placement has favorable orientation to wind, sun, rain, and natural light.

(4) Restrooms are conveniently located, require minimum supervision, and, to the extent possible, are easily accessible from playground and classrooms.

(5) Parking spaces are sufficient for staff, visitors, and students (where applicable).

(6) The campus is secured by fencing and electronic devices such as code entries, electronic monitoring or motion sensors when needed.

(g) Classrooms.

Classrooms at new school sites shall have adequate space to perform the curriculum functions for the planned enrollment as described in the school district's facility master plan, specifically:

(1) Classroom size standards:

(A) General classrooms, grades one through twelve are not less than 960 square feet. Classrooms proposed of less than 960 square feet require written justification to be submitted to and approved by the State Superintendent of Public Instruction. Adjacent instructional space shall be included in the calculation of square feet for purposes of approving classroom design.

(B) Proposed classrooms of less than 960 square feet have written justification consistent with the educational program and curriculum indicating that the district's education program can be delivered in the proposed size classrooms.

(2) Total classroom space meets or exceeds the capacity planned for the school using the district's classroom loading standards in accordance with State Allocation Board policy.

(3) Consideration is given to some classrooms which are easily alterable in size and shape at a reasonable cost.

(4) Conduit/cabling and outlets are available for technology in each classroom to provide network and stand alone equipment related to the planned and future potential educational functions.

(h) Specialized Classrooms and Areas.

Specialized classrooms shall be designed to reflect the function planned for that portion of the educational program. If any of the following classrooms are needed, these standards apply:

(1) Small-Group Areas.

(A) Small-group instruction areas are not included in the computation of classroom size unless the area is an integral part of the classroom and can be visibly supervised by a teacher from the classroom.

(B) Small-group instruction areas are designed to allow for collaborative learning opportunities where appropriate to support the regular education program and are located in the vicinity of classrooms.

(2) Kindergarten Classrooms.

(A) Kindergarten classroom size for permanent structures is not less than 1350 square feet, including restrooms, storage, teacher preparation, wet and dry areas.

(B) Kindergarten classrooms are designed to allow supervision of play yards (unless prevented by site shape or size) and all areas of the classroom.

(C) Play yard design provides a variety of activities for development of large motor skills.

(D) Classrooms are located close to parent drop-off and bus loading areas.

(E) Storage, casework, and learning stations are functionally designed for use in free play and structured activities; e.g., shelves are deep and open for frequent use of manipulative materials.

(F) Windows, marking boards, sinks, drinking fountains, and furniture are appropriate heights for kindergarten-age students.

(G) Restrooms are self-contained within the classroom or within the kindergarten complex.

(3) Special Education Classrooms and Areas.

(A) A new school designates at least 240 square feet for the resource specialist program and provides additional space in accordance with the allocations in Education Code Section 17747(a) as larger enrollments are being planned.

(B) A new school designates at least 200 square feet for the speech and language program which is close to classrooms when an individualized instruction program is necessary.

(C) A new school designates office area for the psychologist/counseling program which provides for confidentiality and may be shared with other support service programs.

(D) Special day classrooms are at least the same size as regular education classrooms at that site and are properly equipped for the students who will occupy the space, for their age and type of disabling condition.

(E) The square footage allowance in Education Code Section 17747(a) for special day class programs is used for the design of classroom space and other space on the campus to support the special education program. The support space includes but is not limited to speech specialist area, psychologist, counseling offices and conference area.

(F) Special day classrooms are distributed throughout the campus with age appropriate regular education classrooms.

(G) A cluster of two special day classrooms may be considered if support or auxiliary services (e.g., bathrooming, feeding, physical or occupational therapy) are needed to serve the students throughout the school day.

(H) A conference area is available to conduct annual individualized education program meetings for each special education student.

(I) Medical therapy units, if planned for the site, are close to visitor parking areas and accessible after school hours.

(i) Laboratories shall be designed in accordance with the planned curriculum.

(1) Science laboratory:

(A) Size is at least 1300 square feet including storage and teacher preparation area.

(B) Science laboratory design is consistent with the requirements for proper hazardous materials management specified in both the "Science Facilities Design for California Public Schools," published by the California Department of Education,

1993, and the "Science Safety Handbook for California Public Schools," published by the California State Department of Education, 1999.

(C) Accommodations are made for necessary safety equipment and storage of supplies; e.g., fire extinguisher, first aid kit, master disconnect valve for gas.

(D) Secured storage areas are provided for volatile, flammable, and corrosive chemicals and cleaning agents.

(E) Properly designated areas are provided with appropriate ventilation for hazardous materials that emit noxious fumes, including a high volume purge system in the event of accidental release of toxic substances which may become airborne.

(F) Exhaust fume hoods, eye washes, deluge showers are provided.

(G) Floor and ceiling ventilation is provided in areas where chemicals are stored.

(H) Room is provided for movement of students around fixed-learning stations.

(I) There is the capability for technology which complements the curriculum.

(J) Classrooms are flexibly designed to insure full student access to laboratory stations and lecture areas.

(2) Consumer Home Economics laboratory:

(A) There is room for movement of students around fixed learning stations.

(B) Cooking equipment reflects current home food preparation practices and/or commercial food preparation simulation.

(C) There is the capability for technology which complements portions of the curriculum, such as fashion design, consumer economics, and nutritional analysis of foods.

(D) There is space for industrial or home sewing equipment consistent with the planned curriculum.

(E) There is storage for student projects and supplies.

(F) Space for work tables is provided for such activities as cutting fabric or completing interior design projects.

(G) Lecture area is provided.

(H) At least 1300 square feet is allocated for each laboratory.

(I) If part of the planned program, space for a child care area or for a laboratory to teach child growth and development is provided.

(3) Industrial and Technology/Education Laboratory:

(A) Room is provided for movement of students around fixed learning stations.

(B) Flexible stations with sufficient outlets and power source for industrial type equipment is provided.

(C) Space is provided for various simulations of job-related experiences and laboratory work stations.

(D) There is capability to utilize technology which complements the curriculum, such as computer-aided graphics, electronics and specialized tools.

(E) There is lecture area within each laboratory or near the laboratory area where appropriate.

(F) There are accommodations for necessary health and safety equipment, such as fire extinguisher and first aid kit.

(G) Secured storage areas for volatile, flammable and corrosive chemicals and cleaning agents are provided where appropriate.

(H) There are properly designated areas with appropriate ventilation for the use of hazardous material that emit noxious fumes or excessive dust particles.

(I) Proper storage and removal access for hazardous waste materials is provided in each laboratory using such materials.

(4) Computer Instructional Support Area:

(A) If a standard classroom is being designated as a computer laboratory, size is at least 960 square feet.

(B) Room is provided for movement of students around learning stations.

(C) Sufficient outlets, power sources, and network links for the amount of equipment are provided.

(D) Proper ventilation is provided.

(E) Room provides for security of equipment.

(F) Lighting minimizes screen glare and eye strain.

(j) Gymnasium, Shower/Locker shall be designed to accommodate multiple use activities in accordance with the planned enrollment:

(1) The gymnasium is secured from other parts of the campus for evening and weekend events or for public use purposes.

(2) The shower/locker area is of sufficient size to allow students enrolled in the physical education program to shower and dress each period.

(3) Toilets are available for the public in facilities intended for shared community use other than in shower/locker areas.

(4) Office space is provided for physical education teachers.

(5) Space is available for specialized age-appropriate physical education activities such as weight lifting, exercise equipment usage, aerobics.

(k) Auxiliary Areas.

(1) Multipurpose/cafeteria area (indoor or outdoor) shall be adequately sized and flexibly designed to protect students from the elements and to allow all students adequate eating time during each lunch period and to accommodate such uses as physical education activities, assemblies, and extracurricular activities:

(A) Tables and benches or seats are designed to maximize space and allow flexibility in the use of the space.

(B) The location is easily accessible for student and community use, but is close to street for delivery truck access.

(C) Stage/platform may have a dividing wall to be used for instructional purposes but is not intended as a classroom.

(D) Area for the cafeteria line is designed for the flow of traffic for each lunch period.

(E) Design of kitchen reflects its planned function; e.g., whether for food preparation or warming only.

(F) Space is available for refrigeration and preparation of foods to accommodate maximum number of students planned for the school.

(G) Office, changing, and restroom area for food preparation staff is available and shall comply with local department of health requirements.

(H) Ceiling height allows for clearance of light fixtures for physical education activities.

(2) Administrative Office.

The administrative office shall have sufficient square footage to accommodate the number of staff for the maximum enrollment planned for the school consistent with the master plan for the school district and shall be designed to efficiently conduct the administrative functions, specifically:

(A) Students have direct confidential access to pupil personnel area.

(B) Counter tops are accessible for an age-appropriate population both at a standing and wheelchair level.

(C) Clerical staff have a clear view of nurse's office.

(D) The nurse's office has a bathroom separate from staff bathroom(s) in administration area.

(E) Space for private conference and waiting area is available.

(F) Capability for such computer networking functions as attendance accounting and communicating to each classroom is considered.

(G) A faculty workroom is available for a staff size proportionate to the student population.

(3) Library/Media Center and Technology.

Library space shall be proportional to the maximum planned school enrollment. The size shall be no less than 960 square feet. However, to allow adaptation for changing technology and communication systems, the following is recommended:

-two square feet per unit of a.d.a. (average daily attendance) for elementary;

-three square feet per unit of a.d.a. for middle or junior high (grades 6-8);

-four square feet per unit of a.d.a. for high school. In addition:

(A) Provide security for technology and media equipment.

(B) Space and capability for computer terminals is considered for student use, research and report writing.

(C) Visual supervision from circulation desk is available to study areas, stack space, and student work centers.

(D) Design for open and closed-circuit television, dedicated phone line, electrical outlets for stand-alone computers, and conduit connecting all instructional areas is considered.

(l) Lighting.

Light design shall generate an illumination level that provides comfortable and adequate visual conditions in each educational space, specifically:

(1) Ceilings and walls are white or light colored for high reflectance unless function of space dictates otherwise.

(2) Lights do not produce glare or block the line of sight.

(3) Window treatment allows entrance of daylight but does not cause excessive glare or heat gain.

(4) Fixtures provide an even light distribution throughout the learning area.

(5) Light design follows the California Electrical Code found in Part 3 of Title 24 of the California Code of Regulations.

(m) Acoustical.

Hearing conditions shall complement the educational function by good sound control in school buildings, specifically:

(1) The sound-conditioning in a given space is acoustically comfortable to permit instructional activities to take place in this classroom.

(2) Sound is transmitted without interfering with adjoining instructional spaces; e.g., room partitions are acoustically designed to minimize noise.

(3) The ventilation system does not transmit an inordinate sound level to the instructional program.

(n) Plumbing.

Restroom stalls shall be sufficient to accommodate the maximum planned enrollment and shall be located on campus to allow for supervision.

(1) Refer to Part 5, Title 24, of the California Code of Regulations.

(2) Outdoor restrooms having direct outside access are located in areas that are visible from playground and are easily supervised.

(o) Year-Round Education.

If a school is being planned for multitrack year-round operation, additional space shall be provided for associated needs:

(1) Additional space is available for storage of records for staff for all tracks. Additional storage space for the supplies and projects of off-track students is considered.

(2) Storage and planning space is available for off-track teachers or teachers not assigned to a classroom.

(p) American Disabilities Act.

Schools shall comply with standards established by the American Disabilities Act (Public Law 101-336, Title II).

(q) Child Care Programs.

Schools shall comply with the requirements set forth in Education Code Section 39113.5 regarding plans and specifications for new schools being designed to provide appropriate space to accommodate before-school and after-school child care programs.

(r) Exemptions.

At the request of the governing board of a school district, the State Superintendent of Public Instruction may grant exemptions to any of the standards in this section if the district can demonstrate that the educational appropriateness and safety of a school design would not be compromised by an alternative to that standard.

Note: Authority cited: Sections 17251(c) and 33031, Education Code. Reference: Sections 17047(a), 17251(c), 17310, 51210(g), 51220(d) and 51225.3, Education Code.

#### HISTORY

1. Amendment of section and NOTE filed 9-23-77; effective thirtieth day thereafter (Register 77, No. 39).

2. Amendment of article heading, repealer and adoption of section heading and text, and amendment of Note filed 11-12-93; operative 12-13-93 (Register 93, No. 46).

3. Amendment of subsections (a), (b)-(b)(1), (g)(1)(A), (i)(1)(B), (n)-(n)(1) and (p)-(r), new subsection (i)(4)-(i)(4)(F), and amendment of Note filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14030, 5 CA ADC § 14030



(a) Each state-funded school district shall submit preliminary plans following the standards in Section 14030 including site utilization, elevations and floor plan drawings that describe the spaces and give the square footage and educational specifications to the California Department of Education for approval. Prior to preparation of final plans, the school district shall obtain approval of the preliminary plans from the California Department of Education.

(b) Each state-funded school district shall submit final plans including grading, site utilization, elevation, floor, lighting, and mechanical working drawings and any alterations to the educational specifications to the California Department of Education for approval.

(c) Each state-funded school district shall submit the request for exemption from a standard in Section 14030 of this article, with a description of how the educational appropriateness and safety of a school design would not be compromised by deviation from the standard, to the California Department of Education.

(e) Each state-funded school district shall submit a multi-modal circulation and safety plan spanning the entire attendance boundary approved by a traffic engineer representing the Department of Transportation. [comment references the "Ensure Complete Streets Consistency" comments in the County's 3-28-17 letter. Letter is also available here: ]

Note: Authority cited: Sections 17251(c) and 33031, Education Code. Reference: Sections 17017.5(c) and 17251(c), Education Code.

#### HISTORY

1. Amendment filed 9-23-77; effective thirtieth day thereafter (Register 77, No. 39).

2. Repealer and adoption of section heading and text, and adoption of Note filed 11-2-93; operative 12-13-93 (Register 93, No. 46).

3. Amendment of section heading, section and Note filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14031, 5 CA ADC § 14031

Title 5. Education

Division 1. California Department of Education

Chapter 13. School Facilities and Equipment

Subchapter 1. School Housing

 [Article 4.](#) Standards, Planning and Approval of School Facilities

 **§ 14032. Plan Approval for State-Funded School Districts.**

The California Department of Education shall notify the district, the district's architect and the Department of General Services that the preliminary and final plans comply with the standards set forth in Section 14030. Approvals for either preliminary or final plans are in effect for a maximum of two years from the date of signed approval. School districts may request an extension of preliminary or final plan approvals if the time line exceeds one year.

Note: Authority cited: Sections 17251(c) and 33031, Education Code. Reference: Sections 17024, 17070.50 and 17251(c), Education Code.

#### HISTORY

1. Amendment filed 9-23-77; effective thirtieth day thereafter (Register 77, No. 39).
2. Amendment of section heading and text, and adoption of Note filed 11-12-93; operative 12-13-93 (Register 93, No. 46).
3. Amendment of section heading, section and Note filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14032, 5 CA ADC § 14032

(a) Locally-funded districts shall use the plan standards set forth in Section 14030.

(b) Locally-funded districts may request assistance from the California Department of Education to review plans and specifications for any new school construction or rehabilitation project.

(c) Locally-funded districts need not submit preliminary and final plans to the California Department of Education.

(d) Locally-funded districts shall prepare documentation of and retain for purposes of a complaint investigation the exemption from the standard in Section 14030 of this article, with a description of how the educational appropriateness and safety of a school design would not be compromised by deviation from the standard. Locally-funded districts may request from the California Department of Education a review of the adequacy of the mitigation measure.

(e) Locally-funded districts shall continue to comply fully with the requirements of Article 3 (commencing with Section 17280) and Article 6 (commencing with Section 17365) of Chapter 2, Part 23 of the Education Code (The Field Act) and submit all plans and specifications to the Department of General Services, Office of the State Architect for review and approval prior to executing a contract for the construction or alteration of a public school building or expending any public funds for such a project.

Note: Authority cited: Sections 17251(c) and (d) and 33031, Education Code. Reference: Sections 17251(d), 17280 and 17365, Education Code.

#### HISTORY

1. Renumbering of former section 10433 to section 14035 and new section filed 11-12-93; operative 12-13-93 (Register 93, No. 46).

2. Repealer of former section 14033 and renumbering of former section 14034 to new section 14033, including amendment of section heading, section and Note, filed 10-30-2000; operative 10-30-2000 pursuant to Government Code section 11343.4(d) (Register 2000, No. 44).

5 CCR § 14033, 5 CA ADC § 14033

When a school district is planning to acquire a site for a school, it must take various factors into consideration. The School Facilities Planning Division has developed three work sheets to assist the district in assessing potential sites and making preliminary selections. The work sheets, which are included in this appendix, outline a set of 12 primary criteria governing school site selection and consists of three components: Site Selection Criteria, Site Selection Evaluation, and a Comparative Evaluation of Candidate Sites. These components allow for a comprehensive examination of sites to determine strengths and weaknesses (Site Selection Criteria); a ranking of each site (Site Selection Evaluation); and finally, a comparison of sites by the rating factors and total scoring (Comparative Evaluation of Candidate Sites). The criteria are consistent with the California *Education Code*, *California Code of Regulations, Title 5*, *California Public Resources Code*, and the California Department of Education policies and guidelines.

Although these standards are not the sole criteria to be considered by a school district's site selection committee, the committee may find them useful in evaluating various sites, identifying at least three acceptable sites from which a final choice can be made, and, eventually, explaining the site selection process to interested entities.

Each primary element listed on the Site Selection Criteria work sheet contains secondary measures that provide the committee the opportunity to apply a specific set of guidelines to each potential site and aid in the analysis of a site. The secondary criteria may also be used by the committee to understand better the types of data needed in identifications, selection, and final acquisition of a school site. After considering both primary and secondary standards on the work sheet, the committee should rank the sites in order of acceptability by completing the second and third work sheets.

June 1998

# California Department of Education Site Selection Criteria

*Part 1*

<b>Site Identification</b>		<b>Grade Level</b>
<b>Location</b>	<b>Gross Acres</b>	<b>Estimated Value</b>

<b>Safety</b> <i>(These factors must be avoided.)</i>	<b>OK</b>	<b>Potential Problem</b>
Adjacent to or near roadways with a high <u>speed or volume</u> [ <u>Speed is a greater threat to student safety than volume. School sites are inherently subject to substantial volumes of traffic. It is the speed of that traffic that must be addressed. (as reflected in the establishment of school zones in the statutes) of traffic with no separated, non-motorized facilities.</u>		
Within 1,500 feet of railroad tracks		
Within two miles of an airport runway		
Close to high-voltage power lines		
Close to high-pressure lines, for example natural gas, gasoline sewer or water lines		
Contaminants/toxics in the soil or groundwater, such as from landfills, dumps, chemical plants, refineries, fuel tanks, nuclear plants, or agricultural use of pesticides or fertilizer, etc.*		
Close to high decibel noise sources		
Close to open-pit mining		
On or near a fault zone or active fault		

<p><b>Location</b></p> <p><u>Safe walking areas Adequate infrastructure, consistent with state and local complete streets policies, ensuring non-motorized access throughout the school attendance boundary.</u>  <del>Centrally located to avoid extensive transporting and</del><u>Closely integrated with the transportation network of the attendance boundary of the school</u> to minimize <u>and increase the safety of</u> student travel <del>distanee</del></p> <p>Compatible with current and probable future zoning regulations <u>including Urban Limit Lines/Urban Growth Boundaries.</u></p> <p>Close to, <u>and integrated with</u> libraries, parks, museums, and other community services</p> <p>-Favorable orientation to wind and natural light</p>		
<p><b>Environment</b></p> <p><u>Located so as to make active transportation/school access attractive and possible.</u></p> <p>Free from sources of noise that may impede the instructional process</p> <p>Free from air, water and soil pollution</p> <p>Free from smoke, dust, odors, and pesticide spray</p> <p>Provides aesthetic view from and of the site</p> <p>Compatible with the educational program</p>		
<p><b>Soils</b></p> <p>Proximity to faults or fault traces Stable subsurface and bearing capacity Danger of slides or liquefaction Percolation for septic system and drainage Adequate water table level</p> <p>Existing land fill is reasonably well compacted</p> <p><i>Note: A geological hazard report must be conducted to determine soil and seismic conditions.</i></p>		

<b>Topography</b>	<b>OK</b>	<b>Potential Problem</b>
Feasibility of mitigating steep grades Rock ledges or outcroppings Surface and subsurface drainage Level area for playfields		
<b>Size and Shape</b>  Net acreage consistent with standards of California Department of Education as noted in "School Site Analysis and Development" Length-to-width ratio does not exceed 2:1 Sufficient open play area and open space Potential for expansion for future needs Area for adequate and separate bus loading and parking <u>Safe, adequate, bicycle parking proximate/convenient to classrooms.</u>		
<b>Accessibility</b>  Obstacles such as crossings on major streets and intersections, narrow or winding streets, heavy traffic patterns Access and dispersal roads Natural obstacles such as grades or gullies Freeway access for bus transportation Routing patterns for <del>foot</del> <u>non-motorized</u> traffic Remote areas (with no sidewalks) where students walk to and from school Easily reachable by emergency response vehicles <u>Non-motorized infrastructure throughout the attendance boundary consistent with state and local Complete Streets policies.</u>		
<b>Public Services</b>  Fire and police protection, including firelines Available public transportation Trash and garbage disposal		
<b>Utilities</b>  Availability of water, electricity, gas, sewer Feasibility of bringing utilities to site at reasonable cost Restrictions on right of way		
<b>Cost</b>  <u>Full-cost accounting identifies capital, operating/maintenance costs for outside agencies.</u> Reasonable costs for purchase of property, severance damages, relocation of residents and businesses, and legal fees Reasonable costs for site preparation including, but not limited to, drainage, parking, driveways, removal of existing buildings, and grading		

<b>Availability</b>	<b>OK</b>	<b>Potential</b>
On the market for sale		
Title clearance		
Condemnation of buildings and relocation of residents		
<b>Public Acceptance</b>		
Public acceptance of the proposed site		
Receptivity of city or county planning		
commission Zoned for prime		
agriculture or industrial use Negative		
environmental impact report		
Coordination <u>and consistency</u> of proposed school with future community plans		
<b>Comments:</b>		



# Contra Costa County

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Julia R. Bueren, Director

March 28, 2017

Tom Torlakson, Superintendent of Public Instruction  
California Department of Education  
1430 N St, Sacramento, CA 95814

# D R A F T

## **DRAFT Subject: Title 5 School Siting and Design Standards Review**

Dear Superintendent Torlakson:

This letter responds to the California Department of Education's (Department) School Facilities & Transportation Services Division request for input on its review of Title 5 which was initiated in late 2016. Contra Costa County (County) welcomes this review as we have witnessed gaps in state school siting practices relative to contemporary land use and transportation planning statutes and principles. Specifically, the County urges the Department to conform school siting practices with State and local policies to ensure that the siting of new schools does not violate goals related to student safety, growth management, greenhouse gas reduction, health in all policies, agricultural preservation, complete streets, and general public health.

The County recognizes the significant link between the built environment and public health. This recognition led the Board of Supervisors to create a staff level committee in 2007, the Planning Integration Team for Community Health (PITCH). PITCH is comprised of staff from three Departments, Conservation and Development, Health Services, and Public Works. Respectively, these Departments are responsible for land use/transportation planning, public health, and engineering. PITCH advises the Board of Supervisors on policies and strategy related to land development, grant applications, policy changes, infrastructure investment, etc.

Given the significant and enduring effect that schools have on the character and safety of the community surrounding school sites, the Board of Supervisors directed PITCH to develop this response to the Title 5 revision effort. We have organized this response as follows:

- I. Immediately below is the policy context in which the PITCH Departments developed comments.
- II. Below the policy context we provide broader recommendations that don't lend themselves to direct insertion in to the existing Title 5 text.
- III. Attached are specific, recommended revisions entered directly in the body of the Title 5 text.

### **I. Policy Context**

Numerous policies guide land development and transportation infrastructure investment at both the local and state levels. School sites, which are defining institutions in our communities, have a substantial impact on the safety and character of the surrounding community, and serve a vulnerable population, are often not developed to be consistent with the adopted policies listed below.

Because schools are exempt from complying with local ordinances they are frequently inconsistent with many local and state policies that are enacted to combat sprawl, achieve greenhouse emission goals, ensure safe and efficient transportation, and protect public health. The policies include:

### **Local Policies**

**Urban Limit Line:** Contra Costa County voters approved an Urban Limit Line (ULL) in 1990. In 2006 voters passed a new Measure which affirmed and extended the ULL protection to 2026. The ULL limits urban development to certain areas of the County and helps to preserve farmland, open space, and combat sprawl.

Currently, schools are being planned and built outside the ULL undermining growth restrictions approved by the voters.

**Complete Streets:** Contra Costa County's Complete Streets policy was adopted by General Plan revision in 2008 and pre-dates the State Complete Streets Act. The policy was reaffirmed and expanded in 2016 with the Board of Supervisors Adoption of an updated Complete Streets Policy. Complete Streets recognizes that streets serve many users and should accommodate users of all ages, abilities, and modes including cyclists, pedestrians, transit users and the mobility impaired.

When schools are located as infrastructure islands in rural or agricultural areas it is not financially possible to provide adequate transportation infrastructure throughout the school attendance boundaries to accommodate student cyclists and pedestrians. These sites are often well outside of established transit routes, promote increased vehicular travel, and make it unsafe and impractical to get to school by using active transportation such as walking and bicycling because there are no sidewalks or adequate facilities for student cyclists.

**Climate Action Plan:** In December 2015, Contra Costa County adopted a Climate Action Plan that outlines how we will reduce greenhouse gas emissions in our County. The Climate Action Plan has goals and requirements regarding green buildings; the State should ensure that the Title 5 update recognizes local sustainability and green building policies, as well as comply with State policies. The Climate Action Plan sets goals for increasing active transportation in our County with specific targets around number of weekday bike trips, implementing the Safe Routes to School program, and reducing the number of vehicle miles traveled.

### **State Policies**

**Complete Streets Act of 2008:** Similar to Contra Costa County's local policy, the state Complete Streets Act (AB 1358/2008) directs that transportation facilities be planned, designed, operated, and maintained to provide safe mobility for all users, including bicyclists, pedestrians, transit vehicles, etc. appropriate to the function and context of the facility.

When the State facilitates the development of schools in disconnected areas, it compromises the ability for local jurisdictions to adhere to complete streets policies.

### **Greenhouse Gas (GHG) Reduction Legislation (AB32 – 2006, SB375 – 2008, SB743 – 2013):**

Through various mechanisms, this State legislation dictates how GHG's are to be reduced. Given that land development is most often a local activity, the successful implementation of these mandates often fall to local agencies to implement through changes to land development and infrastructure investment practices.

Though local jurisdictions are implementing these policies at the city/county level, the State school siting program impedes implementation of this legislation by facilitating the development of school sites in remote areas, thereby driving up vehicle miles traveled.

Recognizing this issue, in the California Air Resources Board's (CARB) original draft implementation guidance for AB 32, the reform of school siting practices was included. In the final version, the guidance was removed without explanation.

**Health in all policies:** The State adopted a Health in All Policies (HIAP) approach to improve the health of all people by incorporating health considerations into collaborative decision-making across sectors and policy areas. The HIAP effort includes 22 State agencies and departments that fall under the Health In All Policies Task Force which is in turn overseen by the Strategic Growth Council.

While efforts are made through the HIAP program to improve health through policy changes, the State school siting program conflicts with this effort by facilitating the development of school sites in remote areas. This practice limits the ability for students to use active transportation to make the home/school/home trip. Concurrently, the State practices compromise safety for those that do walk/bike to school because it is not financially possible to construct adequate non-motorized transportation infrastructure connecting remote schools to the communities they serve.

Similar to CARB's GHG reduction effort, this issue was acknowledged by the State early during HIAP implementation. The original draft strategies for implementing HIAP included addressing school siting practices. Subsequent revisions to the HIAP removed school siting reform activities.

## II. Broad Policy Recommendations

**Establish Clear Authority/Responsibility:** The County has had numerous conversations with local school districts and state officials on school siting practices over the years that reveal a lack of clarity regarding authority on school siting practices. It would appear that a vacuum of responsibility exists that does not foster comprehensive planning or accountability:

- In discussing and advocating for school siting policy changes with State staff a common response is, "local school districts are responsible, we merely provide guidance".
- In discussing and advocating for a change in school siting practices with local school districts a common response is, "we are just following state policies".
- When the County advocates for better decision making a common response is, "school districts are exempt from local ordinances".

Administering a massive public investment program such as school construction requires a process with clear lines of authority and responsibility. Ultimately, the lack of clear responsibilities and effective policies has led to adversarial situations. Please see the attached letters for examples.

**Develop Financial Incentives and Disincentives:** In Contra Costa, and we assume in other Counties with rural areas, one significant reason schools are developed on remote or agricultural land is the lower cost. Addressing this fundamental issue will be necessary to make policy changes effective. The State should consider implementing financial incentives and disincentives.

**Develop Compulsory Requirements:** There are substantial *existing* statutes and guidance related to school siting. Site selection, safety considerations, access, consultation with local land use agencies are all in this guidance. A compulsory component should be included with any policy changes to ensure effective implementation.

**Encourage/Incentivize Cooperation between Developers and School Districts:** There are existing policies that facilitate consultation between school districts and the local land use agencies. In practice, some of the more successful school sites are a product of coordination between developers and school districts. The State should investigate methods to encourage, incentivize or require coordination between developers and school districts.

**Enforce Urban Limit Line (ULL)/Urban Growth Boundary (UGB):** At a minimum, the state should respect locally approved growth control measures and institute some minimal subsidiarity by prohibiting school districts from acquiring and developing school sites outside of adopted ULLs/UGBs. This would help to establish consistency with local priorities and direct growth to where it can best be served. Absent an outright prohibition, the state could adopt incentives and/or disincentives that would help protect the ULL/UGB.

**Expand Authority of Local Agency Formation Commissions (LAFCO):** The two main purposes of LAFCOs per the Cortese-Knox-Hertzberg Act are **1)** discourage sprawl, and **2)** encourage planned, orderly, coordinated, logical development. This authority directly addresses the problems experienced statewide with school siting practices.

**Ensure Complete Streets Consistency:** The following approach would help to bring school siting practices into consistency with State and local policies relative to complete streets, active transportation, safe routes to school, greenhouse gas reduction, and health in all policies.

**1) The school board may only approve the purchase of a school site if the board also:**

- *Makes findings with substantial evidence in the record that the proposed site complies with, or will ultimately comply with, all applicable guidance in Title 5, Guide to School Site Analysis and Development, and School Site Selection and Approval Guide. These findings should provide enough relevant information or data and reasonable inferences to support the conclusion that the proposed site complies with the aforementioned policy documents, (as they may be amended or superseded from time to time), and*
- *Approves a preliminary multimodal (bus, automobile, pedestrian, bicycle, active) circulation and safety plan (spanning both immediate site access and attendance boundaries) approved by a licensed traffic engineer representing the Department of Transportation.*
- *Must establish that it is reasonable to project that all necessary, multi-modal transportation infrastructure will be in place concurrent with the opening of the school (secured bond, projects on local capital improvement plan for instance)*

**2) The school board may only approve a final school design if the board also:**

- *Makes findings with substantial evidence in the record that the proposed site will comply with all applicable guidance in Title 5, Guide to School Site Analysis and Development, and School Site Selection and Approval Guide upon opening of the school. These findings should provide enough relevant information or data and reasonable inferences to support the conclusion that the proposed site complies with the aforementioned policy documents, as they may be amended or superseded from time to time,*
- *Approves a final multimodal (bus, automobile, pedestrian, bicycle, active) circulation and safety plan (spanning both immediate site access and attendance boundaries) approved by a licensed traffic engineer representing the Department of Transportation.*
- *Establish that all necessary, multi-modal transportation infrastructure will be in place*

*concurrent with the opening of the school.*

### **III. Title 5 Revisions**

Please find our detailed, redline/strikeout comments on the Title 5 code attached to this letter.

We appreciate the Department of Education conducting the Title 5 review and the opportunity to provide input. We look forward to your response and working with the State in addressing this serious issue.

Sincerely,

John Kopchik, Director  
Department of Conservation and  
Development

Dr. William Walker, Director  
Health Services Department

Julia R. Bueren, Director  
Public Works Department

#### **Attachments:**

Comments on Title 5 - School Facilities Construction Policies

August 25, 2010 Letter: Contra Costa County to Liberty Union High School District: Re: Postponement FEIR Certification

August 24, 2016 Letter: Contra Costa County to Liberty Union High School District: Re: Parcel Purchase with no notice.

#### **Copy**

Members, Board of Supervisors

Contra Costa County Legislative Delegation

Karen Sakata, Contra Costa Office of Education

Kathryn Lyddan, CA Department of Conservation

Siddharth Nag, CA Gov Office of Planning and Research

Kiana Buss, California State Association of Counties

Nick Schweizer, CA Department of Education

Juan Mireles, CA Department of Education

Jahmal Miller, CA Department of Public Health

Ken Alex, CA Strategic Growth Council

Bob Glover, Building Industry Association of the Bay Area

Members, California County Planning Directors Association



Contra  
Costa  
County

To: Board of Supervisors  
From: LEGISLATION COMMITTEE  
Date: March 28, 2017

Subject: Support for State Legislation of Interest to Contra Costa County

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**RECOMMENDATION(S):**

ADOPT a position of "Support" on the following bills, as recommended by the Contra Costa County Legislation Committee (*Chair Burgis, Vice Chair Mitchoff*) at their March 13, 2017 meeting:

1. AB 210 (Santiago): Homeless Multidisciplinary Personnel Team, a bill that authorizes counties to establish a multidisciplinary team with the goal of facilitating the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services and to allow provider agencies to share information for the purpose of coordinating services;
2. AB 211 (Bigelow): State Responsibility Area Fire Prevention Fees, as amended, a bill that reinstates annual reporting requirements regarding the expenditure of state responsibility area (SRA) fire fees;
3. AB 236 (Maienschein): CalWORKs: Housing Assistance, a bill that adopts changes to CalWORKs housing assistance for temporary shelter to remove the requirement that the assistance only be available for a consecutive period of time, increase the daily assistance amount, and make the assistance available to certain families receiving reunification services through the child welfare services system;
- 4.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: L. DeLaney,  
925-335-1097

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

### RECOMMENDATION(S): (CONT'D)

AB 435 (Thurmond): Child Care Subsidy Plans: County of Contra Costa, a bill that authorizes the County of Contra Costa to develop and submit an individualized county child care subsidy plan; and

- SB 222 (Hernandez): Inmates: Health Care Enrollment, a bill that requires the suspension of Medi-Cal benefits to end on the date he or she is no longer an inmate of a public institution or is no longer otherwise eligible for benefits under the Medi-Cal program.

### FISCAL IMPACT:

There is no direct impact to the County related to the advocacy for these bills.

### BACKGROUND:

At its March 13, 2017 meeting, the Legislation Committee considered and voted unanimously to support the following bills:

1. AB 210 (Santiago): Homeless Multidisciplinary Personnel Team, a bill that authorizes counties to establish a multidisciplinary team with the goal of facilitating the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services and to allow provider agencies to share information for the purpose of coordinating services; (*Attachment A*)
2. AB 211 (Bigelow): State Responsibility Area Fire Prevention Fees, a bill that reinstates annual reporting requirements regarding the expenditure of state responsibility area (SRA) fire fees; (*Attachment B*)
3. AB 236 (Maienschein): CalWORKs: Housing Assistance, a bill that adopts changes to CalWORKs housing assistance for temporary shelter to remove the requirement that the assistance only be available for a consecutive period of time, increase the daily assistance amount, and make the assistance available to certain families receiving reunification services through the child welfare services system; (*Attachment C*)
4. AB 435 (Thurmond): Child Care Subsidy Plans: County of Contra Costa, a bill that authorizes the County of Contra Costa to develop and submit an individualized county child care subsidy plan; (*Attachment D*) and
5. SB 222 (Hernandez): Inmates: Health Care Enrollment, a bill that requires the suspension of Medi-Cal benefits to end on the date he or she is no longer an inmate of a public institution or is no longer otherwise eligible for benefits under the Medi-Cal program. (*Attachment E*)

**AB 210** was recommended for support by Lavonna Martin, Director of the Health, Housing, and Homeless Services Division, and Dr. Walker, Director of Health Services.

**Disposition:** Pending

**Committee:** [Assembly Human Services Committee](#)

**Hearing:** [04/04/2017 1:30 pm, State Capitol, Room 437](#)

**AB 211** is related to bills previously supported by the Board of Supervisors. Although the adopted 2017 State Platform does not contain a policy that relates directly to the fire prevention fee, the Board of Supervisors in 2012 supported a bill that would repeal the fee (AB 1506), and the Board of Supervisors also supported AB 203 (Oberholte) in 2015 which would have extended the period for paying or disputing a fire prevention fee from 30 days to 60 days from the date of assessment. (AB 203 died in committee)

**Disposition:** Pending

**Location:** Assembly Appropriations Committee

**AB 236** was recommend for support by the Employment and Human Services Department (EHSD).

**Disposition:** Pending

**Location:** Assembly Appropriations Committee

**AB 435** was recommended for support by Camilla Rand, Director of the Community Services Bureau of EHSD. It is sponsored by First 5 Contra Costa and the Contra Costa County Office of Education.

**Disposition:** Pending

**Location:** Assembly Human Services Committee

**SB 222** was recommended for support by EHSD and the Director of the Office of Reentry and Justice.

**Disposition:** Pending

**Committee:** [Senate Health Committee](#)

**Hearing:** [04/05/2017 1:30 pm, John L. Burton Hearing Room \(4203\)](#)

CONSEQUENCE OF NEGATIVE ACTION:

The Board will not have an official position on these bills from which to advocate unless action is taken.

ATTACHMENTS

Attachment A: AB 210 Bill Text

Attachment B: AB 211 Bill Text

Attachment C: AB 236 Bill Text

Attachment D: AB 435 Bill Text

Attachment E: SB 222 Bill Text

**ASSEMBLY BILL****No. 210**

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**Introduced by Assembly Member Santiago**January 23, 2017

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An act to add Chapter 18 (commencing with Section 18999.8) to Part 6 of Division 9 of the Welfare and Institutions Code, relating to public social services.

## LEGISLATIVE COUNSEL'S DIGEST

AB 210, as introduced, Santiago. Homeless multidisciplinary personnel team.

Existing law authorizes counties to establish a child abuse multidisciplinary personnel team, as defined, to allow provider agencies to share confidential information in order to investigate reports of suspected child abuse or neglect or for the purpose of child welfare agencies making detention determinations, as specified.

This bill would authorize counties to also establish a homeless adult, child, and family multidisciplinary personnel team, as defined, with the goal of facilitating the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services within that county to allow provider agencies to share confidential information, as specified, for the purpose of coordinating housing and supportive services to ensure continuity of care. The bill would authorize the homeless adult, child, and family multidisciplinary personnel team to designate qualified persons to be a member of the team and would require every member who receives information or records regarding children and families in his or her capacity as a member of the team to be under the same privacy and confidentiality obligations and subject to the same confidentiality penalties as the person disclosing or

providing the information or records. The bill would also require the information or records to be maintained in a manner that ensures the maximum protection of privacy and confidentiality rights.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 18 (commencing with Section 18999.8)  
2 is added to Part 6 of Division 9 of the Welfare and Institutions  
3 Code, to read:

4  
5 CHAPTER 18. HOMELESS MULTIDISCIPLINARY PERSONNEL TEAM

6  
7 18999.8. (a) Notwithstanding any other law, a county may  
8 establish a homeless adult, child, and family multidisciplinary  
9 personnel team with the goal of facilitating the expedited  
10 identification, assessment, and linkage of homeless individuals to  
11 housing and supportive services within that county to allow  
12 provider agencies to share confidential information for the purpose  
13 of coordinating housing and supportive services to ensure  
14 continuity of care.

15 (b) For the purposes of this section, the following terms have  
16 the following meanings:

17 (1) "Homeless" means any recorded instance of an adult, child,  
18 or family self-identifying as homeless within the most recent 12  
19 months, or any element contained in service utilization records  
20 indicating that an adult, child, or family experienced homelessness  
21 within the most recent 12 months.

22 (2) "Homeless adult, child, and family multidisciplinary  
23 personnel team" means any team of two or more persons who are  
24 trained in the identification and treatment of homeless adults,  
25 children, and families, and who are qualified to provide a broad  
26 range of services related to homelessness. The team may include,  
27 but shall not be limited to:

28 (A) Mental health and substance abuse services personnel and  
29 practitioners, child protective services personnel and social  
30 workers, or other trained counseling personnel.

31 (B) Police officers, probation officers, or other law enforcement  
32 agents.

- 1 (C) Legal counsel for the adult, child, or family representing  
2 them in a criminal matter.
- 3 (D) Medical personnel with sufficient training to provide health  
4 services.
- 5 (E) Social services workers with experience or training in the  
6 provision of services to homeless adults, children, or families or  
7 funding and eligibility for services.
- 8 (F) Veterans services providers and counselors.
- 9 (G) Domestic violence services providers and counselors.
- 10 (H) Any public or private school teacher, administrative officer,  
11 or certified pupil personnel employee.
- 12 (I) Housing or homeless services provider agencies and  
13 designated personnel.
- 14 (3) “Homeless services provider agency” means any  
15 governmental or other agency that has as one of its purposes the  
16 identification, assessment, and linkage of housing or supportive  
17 services to homeless adults, children, and families. The homeless  
18 services provider agencies serving adults, children, and families  
19 that may share information under this section include, but are not  
20 limited to, the following entities or service agencies:
- 21 (A) Social services.
- 22 (B) Child welfare services.
- 23 (C) Health services.
- 24 (D) Mental health services.
- 25 (E) Substance abuse services.
- 26 (F) Probation.
- 27 (G) Law enforcement.
- 28 (H) Legal counsel for the adult, child, or family representing  
29 them in a criminal matter.
- 30 (I) Veterans services and counseling.
- 31 (J) Domestic violence services and counseling.
- 32 (K) Schools.
- 33 (L) Homeless services.
- 34 (M) Housing.
- 35 (c) (1) Members of a homeless adult, child, and family  
36 multidisciplinary personnel team engaged in the identification,  
37 assessment, and linkage of housing and supportive services to  
38 homeless adults, families, or children may disclose to and exchange  
39 with one another information and writings that relate to any  
40 information that may be designated as confidential under state law

1 if the member of the team having that information or writing  
2 reasonably believes it is generally relevant to the identification,  
3 reduction, or elimination of homelessness or the provision of  
4 services. Any discussion relative to the disclosure or exchange of  
5 the information or writings during a team meeting is confidential  
6 and, notwithstanding any other law, testimony concerning that  
7 discussion is not admissible in any criminal, civil, or juvenile court  
8 proceeding.

9 (2) Disclosure and exchange of information pursuant to this  
10 section may occur telephonically and electronically if there is  
11 adequate verification of the identity of the homeless adult, child,  
12 and family multidisciplinary personnel who are involved in that  
13 disclosure or exchange of information.

14 (3) Disclosure and exchange of information pursuant to this  
15 section shall not be made to anyone other than members of the  
16 homeless adult, child, and family multidisciplinary personnel team,  
17 and those qualified to receive information as set forth in subdivision  
18 (d).

19 (d) The homeless adult, child, and family multidisciplinary  
20 personnel team may designate persons qualified pursuant to  
21 paragraph (2) of subdivision (b) to be a member of the team. A  
22 person designated as a team member pursuant to this subdivision  
23 may receive and disclose relevant information and records, subject  
24 to the confidentiality provisions of subdivision (f).

25 (e) The sharing of information permitted under subdivision (c)  
26 shall be governed by protocols developed in each county describing  
27 how and what information may be shared by the homeless adult,  
28 child, and family multidisciplinary personnel team to ensure that  
29 confidential information gathered by the team is not disclosed in  
30 violation of state or federal law. A copy of the protocols shall be  
31 distributed to each participating agency and to persons in those  
32 agencies who participate in the homeless adult, child, and family  
33 multidisciplinary personnel team.

34 (f) Every member of the homeless adult, child, and family  
35 multidisciplinary personnel team who receives information or  
36 records regarding children and families in his or her capacity as a  
37 member of the team shall be under the same privacy and  
38 confidentiality obligations and subject to the same confidentiality  
39 penalties as the person disclosing or providing the information or  
40 records. The information or records obtained shall be maintained

1 in a manner that ensures the maximum protection of privacy and  
2 confidentiality rights.

3 (g) Notwithstanding Section 827 or any other law, members of  
4 a homeless adult, child, and family multidisciplinary personnel  
5 team engaged in the identification, assessment, and linkage of  
6 housing and supportive services to homeless adults, families, and  
7 children may disclose to and exchange with one another  
8 information and writings that relate to any incident of child abuse  
9 or neglect that may also be designated as confidential under state  
10 law if the team member having that information or writing  
11 reasonably believes it is generally relevant to the provision of  
12 services.

13 (h) This section shall not be construed to restrict guarantees of  
14 confidentiality provided under state or federal law.

15 (i) Information and records communicated or provided to the  
16 team members by all providers and agencies shall be deemed  
17 private and confidential and shall be protected from discovery and  
18 disclosure by all applicable statutory and common law protections.  
19 Existing civil and criminal penalties shall apply to the inappropriate  
20 disclosure of information held by the team members.

AMENDED IN ASSEMBLY MARCH 14, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 211**

**Introduced by Assembly Member Bigelow**

(Principal coauthor: ~~Senator Berryhill~~ *coauthors: Senators Berryhill and Morrell*)

(~~Coauthors: Assembly Members Obernolte and Patterson~~ *Obernolte, Patterson, and Wood*)

January 23, 2017

An act to amend Section 4214 of the Public Resources Code, relating to fire prevention.

LEGISLATIVE COUNSEL'S DIGEST

AB 211, as amended, Bigelow. State responsibility area fire prevention fees: reporting requirement.

Existing law requires the State Board of Forestry and Fire Protection to establish a fire prevention fee in an amount not to exceed \$150 to be charged on each habitable structure on a parcel that is within a state responsibility area. Existing law requires the fee moneys to be expended, upon appropriation, in specified ways, including to reimburse the State Board of Equalization's expenses incurred in the collection of the fee and to the State Board of Forestry and Fire Protection and to the Department of Forestry and Fire Protection for administrative purposes, with excess moneys being expended only for specified fire prevention activities, as provided. Existing law, until January 31, 2017, requires the board to submit an annual written report to the Legislature on the status of the uses of the fee moneys.

This bill would ~~require~~ *require, by January 31, 2018, the department to submit the report to the Legislature and the board. The bill would*

*require the report to include an itemized accounting of all expenditures from the fund and fund, including a specific itemized accounting relating to equipment expenditures, and a description of any positions that are associated with each expenditure, among other things. The bill would require the reporting to occur annually for an indefinite period of time.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 4214 of the Public Resources Code is  
2 amended to read:

3 4214. (a) Fire prevention fees collected pursuant to this chapter  
4 shall be expended, upon appropriation by the Legislature, as  
5 follows:

6 (1) The State Board of Equalization shall retain moneys  
7 necessary for the payment of refunds pursuant to Section 4228 and  
8 reimbursement of the State Board of Equalization for expenses  
9 incurred in the collection of the fee.

10 (2) The moneys collected, other than those retained by the State  
11 Board of Equalization pursuant to paragraph (1), shall be deposited  
12 into the State Responsibility Area Fire Prevention Fund, which is  
13 hereby created in the State Treasury, and shall be available to the  
14 board and the department to expend for fire prevention activities  
15 specified in subdivision (d) that benefit the owners of habitable  
16 structures within a state responsibility area who are required to  
17 pay the fire prevention fee. The amount expended to benefit the  
18 owners of habitable structures within a state responsibility area  
19 shall be commensurate with the amount collected from the owners  
20 within that state responsibility area. All moneys in excess of the  
21 costs of administration of the board and the department shall be  
22 expended only for fire prevention activities in counties with state  
23 responsibility areas.

24 (b) (1) The fund may also be used to cover the costs of  
25 administering this chapter.

26 (2) The fund shall cover all startup costs incurred over a period  
27 not to exceed two years.

28 (c) It is the intent of the Legislature that the moneys in this fund  
29 be fully appropriated to the board and the department each year  
30 in order to effectuate the purposes of this chapter.

1 (d) Moneys in the fund shall be used only for the following fire  
2 prevention activities, which shall benefit owners of habitable  
3 structures within the state responsibility areas who are required to  
4 pay the annual fire prevention fee pursuant to this chapter:

5 (1) Local assistance grants pursuant to subdivision (e).

6 (2) Grants to Fire Safe Councils, the California Conservation  
7 Corps, or certified local conservation corps for fire prevention  
8 projects and activities in the state responsibility areas.

9 (3) Grants to a qualified nonprofit organization with a  
10 demonstrated ability to satisfactorily plan, implement, and complete  
11 a fire prevention project applicable to the state responsibility areas.  
12 The department may establish other qualifying criteria.

13 (4) Inspections by the department for compliance with defensible  
14 space requirements around habitable structures in state  
15 responsibility areas as required by Section 4291.

16 (5) Public education to reduce fire risk in the state responsibility  
17 areas.

18 (6) Fire severity and fire hazard mapping by the department in  
19 the state responsibility areas.

20 (7) Other fire prevention projects in the state responsibility  
21 areas, authorized by the board.

22 (e) (1) The board shall establish a local assistance grant program  
23 for fire prevention activities designed to benefit habitable structures  
24 within state responsibility areas, including public education, that  
25 are provided by counties and other local agencies, including special  
26 districts, with state responsibility areas within their jurisdictions.

27 (2) In order to ensure an equitable distribution of funds, the  
28 amount of each grant shall be based on the number of habitable  
29 structures in state responsibility areas for which the applicant is  
30 legally responsible and the amount of moneys made available in  
31 the annual Budget Act for this local assistance grant program.

32 (f) By January 31, ~~2015~~, 2018, and, notwithstanding Section  
33 10231.5 of the Government Code, annually thereafter, the ~~board~~  
34 *department* shall submit to the Legislature *and the board* a written  
35 report on the status and uses of the fund pursuant to this ~~chapter~~,  
36 ~~including an itemized accounting of all expenditures from the fund.~~  
37 ~~The written report shall also include an~~ *chapter. The report shall*  
38 *include all of the following:*

39 (1) An evaluation of the benefits received by counties based on  
40 the number of habitable structures in state responsibility areas

1 within their jurisdictions, the effectiveness of the board's grant  
2 programs, the number of defensible space inspections in the  
3 reporting period, the degree of compliance with defensible space  
4 requirements, measures to increase compliance, if ~~any, and any~~  
5 ~~recommendations to the Legislature.~~ *any.*

6 (2) *An itemized accounting of all expenditures from the fund,*  
7 *including a specific itemized accounting relating to equipment*  
8 *expenditures, and a description of any positions that are associated*  
9 *with each expenditure.*

10 (3) *A description of each program, subprogram, and element*  
11 *for which the department uses moneys generated from the fire*  
12 *prevention fee, including an itemized accounting of expenditures*  
13 *for each program, subprogram, and element.*

14 (4) *A description of the grants awarded and expenditures of*  
15 *grant moneys.*

16 (5) *A description of actual expenditures for the previous fiscal*  
17 *year, estimated expenditures for the current fiscal year, and*  
18 *budgeted expenditures for the budget year.*

19 (6) *Any recommendations to the Legislature, including any*  
20 *recommendations on the status and use of the fund.*

21 (g) A report to be submitted *to the Legislature* pursuant to  
22 subdivision (f) shall be submitted in compliance with Section 9795  
23 of the Government Code.

24 (h) It is essential that this article be implemented without delay.  
25 To permit timely implementation, the department may contract  
26 for services related to the establishment of the fire prevention fee  
27 collection process. For this purpose only, and for a period not to  
28 exceed 24 months, the Public Contract Code or any other law  
29 related to public contracting shall not apply.

**ASSEMBLY BILL****No. 236**

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**Introduced by Assembly Member Maienschein**January 30, 2017

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An act to amend Section 11450 of the Welfare and Institutions Code, relating to CalWORKs.

## LEGISLATIVE COUNSEL'S DIGEST

AB 236, as introduced, Maienschein. CalWORKs: housing assistance. Existing law establishes the California Work Opportunity and Responsibility to Kids (CalWORKs) program under which, through a combination of federal, state, and county funds, each county provides cash assistance and other benefits to qualified low-income families. As part of the CalWORKs program, a homeless family that has used all available liquid resources in excess of \$100 is eligible for homeless assistance benefits to pay the costs of temporary shelter if the family is eligible for aid under the CalWORKs program. Under existing law, the nonrecurring special needs benefit to pay for temporary shelter for a family of up to 4 is \$65 a day, and the 5th and additional members of the family each receive \$15 per day, up to a daily maximum of \$125. Under existing law, eligibility for temporary shelter assistance is limited to one period of up to 16 consecutive days every 12 months, except when the homelessness is caused by domestic violence that is verified by a sworn statement of the victim, in which case eligibility for temporary shelter assistance is limited to 2 periods of up to 16 consecutive calendar days.

This bill would also provide that homeless assistance is available to homeless families that would be eligible for aid under the CalWORKs program but for the fact that the only child or children in the family are

in out-of-home placement pursuant to an order of the dependency court, if the family is receiving reunification services and the county determines that homeless assistance is necessary for reunification to occur. The bill would also provide that the nonrecurring special needs benefit to pay for temporary shelter for a family of up to 4 is \$85 a day, and the daily maximum is \$145. The bill would delete the requirement that homeless assistance be used in consecutive calendar days. Because this bill would increase the administrative duties of counties, it would impose a state-mandated local program.

Existing law continuously appropriates moneys from the General Fund to defray a portion of county costs under the CalWORKs program.

This bill would, instead, provide that the continuous appropriation would not be made for purposes of implementing the bill.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 11450 of the Welfare and Institutions  
2 Code is amended to read:  
3 11450. (a) (1) (A) Aid shall be paid for each needy family,  
4 which shall include all eligible brothers and sisters of each eligible  
5 applicant or recipient child and the parents of the children, but  
6 shall not include unborn children, or recipients of aid under Chapter  
7 3 (commencing with Section 12000), qualified for aid under this  
8 chapter. In determining the amount of aid paid, and notwithstanding  
9 the minimum basic standards of adequate care specified in Section  
10 11452, the family's income, exclusive of any amounts considered  
11 exempt as income or paid pursuant to subdivision (e) or Section  
12 11453.1, determined for the prospective semiannual period  
13 pursuant to Sections 11265.1, 11265.2, and 11265.3, and then  
14 calculated pursuant to Section 11451.5, shall be deducted from  
15 the sum specified in the following table, as adjusted for

## 3

1 cost-of-living increases pursuant to Section 11453 and paragraph  
 2 (2). In no case shall the amount of aid paid for each month exceed  
 3 the sum specified in the following table, as adjusted for  
 4 cost-of-living increases pursuant to Section 11453 and paragraph  
 5 (2), plus any special needs, as specified in subdivisions (c), (e),  
 6 and (f):

7	8	9	10	11	12
	Number of				
	eligible needy				
	persons in		Maximum		
	the same home		aid		
12	1.....		\$ 326		
13	2.....		535		
14	3.....		663		
15	4.....		788		
16	5.....		899		
17	6.....		1,010		
18	7.....		1,109		
19	8.....		1,209		
20	9.....		1,306		
21	10 or more.....		1,403		

22  
 23 (B) If, when, and during those times that the United States  
 24 government increases or decreases its contributions in assistance  
 25 of needy children in this state above or below the amount paid on  
 26 July 1, 1972, the amounts specified in the above table shall be  
 27 increased or decreased by an amount equal to that increase or  
 28 decrease by the United States government, provided that no  
 29 increase or decrease shall be subject to subsequent adjustment  
 30 pursuant to Section 11453.

31 (2) The sums specified in paragraph (1) shall not be adjusted  
 32 for cost of living for the 1990–91, 1991–92, 1992–93, 1993–94,  
 33 1994–95, 1995–96, 1996–97, and 1997–98 fiscal years, and through  
 34 October 31, 1998, nor shall that amount be included in the base  
 35 for calculating any cost-of-living increases for any fiscal year  
 36 thereafter. Elimination of the cost-of-living adjustment pursuant  
 37 to this paragraph shall satisfy the requirements of Section 11453.05,  
 38 and no further reduction shall be made pursuant to that section.

39 (b) (1) When the family does not include a needy child qualified  
 40 for aid under this chapter, aid shall be paid to a pregnant child who

1 is 18 years of age or younger at any time after verification of  
2 pregnancy, in the amount that would otherwise be paid to one  
3 person, as specified in subdivision (a), if the child and her child,  
4 if born, would have qualified for aid under this chapter. Verification  
5 of pregnancy shall be required as a condition of eligibility for aid  
6 under this subdivision.

7 (2) Notwithstanding paragraph (1), when the family does not  
8 include a needy child qualified for aid under this chapter, aid shall  
9 be paid to a pregnant woman for the month in which the birth is  
10 anticipated and for the six-month period immediately prior to the  
11 month in which the birth is anticipated, in the amount that would  
12 otherwise be paid to one person, as specified in subdivision (a), if  
13 the woman and child, if born, would have qualified for aid under  
14 this chapter. Verification of pregnancy shall be required as a  
15 condition of eligibility for aid under this subdivision.

16 (3) Paragraph (1) shall apply only when the Cal-Learn Program  
17 is operative.

18 (c) The amount of forty-seven dollars (\$47) per month shall be  
19 paid to pregnant women qualified for aid under subdivision (a) or  
20 (b) to meet special needs resulting from pregnancy if the woman  
21 and child, if born, would have qualified for aid under this chapter.  
22 County welfare departments shall refer all recipients of aid under  
23 this subdivision to a local provider of the Women, Infants, and  
24 Children program. If that payment to pregnant women qualified  
25 for aid under subdivision (a) is considered income under federal  
26 law in the first five months of pregnancy, payments under this  
27 subdivision shall not apply to persons eligible under subdivision  
28 (a), except for the month in which birth is anticipated and for the  
29 three-month period immediately prior to the month in which  
30 delivery is anticipated, if the woman and child, if born, would have  
31 qualified for aid under this chapter.

32 (d) For children receiving AFDC-FC under this chapter, there  
33 shall be paid, exclusive of any amount considered exempt as  
34 income, an amount of aid each month that, when added to the  
35 child's income, is equal to the rate specified in Section 11460,  
36 11461, 11462, 11462.1, or 11463. In addition, the child shall be  
37 eligible for special needs, as specified in departmental regulations.

38 (e) In addition to the amounts payable under subdivision (a)  
39 and Section 11453.1, a family shall be entitled to receive an  
40 allowance for recurring special needs not common to a majority

1 of recipients. These recurring special needs shall include, but not  
2 be limited to, special diets upon the recommendation of a physician  
3 for circumstances other than pregnancy, and unusual costs of  
4 transportation, laundry, housekeeping services, telephone, and  
5 utilities. The recurring special needs allowance for each family  
6 per month shall not exceed that amount resulting from multiplying  
7 the sum of ten dollars (\$10) by the number of recipients in the  
8 family who are eligible for assistance.

9 (f) After a family has used all available liquid resources, both  
10 exempt and nonexempt, in excess of one hundred dollars (\$100),  
11 with the exception of funds deposited in a restricted account  
12 described in subdivision (a) of Section 11155.2, the family shall  
13 also be entitled to receive an allowance for nonrecurring special  
14 needs.

15 (1) An allowance for nonrecurring special needs shall be granted  
16 for replacement of clothing and household equipment and for  
17 emergency housing needs other than those needs addressed by  
18 paragraph (2). These needs shall be caused by sudden and unusual  
19 circumstances beyond the control of the needy family. The  
20 department shall establish the allowance for each of the  
21 nonrecurring special needs items. The sum of all nonrecurring  
22 special needs provided by this subdivision shall not exceed six  
23 hundred dollars (\$600) per event.

24 (2) (A) (i) Homeless assistance is available to a homeless  
25 family seeking shelter when the family is eligible for aid under  
26 this chapter. ~~Homeless~~

27 (ii) *Homeless* assistance for temporary shelter is also available  
28 to homeless families that are apparently eligible for aid under this  
29 chapter. Apparent eligibility exists when evidence presented by  
30 the applicant, or that is otherwise available to the county welfare  
31 department, and the information provided on the application  
32 documents indicate that there would be eligibility for aid under  
33 this chapter if the evidence and information were verified.  
34 However, an alien applicant who does not provide verification of  
35 his or her eligible alien status, or a woman with no eligible children  
36 who does not provide medical verification of pregnancy, is not  
37 apparently eligible for purposes of this section.

38 (iii) *Homeless assistance for temporary shelter is also available*  
39 *to homeless families that would be eligible for aid under this*  
40 *chapter but for the fact that the only child or children in the family*

1 *are in out-of-home placement pursuant to an order of the*  
2 *dependency court, if the family is receiving reunification services*  
3 *and the county determines that homeless assistance is necessary*  
4 *for reunification to occur.*

5 (B) A family is considered homeless, for the purpose of this  
6 section, when the family lacks a fixed and regular nighttime  
7 residence; or the family has a primary nighttime residence that is  
8 a supervised publicly or privately operated shelter designed to  
9 provide temporary living accommodations; or the family is residing  
10 in a public or private place not designed for, or ordinarily used as,  
11 a regular sleeping accommodation for human beings. A family is  
12 also considered homeless for the purpose of this section if the  
13 family has received a notice to pay rent or quit. The family shall  
14 demonstrate that the eviction is the result of a verified financial  
15 hardship as a result of extraordinary circumstances beyond their  
16 control, and not other lease or rental violations, and that the family  
17 is experiencing a financial crisis that could result in homelessness  
18 if preventative assistance is not provided.

19 (3) (A) (i) A nonrecurring special needs benefit of ~~sixty-five~~  
20 ~~dollars (\$65)~~ *eighty-five dollars (\$85)* a day shall be available to  
21 families of up to four members for the costs of temporary shelter,  
22 subject to the requirements of this paragraph. The fifth and  
23 additional members of the family shall each receive fifteen dollars  
24 (\$15) per day, up to a daily maximum of one hundred ~~twenty-five~~  
25 ~~dollars (\$125)~~. *forty-five dollars (\$145)*. County welfare  
26 departments may increase the daily amount available for temporary  
27 shelter as necessary to secure the additional bedspace needed by  
28 the family.

29 (ii) This special needs benefit shall be granted or denied  
30 immediately upon the family's application for homeless assistance,  
31 and benefits shall be available for up to three working days. The  
32 county welfare department shall verify the family's homelessness  
33 within the first three working days and if the family meets the  
34 criteria of questionable homelessness established by the  
35 department, the county welfare department shall refer the family  
36 to its early fraud prevention and detection unit, if the county has  
37 such a unit, for assistance in the verification of homelessness within  
38 this period.

39 (iii) After homelessness has been verified, the three-day limit  
40 shall be extended for a period of time which, when added to the

1 initial benefits provided, does not exceed a total of 16 calendar  
2 days. This extension of benefits shall be done in increments of one  
3 week and shall be based upon searching for permanent housing  
4 which shall be documented on a housing search form, good cause,  
5 or other circumstances defined by the department. Documentation  
6 of a housing search shall be required for the initial extension of  
7 benefits beyond the three-day limit and on a weekly basis thereafter  
8 as long as the family is receiving temporary shelter benefits. Good  
9 cause shall include, but is not limited to, situations in which the  
10 county welfare department has determined that the family, to the  
11 extent it is capable, has made a good faith but unsuccessful effort  
12 to secure permanent housing while receiving temporary shelter  
13 benefits.

14 (B) (i) A nonrecurring special needs benefit for permanent  
15 housing assistance is available to pay for last month's rent and  
16 security deposits when these payments are reasonable conditions  
17 of securing a residence, or to pay for up to two months of rent  
18 arrearages, when these payments are a reasonable condition of  
19 preventing eviction.

20 (ii) The last month's rent or monthly arrearage portion of the  
21 payment (I) shall not exceed 80 percent of the family's total  
22 monthly household income without the value of CalFresh benefits  
23 or special needs benefit for a family of that size and (II) shall only  
24 be made to families that have found permanent housing costing  
25 no more than 80 percent of the family's total monthly household  
26 income without the value of CalFresh benefits or special needs  
27 benefit for a family of that size.

28 (iii) However, if the county welfare department determines that  
29 a family intends to reside with individuals who will be sharing  
30 housing costs, the county welfare department shall, in appropriate  
31 circumstances, set aside the condition specified in subclause (II)  
32 of clause (ii).

33 (C) The nonrecurring special needs benefit for permanent  
34 housing assistance is also available to cover the standard costs of  
35 deposits for utilities which are necessary for the health and safety  
36 of the family.

37 (D) A payment for or denial of permanent housing assistance  
38 shall be issued no later than one working day from the time that a  
39 family presents evidence of the availability of permanent housing.  
40 If an applicant family provides evidence of the availability of

1 permanent housing before the county welfare department has  
2 established eligibility for aid under this chapter, the county welfare  
3 department shall complete the eligibility determination so that the  
4 ~~denial of or payment for~~ *payment for, or denial of*, permanent  
5 housing assistance is issued within one working day from the  
6 submission of evidence of the availability of permanent housing,  
7 unless the family has failed to provide all of the verification  
8 necessary to establish eligibility for aid under this chapter.

9 (E) (i) Except as provided in clauses (ii) and (iii), eligibility  
10 for the temporary shelter assistance and the permanent housing  
11 assistance pursuant to this paragraph shall be limited to ~~one period~~  
12 ~~of up to 16 consecutive~~ *a maximum of 16* calendar days of  
13 temporary assistance and one payment of permanent assistance  
14 every 12 months. A person who applies for homeless assistance  
15 benefits shall be informed ~~that the temporary shelter benefit of up~~  
16 ~~to 16 consecutive days is available only once every 12 months,~~  
17 ~~with certain exceptions, and that a break in the consecutive use of~~  
18 ~~the benefit constitutes exhaustion of the temporary benefit that,~~  
19 ~~with certain exceptions, the temporary shelter benefit is limited to~~  
20 ~~a maximum of 16 calendar days~~ for that 12-month period.

21 (ii) A family that becomes homeless as a direct and primary  
22 result of a state or federally declared natural disaster shall be  
23 eligible for temporary and permanent homeless assistance.

24 (iii) A family shall be eligible for temporary and permanent  
25 homeless assistance when homelessness is a direct result of  
26 domestic violence by a spouse, partner, or roommate; physical or  
27 mental illness that is medically verified that shall not include a  
28 diagnosis of alcoholism, drug addiction, or psychological stress;  
29 or, the uninhabitability of the former residence caused by sudden  
30 and unusual circumstances beyond the control of the family  
31 including natural catastrophe, fire, or condemnation. These  
32 circumstances shall be verified by a third-party governmental or  
33 private health and human services agency, except that domestic  
34 violence may also be verified by a sworn statement by the victim,  
35 as provided under Section 11495.25. Homeless assistance payments  
36 based on these specific circumstances may not be received more  
37 often than once in any 12-month period. In addition, if the domestic  
38 violence is verified by a sworn statement by the victim, the  
39 homeless assistance payments shall be limited to ~~two periods of~~  
40 ~~not more than 16 consecutive~~ *a maximum of 32* calendar days of

1 temporary assistance and two payments of permanent assistance.  
2 A county may require that a recipient of homeless assistance  
3 benefits who qualifies under this paragraph for a second time in a  
4 24-month period participate in a homelessness avoidance case plan  
5 as a condition of eligibility for homeless assistance benefits. The  
6 county welfare department shall immediately inform recipients  
7 who verify domestic violence by a sworn statement of the  
8 availability of domestic violence counseling and services, and refer  
9 those recipients to services upon request.

10 (iv) If a county requires a recipient who verifies domestic  
11 violence by a sworn statement to participate in a homelessness  
12 avoidance case plan pursuant to clause (iii), the plan shall include  
13 the provision of domestic violence services, if appropriate.

14 (v) If a recipient seeking homeless assistance based on domestic  
15 violence pursuant to clause (iii) has previously received homeless  
16 avoidance services based on domestic violence, the county shall  
17 review whether services were offered to the recipient and consider  
18 what additional services would assist the recipient in leaving the  
19 domestic violence situation.

20 (vi) The county welfare department shall report necessary data  
21 to the department through a statewide homeless assistance payment  
22 indicator system, as requested by the department, regarding all  
23 recipients of aid under this paragraph.

24 (F) The county welfare departments, and all other entities  
25 participating in the costs of the CalWORKs program, have the  
26 right in their share to any refunds resulting from payment of the  
27 permanent housing. However, if an emergency requires the family  
28 to move within the 12-month period specified in subparagraph  
29 (E), the family shall be allowed to use any refunds received from  
30 its deposits to meet the costs of moving to another residence.

31 (G) Payments to providers for temporary shelter and permanent  
32 housing and utilities shall be made on behalf of families requesting  
33 these payments.

34 (H) The daily amount for the temporary shelter special needs  
35 benefit for homeless assistance may be increased if authorized by  
36 the current year's Budget Act by specifying a different daily  
37 allowance and appropriating the funds therefor.

38 (I) No payment shall be made pursuant to this paragraph unless  
39 the provider of housing is a commercial establishment, shelter, or

1 person in the business of renting properties who has a history of  
2 renting properties.

3 (g) The department shall establish rules and regulations ensuring  
4 the uniform statewide application of this section.

5 (h) The department shall notify all applicants and recipients of  
6 aid through the standardized application form that these benefits  
7 are available and shall provide an opportunity for recipients to  
8 apply for the funds quickly and efficiently.

9 (i) (A) Except for the purposes of Section 15200, the amounts  
10 payable to recipients pursuant to Section 11453.1 shall not  
11 constitute part of the payment schedule set forth in subdivision  
12 (a).

13 (B) The amounts payable to recipients pursuant to Section  
14 11453.1 shall not constitute income to recipients of aid under this  
15 section.

16 (j) For children receiving Kin-GAP pursuant to Article 4.5  
17 (commencing with Section 11360) or Article 4.7 (commencing  
18 with Section 11385) there shall be paid, exclusive of any amount  
19 considered exempt as income, an amount of aid each month, which,  
20 when added to the child's income, is equal to the rate specified in  
21 Sections 11364 and 11387.

22 (k) (1) A county shall implement the semiannual reporting  
23 requirements in accordance with Chapter 501 of the Statutes of  
24 2011 no later than October 1, 2013.

25 (2) Upon completion of the implementation described in  
26 paragraph (1), each county shall provide a certificate to the director  
27 certifying that semiannual reporting has been implemented in the  
28 county.

29 (3) Upon filing the certificate described in paragraph (2), a  
30 county shall comply with the semiannual reporting provisions of  
31 this section.

32 (l) This section shall become operative on January 1, 2017.

33 SEC. 2. No appropriation pursuant to Section 15200 of the  
34 Welfare and Institutions Code shall be made for purposes of this  
35 act.

36 SEC. 3. If the Commission on State Mandates determines that  
37 this act contains costs mandated by the state, reimbursement to  
38 local agencies and school districts for those costs shall be made

- 1 pursuant to Part 7 (commencing with Section 17500) of Division
- 2 4 of Title 2 of the Government Code.

**ASSEMBLY BILL****No. 435**

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**Introduced by Assembly Member Thurmond**February 13, 2017

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An act to add and repeal Article 15.1.1 (commencing with Section 8333) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, relating to child care.

## LEGISLATIVE COUNSEL'S DIGEST

AB 435, as introduced, Thurmond. Child care subsidy plans: County of Contra Costa.

The Child Care and Development Services Act has a purpose of providing a comprehensive, coordinated, and cost-effective system of child care and development services for children from infancy to 13 years of age and their parents, including a full range of supervision, health, and support services through full- and part-time programs. Existing law requires the Superintendent of Public Instruction to develop standards for the implementation of quality child care programs. Existing law authorizes the County of Alameda and the County of Santa Clara, as a pilot project, to develop an individualized county child care subsidy plan, as provided.

This bill would authorize, until January 1, 2023, the County of Contra Costa to develop an individualized county child care subsidy plan, as specified. The bill would require the plan to be submitted to the local planning council and the Contra Costa County Board of Supervisors for approval, as specified. The bill would require the Early Education and Support Division of the State Department of Education to review and approve or disapprove the plan and any subsequent modifications to the plan. The bill would require the County of Contra Costa to

annually prepare and submit to the Legislature, the State Department of Social Services, and the State Department of Education a report that contains specified information relating to the success of the county's plan.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Contra Costa.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. It is the intent of the Legislature to build a stable,  
2 comprehensive, and adequately funded high-quality early learning  
3 and educational support system for children from birth to five years  
4 of age, inclusive, with alignment and integration into the K–12  
5 education system by strategically using state and federal funds,  
6 and engaging all early care and education stakeholders, including  
7 K–12 education stakeholders, in an effort to provide access to  
8 affordable, high-quality services supported by adequate rates,  
9 integrated data systems, and a strong infrastructure that supports  
10 children and the educators that serve them.

11 SEC. 2. Article 15.1.1 (commencing with Section 8333) is  
12 added to Chapter 2 of Part 6 of Division 1 of Title 1 of the  
13 Education Code, to read:

14  
15 Article 15.1.1. Individualized County of Contra Costa Child  
16 Care Subsidy Plan  
17

18 8333. The County of Contra Costa may, as a pilot project,  
19 develop and implement an individualized county child care subsidy  
20 plan. The plan shall ensure that child care subsidies received by  
21 the County of Contra Costa are used to address local needs,  
22 conditions, and priorities of working families in the community.

23 8333.1. For purposes of this article, "county" means the County  
24 of Contra Costa.

25 8333.2. (a) For purposes of this article, "plan" means an  
26 individualized county child care subsidy plan developed and  
27 approved under the pilot project described in Section 8333, which  
28 includes all of the following:

1 (1) An assessment to identify the county's goal for its subsidized  
2 child care system. The assessment shall examine whether the  
3 current structure of subsidized child care funding adequately  
4 supports working families in the county and whether the county's  
5 child care goals coincide with the state's requirements for funding,  
6 eligibility, priority, and reimbursement. The assessment shall also  
7 identify barriers in the state's child care subsidy system that inhibit  
8 the county from meeting its child care goals. In conducting the  
9 assessment, the county shall consider all of the following:

10 (A) The general demographics of families who are in need of  
11 child care, including employment, income, language, ethnic, and  
12 family composition.

13 (B) The current supply of available subsidized child care.

14 (C) The level of need for various types of subsidized child care  
15 services, including, but not limited to, infant care, after-hours care,  
16 and care for children with exceptional needs.

17 (D) The county's self-sufficiency income level.

18 (E) Income eligibility levels for subsidized child care.

19 (F) Family fees.

20 (G) The cost of providing child care.

21 (H) The regional market rates, as established by the department,  
22 for different types of child care.

23 (I) The standard reimbursement rate or state per diem for centers  
24 operating under contracts with the department.

25 (J) Trends in the county's unemployment rate and housing  
26 affordability index.

27 (2) (A) Development of a local policy to eliminate state-imposed  
28 regulatory barriers to the county's achievement of its desired  
29 outcomes for subsidized child care.

30 (B) The local policy shall do all of the following:

31 (i) Prioritize lowest income families first.

32 (ii) Follow the family fee schedule established pursuant to  
33 Section 8263 for those families that are income eligible, as defined  
34 by Section 8263.1.

35 (iii) Meet local goals that are consistent with the state's child  
36 care goals.

37 (iv) Identify existing policies that would be affected by the  
38 county's plan.

39 (v) (I) Authorize an agency that provides child care and  
40 development services in the county through a contract with the

1 department to apply to the department to amend existing contracts  
2 in order to benefit from the local policy.

3 (II) The department shall approve an application to amend an  
4 existing contract if the plan is modified pursuant to Section 8333.3.

5 (III) The contract of a department contractor who does not elect  
6 to request an amendment to its contract remains operative and  
7 enforceable.

8 (C) The local policy may supersede state law concerning child  
9 care subsidy programs with regard only to the following factors:

10 (i) Eligibility criteria, including, but not limited to, age, family  
11 size, time limits, income level, inclusion of former and current  
12 CalWORKs participants, and special needs considerations, except  
13 that the local policy shall not deny or reduce eligibility of a family  
14 that qualifies for child care pursuant to Section 8353. Under the  
15 local policy, a family that qualifies for child care pursuant to  
16 Section 8354 shall be treated for purposes of eligibility and fees  
17 in the same manner as a family that qualifies for subsidized child  
18 care on another basis pursuant to the local policy.

19 (ii) Fees, including, but not limited to, family fees, sliding scale  
20 fees, and copayments for those families that are not income eligible,  
21 as defined by Section 8263.1.

22 (iii) Reimbursement rates.

23 (iv) Methods of maximizing the efficient use of subsidy funds,  
24 including, but not limited to, multiyear contracting with the  
25 department for center-based child care, and interagency agreements  
26 that allow for flexible and temporary transfer of funds among  
27 agencies.

28 (v) Families with children enrolled in part-day California state  
29 preschool programs services, pursuant to Article 7 (commencing  
30 with Section 8235), may be eligible for up to two 180 day periods  
31 within a 24 month period without the family being certified as a  
32 new enrollment each year.

33 (3) Recognition that all funding sources utilized by contractors  
34 that provide child care and development services in the county are  
35 eligible to be included in the county's plan.

36 (4) Establishment of measurable outcomes to evaluate the  
37 success of the plan to achieve the county's child care goals, and  
38 to overcome any barriers identified in the state's child care subsidy  
39 system.

1 (b) Nothing in this section shall be construed to permit the  
2 county to change the regional market rate survey results for the  
3 county.

4 8333.3. (a) The plan shall be submitted to the local planning  
5 council, as defined in subdivision (g) of Section 8499, for approval.  
6 Upon approval of the plan by the local planning council, the Board  
7 of Supervisors of the County of Contra Costa shall hold at least  
8 one public hearing on the plan. Following the hearing, if the board  
9 votes in favor of the plan, the plan shall be submitted to the Early  
10 Education and Support Division of the department for review.

11 (b) Within 30 days of receiving the plan, the Early Education  
12 and Support Division shall review and either approve or disapprove  
13 the plan.

14 (c) Within 30 days of receiving a modification to the plan, the  
15 Early Education and Support Division shall review and either  
16 approve or disapprove that modification to the plan.

17 (d) The Early Education and Support Division may disapprove  
18 only those portions of modifications to the plan that are not in  
19 conformance with this article or that are in conflict with federal  
20 law.

21 8333.4. The county shall, by the end of the first fiscal year of  
22 operation under the approved child care subsidy plan, demonstrate,  
23 in the report required pursuant to Section 8333.5, an increase in  
24 the aggregate days a child is enrolled in child care in the county  
25 as compared to the enrollment in the final quarter of the 2016–17  
26 fiscal year.

27 8333.5. (a) The county shall annually prepare and submit to  
28 the Legislature, the State Department of Social Services, and the  
29 department a report that summarizes the success of the county's  
30 plan, and the county's ability to maximize the use of funds and to  
31 improve and stabilize child care in the county.

32 (b) A report to be submitted pursuant to subdivision (a) shall  
33 be submitted in compliance with Section 9795 of the Government  
34 Code.

35 8333.6. A participating contractor shall receive any increase  
36 or decrease in funding that the contractor would have received if  
37 the contractor had not participated in the plan.

38 8333.7. This article shall remain in effect only until January  
39 1, 2023, and as of that date is repealed, unless a later enacted

1 statute, that is enacted before January 1, 2023, deletes or extends  
2 that date.

3 SEC. 3. The Legislature finds and declares that a special statute  
4 is necessary and that a general statute cannot be made applicable  
5 within the meaning of Section 16 of Article IV of the California  
6 Constitution because of the unique circumstances in the County  
7 of Contra Costa. Existing law does not reflect the fiscal reality of  
8 living in the County of Contra Costa, a high-cost county where  
9 the cost of living is well beyond the state median level, resulting  
10 in reduced access to quality child care. In recognition of the  
11 unintended consequences of living in a high-cost county, this act  
12 is necessary to provide children and families in the County of  
13 Contra Costa proper access to child care through an individualized  
14 county child care subsidy plan.

**SENATE BILL****No. 222**

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**Introduced by Senator Hernandez**February 2, 2017

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An act to amend Section 14011.10 of the Welfare and Institutions Code, relating to Medi-Cal.

## LEGISLATIVE COUNSEL'S DIGEST

SB 222, as introduced, Hernandez. Inmates: health care enrollment.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires Medi-Cal benefits to an individual who is an inmate of a public institution to be suspended effective the date he or she becomes an inmate of a public institution. Existing law requires the suspension to end on the date that he or she is no longer an inmate of a public institution or one year from the date he or she becomes an inmate of a public institution, whichever is sooner.

This bill instead would require the suspension of Medi-Cal benefits to end on the date he or she is no longer an inmate of a public institution or is no longer otherwise eligible for benefits under the Medi-Cal program. The bill would require the department, in consultation with specified stakeholders, to develop and implement a simplified annual renewal process for individuals in a suspended eligibility status, and would require the department to seek any necessary federal approvals or waivers to implement this provision.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 14011.10 of the Welfare and Institutions  
2 Code is amended to read:

3 14011.10. (a) Except as provided in Sections 14053.7 and  
4 14053.8, benefits provided under this chapter to an individual who  
5 is an inmate of a public institution shall be suspended in accordance  
6 with Section 1396d(a)(29)(A) of Title 42 of the United States Code  
7 as provided in subdivision (c).

8 (b) County welfare departments shall notify the department  
9 within 10 days of receiving information that an individual on  
10 Medi-Cal in the county is or will be an inmate of a public  
11 institution.

12 (c) If an individual is a Medi-Cal beneficiary on the date he or  
13 she becomes an inmate of a public institution, his or her benefits  
14 under this chapter and under Chapter 8 (commencing with Section  
15 14200) shall be suspended effective the date he or she becomes  
16 an inmate of a public institution. The suspension shall end on the  
17 date he or she is no longer an inmate of a public institution or ~~one~~  
18 ~~year from the date he or she becomes an inmate of a public~~  
19 ~~institution, is no longer otherwise eligible for benefits under the~~  
20 *Medi-Cal program, whichever is sooner.*

21 (d) *The department, in consultation with stakeholders, including*  
22 *the County Welfare Directors Association and advocates, shall*  
23 *develop and implement a simplified annual renewal process for*  
24 *individuals who are in a suspended eligibility status under this*  
25 *section. The department shall seek any necessary federal approvals*  
26 *or waivers to implement this subdivision.*

27 (d)

28 (e) This section does not create a state-funded benefit or  
29 program. Health care services under this chapter and Chapter 8  
30 (commencing with Section 14200) shall not be available to inmates  
31 of public institutions whose Medi-Cal benefits have been suspended  
32 under this section.

33 (e)

34 (f) This section shall be implemented only if and to the extent  
35 allowed by federal law. This section shall be implemented only to  
36 the extent that any necessary federal approval of state plan  
37 amendments or other federal approvals are obtained.

38 (f)

1 (g) If any part of this section is in conflict with or does not  
2 comply with federal law, this entire section shall ~~be~~ *become*  
3 inoperative.

4 ~~(g)~~

5 (h) This section shall be implemented on January 1, 2010, or  
6 the date when all necessary federal approvals are obtained,  
7 whichever is later.

8 ~~(h)~~

9 (i) By January 1, 2010, or the date when all necessary federal  
10 approvals are obtained, whichever is later, the department, in  
11 consultation with the Chief Probation Officers of California and  
12 the County Welfare Directors Association, shall establish the  
13 protocols and procedures necessary to implement this section,  
14 including any needed changes to the protocols and procedures  
15 previously established to implement Section 14029.5.

16 ~~(i)~~

17 (j) The department shall determine whether federal financial  
18 participation will be jeopardized by implementing this section and  
19 shall implement this section only if and to the extent that federal  
20 financial participation is not jeopardized.

21 ~~(j)~~

22 (k) Notwithstanding Chapter 3.5 (commencing with Section  
23 11340) of Part 1 of Division 3 of Title 2 of the Government Code,  
24 the department shall implement this section by means of all-county  
25 letters or similar instructions without taking regulatory action.  
26 Thereafter, the department shall adopt regulations in accordance  
27 with the requirements of Chapter 3.5 (commencing with Section  
28 11340) of Part 1 of Division 3 of Title 2 of the Government Code.



Contra  
Costa  
County

To: Board of Supervisors  
From: Keith Freitas, Airports Director  
Date: March 28, 2017

Subject: Establish the classification of Airport Safety Officer I, II, III, IV and Reclassify Lead Airport Ops Spec, Airport Ops Spec and Airport Ops Tech

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**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 21841 to establish the following classifications: Airport Safety Officer I (9BWC) (represented), allocate it to the salary schedule at salary plan and grade TB5 1403 (\$3,553-\$4,318); reclassify one (1) Airport Operations Technician (9BWB) (represented) vacant position No. 1660 to Airport Safety Officer I (9BWC) (represented). Airport Safety Officer II (9BVC) (represented), allocate it to the salary schedule at salary plan and grade T25 1400 (\$4,113-\$4,999); reclassify one (1) Airport Operations Specialist (9BVB) (represented) vacant position No. 1672 to Airport Safety Officer II (9BVC) (represented). Airport Safety Officer III (9BTB) (represented), allocate it to the salary schedule at salary plan and grade T25 1401 (\$4,761-\$5,787); reclassify five (5) Airport Operations Specialist (9BVB) (represented) positions No. 1644, 1646, 1666, 1682, 1695, and the incumbents to Airport Safety Officer III (9BTB) (represented). Airport Safety Officer IV (9BNB) (represented), allocate it to the salary schedule at salary plan and grade T25 1402 (\$5,511-\$6,699); reclassify three (3) Lead Airport Operations Specialist (9BTA) (represented) positions No. 1645, 14392, 15258, and the incumbents to Airport Safety Officer IV (9BNB) (represented) in the Public Works Department.

In accordance with Section 21.4 - Promotion via Reclassification Without Examination of the MOU between the County and TEAMSTERS, Local 856, the Union agrees with the above actions.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Keith Freitas, (925)  
681-4205

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Kelli Zenn, Keith Freitas

FISCAL IMPACT:

If this action is approved, there is an annual cost of approximately \$168,809 which will include pension costs of \$29,616. The cost would be funded 100% with Airport Enterprise Revenue.

BACKGROUND:

The Airports Division of Public Works is seeking approval to abandon the existing classification series for the Airport Operations staff: Airport Operations Technician, Airport Operations Specialist and Lead Airport Operations Specialist and replace it with the new Airport Safety Officer classification series. The reason for the request is two-fold: First, the existing classifications were developed in the 1980's and are not reflective of today's significantly increased regulatory standards and changes in aircraft rescue and firefighting (ARFF) training, certifications, and protocols; The Airport Safety Officer classifications play a critical role in maintaining the safety and security of the airfield at the Buchanan Field and Byron Airports in Contra Costa County. The most significant components of these classification's role are the airport operations, maintenance, security and aircraft rescue, and firefighting. The security and safety responsibilities of this job were heightened with the recent start of scheduled service by JetSuiteX to Burbank and Las Vegas. This new service has upgraded Buchanan Field to an active status commercial service airport. Secondly, the ability to attract and retain individuals in the existing classifications has been dismal over the last 7 years. Many candidates simply decline interviews or, if hired, consistently resign their positions after a few years for much higher paying opportunities at other local airports. High staff turnover has become a financial drain to the Airport Enterprise Fund because training costs are in excess of \$100,000 per employee in the first year of employment. The recommendation is to abandon the existing Airport Operations staff classifications and add a new four-level series titled Airport Safety Officer I, II, III, and IV. This new series will depict the existing industry standards for duties, functions, education, and professional experience necessary to perform all job functions in the current regulatory environment and also address compensation inequities associated with hiring and retention. All increased costs will be absorbed by the Airport Enterprise Fund.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Buchanan Field and Byron Airports will continue to be unable to attract and retain qualified staff with the necessary training, certifications and protocols.

ATTACHMENTS

P300 No. 21841

P300 No.21841-ATTACHMENT

**POSITION ADJUSTMENT REQUEST**

NO. 21841  
DATE 3/18/2016

Department Public Works/Airports Department No./  
Budget Unit No. 0841 Org No. 4841 Agency No. 65

Action Requested: Establish the classification of Airport Safety Officer I, II, III, IV, allocate it to the salary schedule, Reclassify Lead Airport Ops Spec, Airport Ops Spec and Airport Ops Tech positions and the incumbents.

Proposed Effective Date: 4/1/2016

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \_\_\_\_\_

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$168,809.00 Net County Cost \$0.00  
Total this FY \$42,202.00 N.C.C. this FY \$0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Airport Enterprise Funds

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Keith Freitas

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Lisa Driscoll

3/18/16

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS  
SEE ATTACHMENT

DATE 2/6/2017

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

Eva Barrios

2/27/2017

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE \_\_\_\_\_

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: \_\_\_\_\_

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 2/27/2017

No. xxxxxx

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY

## ATTACHMENT

**Agenda Item Request No. 25122 – PUBLIC WORKS DEPARTMENT  
Position Adjustment Request No.21841**

**Board Agenda Date: March 7, 2017**

### **HUMAN RESOURCES DEPARTMENT RECOMMENDATION**

Establish the following four (4) classifications: Airport Safety Officer I (9BWC) (represented), allocate it to the salary schedule at salary plan and grade TB5 1403 (\$3,553-\$4,318); and reclassify one (1) Airport Operations Technician (9BWB) (represented) vacant position No. 1660 to Airport Safety Officer I (9BWC) (represented).

Airport Safety Officer II (9BVC) (represented), allocate it to the salary schedule at salary plan and grade T25 1400 (4,113-\$4,999); and reclassify one (1) Airport Operations Specialist (9BVB) (represented) vacant position No. 1672 to Airport Safety Officer II (9BVC) (represented).

Airport Safety Officer III (9BTB) (represented), allocate it to the salary schedule at salary plan and grade T25 1401 (\$4,761-\$5,787); and reclassify five (5) Airport Operations Specialist (9BVB) (represented) positions No. 1644, 1646, 1666, 1682, 1695 and the incumbents to Airport Safety Officer III (9BTB) (represented).

Airport Safety Officer IV (9BNB) (represented), allocate it to the salary schedule at salary plan and grade T25 1402 (\$5,511-\$6,699); and reclassify three (3) Lead Airport Operations Specialist (9BTA) (represented) positions No. 1645, 14392, 15258, and the incumbents to Airport Safety Officer IV (9BNB) (represented) in Public Works Department.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services  
Date: March 28, 2017

Subject: Increase hours of a part time permanent Patient Financial Services Specialist position to full time permanent position

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**RECOMMENDATION(S):**

Adopt Position Adjustment Resolution No. 22043 to increase the hours of vacant Patient Financial Services Specialist (V9VB) position #9269 from 24/40 to 40/40 at salary level 3RX - 1176 (\$3,699 - \$4,724) in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, there is an annual cost of approximately \$33,334, which includes estimated increased pension costs of \$8,050. The cost will be offset with 85% budgeted Tuberculosis (TB) Grant funds and 15% General Fund)

**BACKGROUND:**

The Health Services Department is requesting to increase the hours of Patient Financial Services Specialist position #9269 from 24/40 to 40/40. This position resides in the Public Health Division's California Children's Services Program, which is experiencing an increase in request for services. In addition, historically the department has found it difficult

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Melissa Carofanello -  
925-957-5248

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

to fill this assignment's part time position and full time positions provide increased consistency with working with the consumers of the California Children's Services Program. The Department has determined a full time Patient Financial Services Specialist is more appropriate than a part time Patient Financial Services Specialist.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Public Health Division's California Children's Services Program of the Health Services Department will not have adequate staffing to meet the demand and volume of client care for those we serve.

CHILDREN'S IMPACT STATEMENT:

This position resides in Public Health Division's California Children's Services Program and would impact services for the children of Contra Costa County.

ATTACHMENTS

P300 No. 22043 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 22043  
DATE 3/8/2017

Department HEALTH SERVICES Department No./  
Budget Unit No. 0460 Org No. 5890 Agency No. A18  
Action Requested: Increase the hours of one vacant permanent Patient Financial Services Specialist (V9VB) position #9269 from 24/40 to permanent full-time 40/40 in the Health Services Department.

Proposed Effective Date: 3/22/2017

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$33,334.03 Net County Cost \$5,000.10  
Total this FY \$11,111.34 N.C.C. this FY \$1,666.70

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 85% TB grant, 15% General Fund

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Melissa Carofanello

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

3/20/2017

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.

\_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

3/20/2017

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 3/21/2017

No. \_\_\_\_\_

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services  
Date: March 28, 2017

Subject: Cancel one full time Clerk – Experienced Level position and add one full time Account Clerk - Experienced Level position in Health Services Department

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**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 22044 to add one permanent full-time Account Clerk – Experienced Level (JDVC) position at salary level 3RH-0755 (\$3,192 - \$3,985) and cancel vacant permanent full time Clerk – Experienced Level (JWXB) position #9137 at salary level 3RH-0750 (\$2,905 - \$3,605) in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, there is an annual cost of approximately \$7,867, which includes estimated pension costs of \$1,513. The cost will be entirely offset with budgeted Mental Health Services Act Funding. (100% MHSA)

**BACKGROUND:**

The Health Services Department is requesting to cancel one vacant full time Clerk – Experienced Level and add one Account Clerk – Experienced Level. The duties of this position would be processing claims and invoices for services rendered which would more aptly be accomplished by an Account Clerk series. The Department has determined an Account Clerk – Experienced Level is more appropriate than a Clerk – Experienced Level to fulfill the needs of this program.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Melissa Carofanello -  
925-957-5248

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Health Services Department will not have the appropriate level of staffing for its Behavioral Health Division's Care Management Unit.

CHILDREN'S IMPACT STATEMENT:

ATTACHMENTS

P300 No. 22044 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 22044  
DATE 3/2/2017

Department HEALTH SERVICES Department No./  
Budget Unit No. 0467 Org No. 5943 Agency No. A18  
Action Requested: Add one Account Clerk - Experienced (JDVC) position and cancel one Clerk - Experienced Level (JWXB) position #9137 in the Health Services Department.

Proposed Effective Date: 3/29/2017

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$7,866.96 Net County Cost \$0.00  
Total this FY \$2,622.32 N.C.C. this FY \$0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Mental Health Services Act

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Melissa Carofanello

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

3/21/2017

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

3/21/2017

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

Adjustment is APPROVED  DISAPPROVED

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 3/21/2017

No. \_\_\_\_\_

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services  
Date: March 28, 2017

Subject: Add and cancel positions in the Health Services Department.

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**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 22045 to add one (1) permanent full-time Health Services Information Technology Manager (LBFA) position at salary grade ZB5-2093(\$8,841-\$10,747) and cancel vacant permanent full-time Information Systems Manager I (LTNA) position #12357 at salary grade ZA5-1884 (\$7,188-\$8,738) in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, this action has an annual cost of \$20,424, with an estimated pension cost of \$4,932 included. The position and additional costs would be entirely funded by Hospital Enterprise Fund I.

**BACKGROUND:**

Contra Costa County Health Services (CCHS) Information Technology (IT) Unit is requesting to add one (1) Health Services Information Technology Manager position to lead the Clinical Training Group. This group's scope of responsibility has grown from purely focusing on training the ccLink applications installed in July 2012, to all information technology clinical applications, thereby increasing the number and complexity of the applications being taught. Additionally,

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Shelanda Adams,  
925-957-5263

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

the number of staff has increased to accommodate the increased training requirements to where the scope of responsibility is more aligned with that of a Health Services Information Technology Manager. The Department is canceling vacant Information Systems Manager I position #12357 as it is no longer meeting the operational needs of the Health Services Information Technology Department.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Clinical Training Group within Information Technology will not have adequate supervision.

ATTACHMENTS

P300 No. 22045 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 22045  
DATE 2/7/2017

Department HEALTH SERVICES Department No./  
Budget Unit No. 0540 Org No. 6555 Agency No. A18  
Action Requested: Add one permanent full-time Health Services Information Technology Manager (LBFA) position and  
Cancel vacant permanent full-time 40/40 Information Systems Manager I (LTNA) position #12357.

Proposed Effective Date: 3/22/2017

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$20,424.12 Net County Cost \$0.00  
Total this FY \$12,606.03 N.C.C. this FY \$0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Hospital Enterprise Fund I

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Shelanda Adams

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

3/21/2017

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.

\_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

3/21/2017

Approve Recommendation of Director of Human Resources

Disapprove Recommendation of Director of Human Resources

Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 3/21/2017

No. \_\_\_\_\_

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services  
Date: March 28, 2017

Subject: Add one permanent full-time Mental Health Community Support Worker II in the Health Services Department

---

**RECOMMENDATION(S):**

Adopt Position Adjustment Resolution No. 22048 to add one full-time Mental Health Community Support Worker II (VQVB) at salary level TC5-0968 (\$3,018 - \$3,669) in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, there is an annual cost of approximately \$77,858, which includes estimated pension costs of \$15,631. The cost will be entirely offset with budgeted Mental Health Services Act revenues. (100% Mental Health Services Act)

**BACKGROUND:**

The Health Services Department is requesting to add a Mental Health Community Support Worker II for its Central Adult Mental Health Clinic. Currently there is a Community Support Worker II assigned to both the East and West Adult Mental Health Clinic which has proved to be successful. These positions provide support services to mentally ill adults and their families. Incumbents welcome families of consumers into the system; act as the family voice and provide consultation

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Melissa Carofanello -  
925-957-5248

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

and assistance to staff; address concerns and answer questions that family members need resolved; lead or co-lead multi-family groups; assist families to maintain the consumer living in their homes. Transport and accompany families and consumers to appointments and meetings; act as a guide for housing and community resources; and attend and participate in meetings as a team member. The Department has determined a full time Mental Health Community Support Worker II would be appropriate classification to fulfill the needs of the Central Adult Mental Health to mirror that of the other two Adult Mental Health Clinics.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, Behavioral Health Division's Central Adult Mental Health Clinic of the Health Services Department will not have adequate staffing to meet the demand and volume of client care for those we serve.

CHILDREN'S IMPACT STATEMENT:

ATTACHMENTS

P300 No. 22048 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 22048  
DATE 3/8/2017

Department HEALTH SERVICES Department No./  
Budget Unit No. 0467 Org No. 5991 Agency No. A18  
Action Requested: Add one full time Mental Health Community Support Worker II (VQVB) in the Health Services Department  
- Central Adult Mental Health Clinic.

Proposed Effective Date: 3/22/2017

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$77,857.63 Net County Cost \$0.00  
Total this FY \$19,464.41 N.C.C. this FY \$0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Mental Health Services Act

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Melissa Carofanello

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

3/21/2017

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.

\_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

3/21/2017

Approve Recommendation of Director of Human Resources

Disapprove Recommendation of Director of Human Resources

Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 3/21/2017

No. \_\_\_\_\_

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project:      Start Date \_\_\_\_\_      End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services  
Date: March 28, 2017

Subject: Add one Health Services Administrator Level C and cancel one Development Center Director in Health Services Department

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 22049 to add one Health Service Administrator Level C (VANH) position at salary level ZB2 - 1723 (\$6,567 - \$7,616) and cancel vacant Development Center Director (VBGA) position #8749 at salary level ZB5-1759 (\$6,606 - \$8,029) in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, there is an annual cost of approximately \$6,656, which includes estimated pension costs of \$1,607. The entire cost will be completely offset with Whole Person Care Pilot Program revenues. (100% Whole Person Care Pilot Program)

**BACKGROUND:**

The Health Services Department is requesting to cancel one Development Center Director and add one Health Services Administrator Level C. The newly created Health Services Administrator Level C position would plan, coordinate and direct the administrative operations, including personnel and budget activities, as well as develop policies and procedures for the Public Health Division Administration. Health Services Department has determined the more appropriate classification to perform the duties and responsibilities associated with the management and administration of the Public Health Division Administration would be better suited with the classification of Health Services Administrator Level C.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Melissa Carofanello -  
925-957-5248

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Health Services Department will not have the appropriate classification and level of staffing for its Public Health Division's Administration.

ATTACHMENTS

P300 No. 22049 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 22049  
DATE 3/8/2017

Department HEALTH SERVICES Department No./  
Budget Unit No. 0450 Org No. 5761 Agency No. A18

Action Requested: Add Health Services Administrator - Level C (VANH) position and cancel one Development Center Director (VBGA) position #8749 in the Health Services Department.

Proposed Effective Date: 3/29/2017

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$6,656.10 Net County Cost \$0.00  
Total this FY \$2,218.70 N.C.C. this FY \$0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Whole Person Care grant funds

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Melissa Carofanello

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

3/21/2017

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

3/21/2017

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 3/21/2017

No. \_\_\_\_\_

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: Lease - 2380 Bisso Lane, Concord – Health Services Department – Information Technology Division

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease with RIO Properties I, LLC, for 14,041 square feet of rentable office space for the Health Services Department – Information Technology Division, at 2380 Bisso Lane, Suite B in Concord, at an initial annual rent of \$264,528, for the first year with an annual increase thereafter, for a term of twelve years with one ten-year renewal term, under the terms and conditions set forth in the lease.

**FISCAL IMPACT:**

100% General Fund

**BACKGROUND:**

Health Services Department (HSD) has largely maximized the utilization of its current data center at 595 Center Avenue in Martinez. HSD needs additional data center space for its Information Technology Division in Central County. The new lease on Bisso Lane will provide adequate space for future growth of these functions. This lease will also consolidate staff from

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Julin Perez-Berntsen,  
(925) 313-2010

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

multiple locations into an adequately sized central facility.

RIO Properties (Lessor) is responsible for constructing the tenant improvements in the premises for the County. Lessor is also providing the County with a \$30 per-square-foot allowance for tenant improvements. The County is responsible for the cost of tenant improvements in excess of that amount.

CONSEQUENCE OF NEGATIVE ACTION:

If this lease is not approved, the Health Services Department – Information Technology Division will continue to operate from multiple locations, and the County will incur additional expenses in finding a new location.

ATTACHMENTS

Placeholder Draft Lease 2380 Bisso Ln, Concord

Placeholder Draft Work Letter 2380 Bisso Ln, Concord

## LEASE

Health Services Department  
Technology Division  
2380 Bisso Lane, Suite B,  
Concord, California

This lease is dated \_\_\_\_\_, 2017 and is between RIO Properties I, LLC, a California limited liability company (“**Lessor**”) and the County of Contra Costa, a political subdivision of the State of California (“**County**”).

### **Recitals**

- A. Lessor is the owner of that certain premises located at 2380 Bisso Lane, Concord, California, as more particularly described in Exhibit A – Legal Description (the “**Property**”). The Property is improved with an office building (the “**Building**”).
- B. Lessor desires to lease to County and County desires to lease from Lessor a portion of the Building consisting of approximately 14,041 square feet of floor space known as Suite B (the “**Premises**”), along with the non-exclusive use of 56 parking stalls.
- C. Simultaneous with the execution of this lease, Lessor and County are entering into a work letter that sets forth how tenant improvements in the Premises are to be constructed, who will undertake the construction of the tenant improvements, who will pay for the construction of the tenant improvements, and the time schedule for completion of the construction of the tenant improvements (the “**Work Letter**”). The Work Letter is part of this lease.

The parties therefore agree as follows:

### **Agreement**

- 1. Lease of Premises. In consideration of the rents and subject to the terms herein set forth, Lessor hereby leases to County and County hereby leases from Lessor, the Premises.
- 2. Term. The “**Term**” of this lease is comprised of an Initial Term and, at County’s election, Renewal Terms, each as defined below.
  - a. Initial Term. The “**Initial Term**” is fourteen years, commencing on the Commencement Date, as defined in the Work Letter.
  - b. Renewal Terms. County has one option to renew this lease for a term of ten years (“**Renewal Term**”) upon all the terms and conditions set forth herein.

- i. County will provide Lessor with written notice of its election to renew the Lease not more than twelve months and no less than nine months prior to the end of the Initial Term. However, if County fails to provide such notice, its right to renew the Lease will not expire until fifteen working days after County's receipt of Lessor's written demand that County exercise or forfeit the option to renew.
- ii. Upon the commencement of the Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this Section.
- iii. The County's right to renew this lease is personal to the County and may not be exercised by or assigned to any person or entity that is not governed by the Contra Costa County Board of Supervisors. The County may not exercise its right to renew this lease if, at the time the County exercises the renewal option, the County is in material default of this lease after the expiration of the applicable cure period.

3. Rent.

- a. Initial Term. County shall pay rent ("**Rent**") to Lessor monthly in advance beginning on the Commencement Date. Rent is payable on the first day of each month during the Initial Term and, if applicable, the Renewal Term, in the amounts set forth below:

<u>Months</u>	<u>Monthly Rent</u>
1 - 12	\$22,044
13 - 24	\$22,706
25 - 36	\$23,387
37 - 48	\$24,088
49 - 60	\$24,811
61 - 72	\$25,555
73 - 84	\$26,322
85 - 96	\$27,112
97 - 108	\$27,925
109 - 120	\$28,763
121 - 132	\$29,626
133 - 144	\$30,515
145 - 156	\$31,430
157 - 168	\$32,373

- b. Renewal Term. During the Renewal Term, County shall pay rent in an amount equal to the then-current fair market rental value of the property (the "**FMV**"). As soon as practicable following delivery of the County's renewal notice, County and Lessor shall meet and endeavor in good faith to agree on the FMV. If County and Lessor fail to agree within thirty (30) days of delivery of the renewal notice, then Lessor and County shall each appoint an appraiser with at least five (5) years' full-time commercial real estate appraisal experience in the area to opine as to the FMV of the Premises. Lessor and County shall each bear the cost

of their own appraiser. Lessor and County shall request that the appraisers provide written reports setting forth their opinions within fifteen (15) days after being given the assignment. As soon as practicable after receipt of the appraisals, Lessor and County shall meet and, again, endeavor in good faith to agree on the FMV.

If Lessor and County are unable to agree on the FMV within thirty (30) days after receipt of the appraisals, (i) County may rescind the renewal notice, or (ii) with Lessor's concurrence, County may extend the Initial Term for three (3) months (such extension, the "**Extended Initial Term**"). County will pay Rent during the Extended Initial Term at the same rate that applied immediately prior to the Extended Initial Term. If at the end of the Extended Initial Term, Lessor and County have failed to agree on the FMV, County may rescind the renewal notice and the lease will expire at the end of the Extended Initial Term.

- c. Fractional Month. Rent for any fractional month will be prorated and computed on a daily basis with each day's rent equal to one-thirtieth (1/30) of the monthly Rent.
- d. Late Payment. The County acknowledges that the late payment of Rent by the County will cause Lessor to incur costs not contemplated by this lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting expenses and late charges that may be imposed on Lessor by a lender. Accordingly if Rent is not received by Lessor within ten (10) business days after written notice from Lessor to the County that the unpaid Rent is due, then, without any requirement for any further notice to the County, the County shall immediately pay to Lessor a one-time late charge equal to 5% of the unpaid Rent. The parties agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of the late charge by Lessor does not constitute a waiver of the County's default or breach with respect to overdue amount or prevent the exercise of any other rights and remedies granted hereunder. In addition, any monetary payment due Lessor hereunder, other than late charges, that is not paid within ten (10) business days following written notice from Lessor to the County that such payment is due, will bear interest from its due date, as to scheduled payments, or the 31<sup>st</sup> day after it was due, as to non-scheduled payments. Interest is to be computed at the lessor of 5% per annum and the maximum rate allowed by law.
- e. Rent Adjustment. If the actual cost of Tenant Improvements (as defined in the Work Letter) exceeds the Allowance (as defined in the Work Letter), Rent over the ten-year period that follows the final installation of the Tenant Improvements will be adjusted upward by an amount equal to the Rental Increase. The "**Rental Increase**" is an amount equal to the amount by which the cost of the Tenant Improvements exceeds the Allowance (the "**Excess Cost**") multiplied by .0116108. For example, if the Excess Cost is \$100,000, the amount by which Rent would increase over the relevant ten-year period is \$1,161.08 (\$100,000 x .0116108). The Rental Increase shall be terminated at the end of the ten-year period, and Rent will be payable in the amount set forth in paragraph 3.a.

The Lessor and County will acknowledge in writing upon the Commencement Date the amount of the Rental Increase as stated in this section.

4. CAM Charges. In addition to the rent set forth above, County shall pay Lessor the County's Proportionate Share of CAM Charges. The terms "**Proportionate Share**" and "**CAM Charges**" are defined below. Lessor shall invoice County for any CAM Charges within ninety days after the end of each calendar year during the Term. County shall pay the amount so invoiced within thirty days of receipt of the invoice. County has the right, exercisable upon reasonable prior written notice to Lessor, to inspect Lessor's books and records relating to the amounts charged to County as CAM Charges. County may not withhold payment of the invoice until after the completion of such inspection.
- a. "**Proportionate Share**" means the ratio, expressed as a percentage, of the square feet of the Premises to the total square footage of the Building. As of the date of this Lease, the parties estimate that County's Proportionate Share of the Building is 33.05%
  - b. "**CAM Charges**" means common area maintenance charges and includes (i) all actual costs and expenses incurred by Lessor to operate and maintain those areas within the Building, including the Building's entrances, walkways, sidewalks, lavatories, drives, parking facilities, fire or life safety systems for the premises, and other areas that are not leased or held for lease but are within or contiguous to or serving the Building and are necessary or desirable for County's full use and enjoyment of the Premises (the "**Common Area**"), to repair Common Area facilities when reasonably required, to clean and remove trash from the Common Area and to provide security services to the Common Area, (ii) all actual costs and expenses incurred by Lessor to maintain and repair all common areas, parking lots, sidewalks, driveways, all landscaped areas, and other areas that are used in common by the tenants or occupants of the Building, (iii) Insurance, as defined below, (iv) Real Property Taxes, as defined below, and (v) an administrative fee for services rendered by a third party manager that is equal to no more than two percent of the total Rent.
    - i. "**Insurance**" means the All Risk Property Insurance maintained by Lessor covering the Building and the Warehouse and all improvements thereto for perils including fire and earthquake, if applicable, for an amount equal to full replacement cost; liability and other insurance that Lessor reasonably deems necessary on the Premises or that may be required by Lessor's mortgagee, including, but not limited to, earthquake, and flood insurance.
    - ii. "**Real Property Taxes**" means and includes all taxes, assessments (amortized over the longest period available to Lessor) levied or assessed upon the Building and the real property upon which it is situated, any state or local business taxes or fees measured by or assessed upon gross rentals or receipts, and other governmental charges, general and special, including, without limitation, assessments for public improvements or benefits, that are, during the Term of this Lease, assessed, levied, and imposed by any governmental authority upon the Building. Real Property Taxes do not include any late fees or penalties, any municipal, county, state or federal net income, estate, succession, inheritance, sales, use or franchise taxes of Lessor.

Notwithstanding any provision of this Lease to the contrary, Lessor and County acknowledge and agree that the following items are excluded from CAM Charges:

- i. Payments on any loans or ground leases affecting the Building.

- ii. Depreciation of any Building or any major systems of Building service equipment.
- iii. All costs and expenses associated with leasing to other tenants, including tenant improvements allowances, attorneys' fees, brokerage commissions, and architectural fees, if any.
- iv. Any cost incurred in complying with hazardous materials laws.
- v. Capital taxes, income taxes, corporate taxes, corporation capital taxes, excise taxes, profits taxes or other taxes personal to the Lessor.

5. Payment of CAM Charges.

- a. Annual Estimates. At the beginning of each year, Lessor shall provide County with a reasonable estimate of the amount of CAM Charges due for the upcoming year (or portion thereof). That amount will be divided by the number of months in the year (or portion thereof) to determine the “**Estimated Monthly CAM Charges.**”
- b. Monthly Payments. County shall pay the Estimated Monthly CAM Charges monthly in advance on the first day of each month. CAM charges for any fractional month will be prorated and computed on a daily basis with each day's CAM Charges equal to one-thirtieth (1/30) of the then-current CAM Charges.
- c. Annual Reconciliation. Within 180 days after the end of the calendar year, or, if applicable, within 180 days after the end of the term, Lessor shall (i) calculate the actual CAM Charges due for the relevant period, and (ii) provide County with a statement that compares the actual expenses incurred by Lessor for the relevant period with the total payments of Estimated Monthly CAM Charges paid by the County during such period (a “**Reconciliation Statement**”). If County's total payments of Estimated Monthly CAM Charges for the period are less than the amount of actual expenses incurred by Lessor, County shall pay to Lessor the amount of such deficiency within 30 days after receipt of the Reconciliation Statement. If County's total payments of Estimated Monthly CAM Charges for such period exceed actual expenses incurred by Lessor for such period, Lessor shall refund the excess to County within 30 days after the County's demand therefor.
- d. Inspection of Books. County has the right to inspect and audit Lessor's books and records relating to the amounts charged to County as CAM Charges and to set forth specific objections to amounts charged to County. If the County's inspection and audit reveals the County was overcharged for CAM Charges, Lessor shall remit the amount overcharged to County with interest at a rate of one percent (1.0 %) per month from the date of overpayment until the date paid to County in full within 30 days of demand therefor. Lessor shall retain all relevant records for at least two years. County shall cause any such inspection to occur within eighteen months of receipt of the Reconciliation Statement. County may not cause such inspection to occur more than once in any twelve month period. In no event may this section be deemed to allow any review of Lessor's records by any subtenant of County. County may not withhold payment of the invoice until after the completion of such inspection.

- e. Initial Estimate. For the period beginning on the Commencement Date and continuing through December 31, 2017, Lessor has determined the Estimated Monthly CAM Charges to be \$3,512.16. Subject to the terms of this lease, County shall pay such amount to Lessor beginning on the Commencement Date and continuing through December 31, 2017.
- 6. Use. County may use the Premises for the purpose of conducting various functions of County and any other purpose permitted by law.
- 7. Obligation to Pay Utilities and Janitorial Service. If the Premises are separately metered, County shall contract with utility providers and pay for all gas and electric service provided to the Premises; otherwise, County shall pay for all gas and electricity as reasonably determined by Lessor using a methodology approved by County. County shall pay for such utilities within ten (10) business days of receipt of an invoice from Lessor. County shall contract separately for janitorial and trash collection services provided to the Premises. Lessor shall pay for all water and sewer services provided to the Premises.
- 8. Maintenance and Repairs. Lessor shall include the cost of all maintenance and repairs provided by Lessor in the Estimated Monthly CAM Charges. County shall reimburse Lessor for such costs in accordance with Section 5 – Payment of CAM Charges.
  - a. Roof and Exterior of Premises. Lessor shall keep the roof and exterior of the Premises in good order, condition, and repair, and shall maintain the structural integrity of the Building, including the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing. The County shall maintain all locks and key systems used in the Premises.
  - b. Interior of Premises. County shall keep and maintain the interior of the Premises in good order, condition and repair, but Lessor shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks and/or interior and exterior wall leaks. The County may install and maintain an alarm system, if deemed necessary by County. In the event that the necessity of repair is due to County's, or its invitees, negligence or willful misconduct, then County shall reimburse Lessor 100% of the costs incurred in the repair of such damage. Lessor, at its own cost and expense, without right of reimbursement, shall repair any damage to the interior of the Premises arising from Lessor's negligence or willful misconduct.

Subject to Lessor delivering the Premises to County in accordance with the Work Letter, on and after the Commencement Date, County is responsible for the cost of maintaining the Premises in compliance with all code requirements, including but not limited to the Americans with Disabilities Act.

- c. Utilities. Lessor shall repair and maintain the electrical, lighting, water and plumbing systems in good order, condition and repair.
- d. HVAC. Lessor shall maintain and repair the heating, ventilating, and air-conditioning (HVAC) systems.

- e. Parking; Exterior Lighting; Landscaping. Lessor shall maintain the parking lot and exterior lighting system, and landscaping, in good order, condition and repair.
  - f. Generator and Battery Room. Lessor warrants that the existing generator in the building will be operable and functioning on the Commencement Date and during the Term of this lease. Lessor warrants that the existing battery room, which houses the batteries that provide backup power to the data room in the building, will be operable and functioning on the Commencement Date and during the Term of the lease. Lessor shall maintain and repair the generator and battery room as needed.
  - g. Services by Lessor. If County determines that the Premises are in need of maintenance, construction, remodeling or similar service that is beyond Lessor's responsibilities under this lease, at County's request, Lessor shall perform such service at County's expense. In performing the service, Lessor shall consult with County and use either licensed insured contractors or employees of Lessor. Lessor shall obtain County's prior written approval of the scope, terms, and cost of any contracts. County may, by giving Lessor thirty (30) days prior written notice, change the level of service, terminate any or all service, or require that a service be performed by a different contractor.
9. Quiet Enjoyment. Provided County is in compliance with the material terms of this lease, Lessor shall warrant and defend County in the quiet enjoyment and possession of the Premises during the Term.
10. Subordination, Non-Disturbance and Attornment. If at any time Lessor has a loan that is secured by a lien of a mortgage or deed of trust encumbering the Building, Lessor shall cause the lender(s) holding such lien to execute and deliver to County a Subordination, Non-Disturbance and Attornment Agreement that is in substantial conformity with Exhibit B hereto.
11. Assignment and Sublease. County has the right to assign this lease or sublease the Premises or any part thereof at any time during the Term with the written approval of Lessor, which approval will not be unreasonably withheld or delayed.
12. Alterations; Fixtures and Signs. County may (i) make any lawful and proper minor alterations to the Premises and (ii) attach fixtures and signs ("**County Fixtures**") in or upon the Premises. Any County Fixtures will remain the property of County and may be removed from the Premises by County at any time during the Term. County is responsible for the cost of all alterations and County Fixtures. All alterations and County Fixtures are subject to Lessor's approval and must comply with existing code requirements.
13. Prior Possession. Prior to the Commencement Date, County has the right to install fixtures, telephones, alarm systems, and other items required to prepare the Premises for County's occupancy and to store furniture, supplies and equipment, provided such work and storage and can be effected without unduly interfering with Lessor's completion of any tenant improvements.
14. Insurance.

- a. Liability Insurance. Throughout the Term, County shall maintain in full force and effect, at its sole expense, a general self-insurance program covering bodily injury (including death), personal injury, and property damage, including loss of use. County shall provide Lessor with a letter of self-insurance affirming the existence of the aforementioned self-insurance program.
  - b. Self-Insurance Exclusion. County's self-insurance does not provide coverage for (i) areas to be maintained by Lessor under this lease, or (ii) negligence, willful misconduct, or other intentional act, error or omission of Lessor, its officers, agents, or employees.
15. Surrender of Premises. On the last day of the Term, or sooner termination of this lease, County shall peaceably and quietly leave and surrender to Lessor the Premises, along with appurtenances and fixtures at the Premises (except County Fixtures), all in good condition, ordinary wear and tear, damage by casualty, condemnation, acts of God and Lessor's failure to make repairs required of Lessor excepted. County is not responsible for painting or for repairing or replacing any floor coverings in the Premises upon the expiration or earlier termination of this lease.
  16. Waste, Nuisance. County may not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the Building.
  17. Inspection. Lessor, or its proper representative or contractor, may enter the Premises by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to determine that (i) the Premises is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and (iii) County is in compliance with the terms and conditions of this lease.
  18. Perilous Conditions. If the County's Director of Public Works becomes aware of a perilous condition on the Premises that, in his or her opinion, substantially and significantly threatens the health and safety of County employees and/or invitees (a "**Perilous Condition**"), the Director of Public Works, or his or her designee, will immediately notify Lessor of such Perilous Condition and Lessor shall use best efforts to immediately eliminate the Perilous Condition.

Lessor shall immediately address any condition reasonably constituting an emergency, whether Lessor learns of the condition through County or otherwise.

If Lessor fails to address a Perilous Condition within twenty-four (24) hours after County's notice or to immediately address an emergency situation, County may attempt to resolve the Perilous Condition or emergency situation. Lessor shall reimburse County for any costs incurred by County in addressing the Perilous Condition or emergency situation promptly upon receipt of County's invoice.

19. Destruction. If damage occurs that causes a partial destruction of the Premises during the Term from any cause and repairs can be made within ninety days from the date of the damage under the applicable laws and regulations of governmental authorities, Lessor shall repair the damage

promptly. Such partial destruction will not void this lease, except that County will be entitled to a proportionate reduction in Rent while such repairs are being made. The proportionate reduction in Rent will be calculated by multiplying Rent by a fraction, the numerator of which is the number of square feet that are unusable by County and the denominator of which is the total number of square feet in the Premises.

If repairs cannot be made in ninety days, County will have the option to terminate the lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph.

This lease will terminate in the event of a total destruction of the Building or the Premises.

20. Hazardous Material. Except as otherwise disclosed to County in writing prior to the execution of this lease, Lessor warrants to County, that Lessor does not have any knowledge of the presence of Hazardous Material (as defined below) or contamination of the Building or Premises in violation of environmental laws. Lessor shall defend, save, protect and hold County harmless from any loss arising out of the presence of any Hazardous Material on the Premises that was not brought to the Premises by or at the request of County, its agents, contractors, invitees or employees. Lessor acknowledges and agrees that County has no obligation to clean up or remediate, or contribute to the cost of clean up or remediation, of any Hazardous Material unless such Hazardous Material is released, discharged or spilled on or about the Premises by County or any of its agents, employees, contractors, invitees or other representatives. The obligations of this Section shall survive the expiration or earlier termination of this lease.

**“Hazardous Material”** means any substance, material or waste, including lead based paint, asbestos and petroleum (including crude oil or any fraction thereof), that is or becomes designated as a hazardous substance, hazardous waste, hazardous material, toxic substance, or toxic material under any federal, state or local law, regulation, or ordinance.

21. Indemnification.
- a. County. County shall defend, indemnify and hold Lessor harmless from County’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors, or omissions of County, its officers, agents or employees in using the Premises pursuant to this lease, or the County’s performance under this lease, except to the extent caused or contributed to by (i) the structural, mechanical, or other failure of buildings owned or maintained by Lessor, and/or (ii) the negligent acts, errors, or omissions of Lessor, its officers, agents, or employees.
  - b. Lessor. Lessor shall defend, indemnify and hold County harmless from Lessor’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors or omissions of Lessor, its officers, agents, employees, with respect to the Premises, or Lessor’s performance under this lease, or the Lessor’s performance, delivery or supervision of services at the Premises, or by the structural, mechanical or other failure of

buildings owned or maintained by Lessor, except to the extent caused or contributed to by the negligent acts, errors, or omissions of County, its officers, agents, or employees.

22. Default.

The occurrence of any of the following events is a default under this lease:

a. County.

- i. County's failure to pay Rent within ten business days after receipt of a written notice of failure (a "Notice") from Lessor to County; provided, however, that County will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the County's Board of Supervisors to adopt a budget. In no event may such additional time exceed seventy-five days from receipt of a Notice.
- ii. County's failure to comply with any other material term or provision of this lease if such failure is not remedied within thirty days after receipt of a Notice from Lessor to County specifying the nature of the breach in reasonably sufficient detail; provided, however, if such default cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of County's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of ninety days, provided County commences curing such default within thirty days and thereafter diligently proceeds to cure such default.

b. Lessor.

- i. Lessor's failure to complete the Tenant Improvements in accordance with the Work Letter.
- ii. Lessor's failure to perform any other obligation under this lease if such failure is not remedied within thirty days after receipt of a Notice from County to Lessor specifying the nature of the breach in reasonably sufficient detail; provided, however, if such breach cannot reasonably be remedied within such thirty-day period, then a default will not be deemed to occur until the occurrence of Lessor's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of ninety days, provided Lessor commences curing such breach within thirty days and thereafter diligently proceeds to cure such breach.

23. Remedies.

- a. Lessor. Upon the occurrence of a default by County, Lessor may, after giving County written notice of the default, and in accordance with due process of law, reenter and repossess the Premises and remove all persons and property from the Premises.

b. County. If Lessor fails to complete the Tenant Improvements in accordance with the Work Letter, County may terminate this lease by giving written notice to Lessor with no cost or obligation to County. Such termination is effective on the effective date of the written notice. Upon the occurrence of any other default by Lessor, County may (i) terminate this lease by giving written notice to Lessor and quit the Premises without further cost or obligation to County, or (ii) proceed to repair or correct the failure and, at County's option, either deduct the cost thereof from Rent due to Lessor, or invoice Lessor for the cost of repair, which invoice Lessor shall pay in full promptly upon receipt.

24. Notices. Any notice required or permitted under this lease shall be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

To Lessor: RIO Properties I, LLC  
14 Orinda Way  
Orinda, CA 94563

To County: Contra Costa County  
Public Works Department  
Attn: Principal Real Property Agent  
255 Glacier Drive  
Martinez, CA 94553

Either party may designate a substitute address for that set forth above, in writing, at any time, and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three days after being deposited in the United States Postal system.

25. Successors and Assigns. This lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
26. Holding Over. Any holding over after the Term of this lease is a tenancy from month to month and is subject to the terms of this lease, except the County will pay Rent equal to 125% of the Rent for the period immediately preceding the holdover.
27. Time is of the Essence. In fulfilling all terms and conditions of this lease, time is of the essence.
28. Governing Law. The laws of the State of California govern all matters arising out of this lease.
29. Severability. In the event that any provision herein contained is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this lease will not in any way be affected or impaired.
30. Real Estate Commission. In negotiating this lease, Lessor is represented by Jones Lang LaSalle Brokerage, Inc. ("JLL") and the County represents itself. Lessor shall pay a real estate

commission to JLL pursuant to a separate written agreement. Lessor recognizes and acknowledges that the County is entitled to a real estate commission when it represents itself. The County warrants to Lessor that County's contact with Lessor in connection with this Lease has been directly with JLL.

Lessor shall pay to County a real estate commission in the amount of Forty-One Thousand One Hundred Five and  $.75/100$  Dollars (\$41,105.75) (the "**County Commission**"). Lessor shall pay one-half of the County Commission upon the execution of this lease and the remainder on the Lease Commencement Date.

31. Recording. The parties shall execute and record a Memorandum of Lease in substantial conformity with Exhibit C, in lieu of recording the entire lease. Upon the expiration or earlier termination of this lease, County shall execute a Memorandum of Lease Termination or Quitclaim Deed discharging any recording made pursuant to this Section 31.
32. Offer. Preparation of the lease and submission of same to the County shall not be deemed an offer to lease to the County. This lease is not intended to be binding until executed and delivered by all parties hereto.

[Remainder of Page Intentionally Left Blank]

33. Entire Agreement; Construction; Modification. Neither party has relied on any promise or representation not contained in this lease or the Work Letter. All previous conversations, negotiations, and understandings are of no further force or effect. This lease is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. This lease may be modified only by a writing signed by both parties.

The parties are executing this lease on the date set forth in the introductory paragraph.

COUNTY OF CONTRA COSTA, a  
political subdivision of the State of  
California

RIO Properties I, LLC, a  
California limited liability company

By: \_\_\_\_\_  
Julia R. Bueren  
Director of Public Works

By: \_\_\_\_\_  
Christopher L. Paulson  
Authorized Member

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Karen Laws  
Principal Real Property Agent

By: \_\_\_\_\_  
Julin Perez-Berntsen  
Associate Real Property Agent

APPROVED AS TO FORM  
SHARON L. ANDERSON, COUNTY COUNSEL

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel

## WORK LETTER

Health Services Department  
Technology Division  
2380 Bisso Lane, Suite B,  
Concord, California

\_\_\_\_\_, 2017

This work letter (“**Work Letter**”) is part of the lease (“**Lease**”) executed concurrently herewith between RIO PROPERTIES I, LLC (“**Lessor**”), and the COUNTY OF CONTRA COSTA, (“**County**”) under which the County is leasing real property situated in Concord, California, as more particularly described in the Lease.

Lessor and County mutually agree as follows:

1. Terms. All capitalized terms not defined herein have the meanings ascribed to them in the Lease. The provisions of this Work Letter supplement the Lease and are specifically subject to the provisions of the Lease. If there is a conflict between the provisions of the Lease and the provisions of this Work Letter, the provisions of the Lease control. Whenever the approval of County is required hereunder, approval is required of the County’s Director of Public Works or her designee (the “**County Representative**”).
2. Lessor's Representation and Warranties. Lessor represents and warrants to County that Lessor is the owner of the Property, and the Property is presently zoned to permit its use for the purposes contemplated by this Work Letter and the Lease and is free of any covenants, restrictions and other encumbrances. In addition, Lessor represents and warrants that the individuals signing this Work Letter on behalf of Lessor are authorized to do so.

Lessor covenants and agrees that it will cause the Substantial Completion Date, as defined below, to occur no later than June 30, 2017.

3. Base Building Work. Lessor has constructed the Building’s shell and core (collectively, the “**Base Building Work**”) at Lessor’s cost and expense. The Base Building Work includes, but is not limited to, the following elements of the Building: (a) concrete floors (without floor coverings), (b) finished perimeter walls (including windows, window frames, window blinds, and doors), (c) finished ceilings, including lights and light fixtures, (d) finished restrooms, (e) closets for telephone and electrical systems (but not the telephone systems themselves), (f) Building mechanical, electrical, and plumbing systems within the Building core only, (g) interior core walls, (h) fire alarms and fire suppression systems on each floor of the Building, (i) all items necessary for the Building

to satisfy the provisions of the Americans with Disabilities Act, including, without limitation, washrooms, elevators, drinking fountains, and the parking area, (j) all code-required items relating to the other elements of the Base Building Work, such as exit signs, speakers, fire doors, and any other life-safety support system for each floor, and (k) dry wall and tape of interior columns.

4. **Tenant Improvements.** Subject to the conditions set forth below, Lessor shall construct and install the improvements to the Premises that are described on Schedule 1 attached hereto and incorporated herein (the “**Tenant Improvements**”) in accordance with (i) the Space Plans, as defined below, (ii) the Construction Schedule, attached hereto as Schedule 3 – Construction Schedule, and (iii) the Final Plans, as defined below. As discussed in more detail in Section 14 – Tenant’s Work, any item of work not shown in the Final Plans, including, for example, telephone and data service or furnishings (“**Tenant’s Work**”) is to be performed at County’s expense by County, or, if requested by County, Lessor (“**Tenant’s Work**”). The Lessor may not charge an administrative fee in connection with Tenant’s Work.

For purposes of this Work Letter, “**Construction Schedule**” means the schedule that (i) has been agreed upon by Lessor and County, (ii) identifies the work to be accomplished to complete the Tenant Improvements and the sequence of that work, and (iii) sets forth the dates by which certain components of the work must be completed.

5. **Build Out Allowance.** Lessor shall provide County with an allowance in an amount equal to Four Hundred Twenty One Thousand Two Hundred Thirty and no/100 Dollars (\$421,230.00) (the “**Allowance**”). The County may use the Allowance for fees and costs connected with the Tenant Improvements that are approved by the County Representative, including, but not limited to: architect and design fees, hard construction costs, demolition fees, contractor fees, engineering fees, the cost of plans and permits obtained in connection with the Tenant Improvements, and the cost of the batteries in the battery room. Any portion of the Allowance not required to complete the Tenant Improvements in accordance with the final plans referred to below is the property of the Lessor; provided, however, if the cost of the Tenant Improvements is less than the Allowance, the Rent over the Initial Term will be adjusted downward to reflect the actual cost of the Tenant Improvements. To the extent that the actual cost of the Tenant Improvements exceeds the Allowance, the Rent paid by the County will increase in accordance with Section 3.e. of the Lease.
6. **Contractor.** Lessor shall use a competitive bid package approved by the County to select a contractor that is acceptable to the County (the “**Contractor**”) to construct the Tenant Improvements. Lessor shall provide a copy of all proposals and bids related to the construction of the Tenant Improvements to County. Lessor shall permit County to participate in any meetings between Lessor and potential contractors that precede the award of a contract. Lessor shall cause Contractor to obtain all licenses and permits

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necessary to effect the construction of the Tenant Improvements and, upon completion of the Tenant Improvements, any required occupancy permits.

7. Design and Construction.

Lessor shall provide all architectural and engineering services necessary to construct the Tenant Improvements. Lessor shall hire and pay for the services of Studio Benavente Architects Inc. (“**Architect**”) to provide architectural services for the design and construction of Tenant Improvements. Lessor shall cause the Architect to assist and support County with furniture and equipment plans, as requested by County.

8. Plans.

- a. Except as otherwise provided in this Section 8, prior to the execution of the Lease, Lessor and County approved in writing space plans for the build-out of the Tenant Improvements and an estimate of the cost to design and/or construct the Tenant Improvements for the Premises that were prepared by Lessor or Lessor’s designated architect (the “**Space Plans**”). A copy of the Space Plans is attached hereto as Schedule 2.
- b. In the event that Lessor and County enter into the Lease prior to reaching agreement on the Space Plans, Lessor and County shall cooperate in good faith to finalize the Space Plans without delay. County shall fully cooperate by providing Lessor, its architects, engineers, and contractors with timely information and approvals of plans, drawings, and specifications. Any acts by County to delay or otherwise act negligently or in bad faith in approving the Space Plans and/or cooperating with Lessor in the design and construction of the Tenant Improvements will result in a Tenant Delay (as hereinafter defined) under this Work Letter. Upon agreement by Lessor and County on the Space Plans, a true and correct copy will be attached to this Work Letter as Schedule 2.
- c. Lessor shall pay from the Allowance all architectural and engineering fees and costs incurred in connection with the Tenant Improvements depicted on the Final Plans, as defined below, including architectural plans required to depict accessibility routes for the Building in general. Any and all architectural and engineering fees and costs incurred as a result of changes in the Final Plans requested by County will be County’s sole responsibility and paid for by County as additional rent within ten (10) days after receipt of invoices from Lessor showing that such additional fees or costs have been incurred.

9. Modifications to the Plans.

- a. Lessor and County acknowledge that the Space Plans may not depict certain structural elements of the Building and/or various elements of the Building systems that may necessitate modifications to the Space Plans and specifications for the Tenant Improvements (collectively “**Structural Modifications**”). Furthermore, any final plans and specifications for the construction of the Tenant Improvements may require modification to account for Applicable Laws and Restrictions. “**Applicable Laws and Restrictions**” means all laws (including, without limitation, the Americans with Disabilities Act), building codes, ordinances, regulations, title covenants, conditions, and restrictions, and casualty underwriters’ requirements applicable to the Premises and the Tenant Improvements. Within sixty days after the date of the Lease, Lessor shall cause to be prepared final plans and specifications in substantial conformity with the Space Plans, taking into account (i) Structural Modifications, (ii) the requirements of the Applicable Laws and Restrictions, (iii) other modifications resulting from physical constraints of the Premises, and (iv) modifications requested by County and consented to by Lessor, which consent may not be unreasonably withheld (the “**Final Plans**”). Once completed, the Final Plans will be attached to this Work Letter as Schedule 4.
  - b. Any and all modifications of, or amendments to, the Space Plans and the Final Plans (including all working drawings and other supplements thereto, but excluding immaterial field changes and Structural Modifications), are subject to the prior written approval of County. Material "or equal" items or substitute items provided for in the specifications forming part of the Final Plans are subject to the prior written approval of County, which approval may not be unreasonably withheld or delayed. Samples of such “or equal” or substitute materials, together with any additional supplemental information that may be necessary for County's review, are to be submitted to County in a timely manner.
10. Inspections. The County and its representatives may enter the Premises at all reasonable times upon reasonable advance notice to Lessor for the purpose of inspecting the progress of construction of the Tenant Improvements.
11. Compliance with Laws; Standards of Performance. Lessor, at its expense and chargeable to the Allowance, shall (i) obtain all approvals, permits and other consents required to commence, perform and complete the Tenant Improvements, and, if applicable, shall deliver a certificate of occupancy to County, and (ii) cause the Tenant Improvements to be constructed in accordance with the following performance standards: the Tenant Improvements are to be constructed by well-trained, adequately supervised workers, in good and workmanlike manner, free from design, material and workmanship defects in accordance with the Final Plans and all Applicable Laws and Restrictions (the “**Performance Standards**”). Lessor warrants that all Tenant Improvements shall be constructed in accordance with the Performance Standards. Notwithstanding anything to

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the contrary in the Lease or this Work Letter, County's acceptance of possession of the Premises does not waive this warranty and Lessor shall promptly remedy all violations of the warranty at its sole cost and expense.

12. Completion Notice; Inspection; Substantial Completion Date.

- a. When Lessor deems construction of the Tenant Improvements to be Substantially Complete, as defined below, Lessor shall tender delivery to County by delivering a "**Completion Notice**" in substantial conformity with Schedule 5. For purposes of this Work Letter, the phrase "**Substantially Complete**" means (i) construction of the Tenant Improvements has been substantially completed in accordance with the Performance Standards, (ii) there is no incomplete or defective work that unreasonably interferes with County's use of the Premises, (iii) all necessary government approvals for legal occupancy of the Tenant Improvements have been obtained (including, if applicable, a Certificate of Occupancy), and (iv) all utilities are hooked up and available for use by County in the Premises.
- b. Upon receipt of the Completion Notice, a representative of the County, a representative of Lessor, and the Architect will immediately inspect the Tenant Improvements for the purpose of establishing that the Tenant Improvements are Substantially Complete. Once County and the Architect are satisfied that the Tenant Improvements appear to be Substantially Complete, both shall so indicate by countersigning the Completion Notice. The Premises will be deemed delivered to County on the day that both County and the Architect have countersigned the Completion Notice (the "**Commencement Date**" and the "**Substantial Completion Date**").

13. Delay. The Commencement Date will be delayed by one day for each day of delay in the design or completion, of the Tenant Improvements that is caused by a Lessor Delay, as defined below. The Commencement Date will not be delayed due to a County Delay, as defined below. No Lessor Delay or County Delay will be deemed to have occurred unless and until the party claiming the delay provides written notice to the other party specifying the action or inaction that constitutes a Lessor Delay, or County Delay, as applicable. If such action or inaction is not cured within one day after receipt of the notice, then a Lessor Delay, or County Delay, as set forth in the notice, will be deemed to have occurred commencing as of the date the notice is received and continuing for the number days the design or completion of the Tenant Improvements is in fact delayed as a direct result of such action, inaction or event.

- a. The term "**Lessor Delay**" means any actual delay in the design of the Final Plans or in the completion of Tenant Improvements that is caused solely by any of the following: (i) Lessor not responding to requests for authorization or approval within the time period provided for a response to such request or, if no such time is stated, beyond a reasonable time therefore, and (ii) the acts or failures to act, whether willful,

negligent, or otherwise, of Lessor, its agents, or contractors, to the extent contrary to the terms hereof.

- b. The term “**County Delay**” means any actual delay in the design and/or completion of Tenant Improvements that is caused solely by any of the following: (i) changes in the Space Plans or the Final Plans requested by County, (ii) the County not furnishing information or giving any approvals or authorizations within the time limits set forth for such performance in this Work Letter, or if no time is set forth for such performance in this Work Letter, then a reasonable time therefor, and (iii) the acts or failures to act, whether willful, negligent, or otherwise, of County, its agents, or contractors, to the extent contrary to the terms hereof.
14. Punchlist. County has thirty days from the Substantial Completion Date to provide Lessor with a written list of any items that are defective, incomplete, or do not conform to the Final Plans or to Applicable Laws and Restrictions (a “**Punchlist**”). County may augment the Punchlist at any time on or before ten days after the Substantial Completion Date. County’s failure to specify any item on the Punchlist, however, does not waive Lessor’s obligation to construct the Tenant Improvements in accordance with this Work Letter. Lessor shall remedy all items on the Punchlist as soon as practicable and in any event within thirty days of Lessor receiving the Punchlist. If Lessor fails to remedy all items on the Punchlist within the thirty-day period (except as to items, if any, that require more than thirty days to complete), then County may, upon twenty days prior notice to Lessor, complete any Punchlist items and deduct the cost of such work from the Rent next coming due under the Lease in an amount not to exceed twenty-five percent (25%) of the Rent per month for a period not to exceed six months.
  15. Tenant's Work.
    - a. Upon a timely request by County, Lessor shall perform the Tenant's Work through contractors selected by Lessor and approved by County. If Lessor performs the Tenant's Work, County shall reimburse Lessor for the full cost of the work upon receipt by County of receipted invoices for work performed or materials supplied. If County performs all or any portion of the Tenant's Work, Lessor shall allow County prompt and reasonable access to the Premises, provided, in Lessor's reasonable opinion, the Tenant’s Work can be performed by County without undue interference with the completion of the Tenant Improvements.
    - b. Lessor shall furnish water, electricity, adequate elevator service and HVAC to the Premises during the performance of any of Tenant's Work during normal working hours of the Tenant Improvement project, without charge to County.
  16. County’s Right to Terminate. County may terminate the Lease and this Work Letter by delivering a written termination notice to Lessor upon the occurrence of any of the following events:

- a. Lessor fails to execute a construction contract with a general contractor on or before February 1, 2017.
- b. A permit required for construction of the Tenant Improvements has not been issued on or before the last day for issuance of the permits specified in the Construction Schedule.
- c. Lessor fails to cause construction of the Tenant Improvements to commence on or before March 1, 2017.
- d. The Substantial Completion Date does not occur on or before the Scheduled Completion Date (as the same may be adjusted for County Delays in accordance with this Work Letter) and Lessor fails to Substantially Complete the Tenant Improvements on or before the ninety day after written notice by County to Lessor of its intent to terminate pursuant to this section.

17. Construction Period Insurance.

- a. Throughout the performance of the Tenant Improvements and the Tenant's Work, if the Tenant's Work is performed by Lessor, Lessor shall carry and shall cause all contractors and their subcontractors to carry the insurance set forth below covering all occurrences in or about the Building, and County shall be named as a party assured, together with the Lessor, contractor or subcontractor, as the case may be:
  - i. Workers' compensation insurance in statutory limits;
  - ii. Lessor: Commercial general liability insurance, including contractual liability, owners and contractors protective liability for a period of one year after substantial completion, with limits of not less than \$2,000,000 per occurrence;
  - iii. Contractors and Subcontractors: Commercial general liability insurance, including contractual liability, owners and contractors protective liability for a period of one year after substantial completion, with limits of not less than \$1,000,000 per person and \$1,000,000 per occurrence;
  - iv. Comprehensive automobile liability in minimum limits of \$500,000 for bodily injury or death to one person and \$1,000,000 for bodily injury or death in any one occurrence and \$500,000 per occurrence for property damage;
  - v. Employer's liability insurance in minimum limits of \$1,000,000 per occurrence for bodily injury or disease; and

- vi. Excess liability insurance over the insurance required by subsections (ii), (iii), (iv), and (v) of this section with combined, minimum coverage of \$2,000,000.
  - b. All insurance required by this Section 16 may be carried in whole or in part under a blanket policy (or policies). Lessor agrees to require each contractor and subcontractor to furnish Lessor with evidence reasonably satisfactory to Lessor of the maintenance of the required insurance coverage, with assurances that it will not be cancelled without fifteen days advance written notice to Lessor, and, in the case of blanket insurance, setting forth that the Building and the work with respect thereto is covered by the blanket policy and specifying the amount of coverage relating thereto. Upon the request of the County Representative, Lessor shall provide to the County Representative evidence of the maintenance of the required insurance coverage that is reasonably satisfactory to the County Representative.
18. Risk of Loss.
- a. If the Premises or any portion of the Tenant Improvements or Tenant's Work is damaged or destroyed prior to the Substantial Completion Date, County may terminate the Lease if, in the reasonable opinion of Architect, the Building cannot be restored and the Tenant Improvements Substantially Completed prior to 120 days after the Scheduled Completion Date. If the Lease is terminated pursuant to this section, Lessor shall cause its insurance to pay County an amount that is equal to the cost of constructing the Tenant's Work paid by County prior to the casualty.
  - b. If the Premises or the Tenant Improvements are damaged or destroyed prior to the Substantial Completion Date and the Lease is not terminated pursuant to this section, Lessor shall promptly and diligently cause its contractor to restore the Premises and complete construction of the Tenant Improvements.
19. Pre-Move-In Cleaning. Lessor shall clean and ventilate the Premises immediately prior to County moving into the Premises.
20. Move-In. Lessor shall make available to County on any weekday between the hours of 8:00 a.m. and 6:00 p.m. and, in addition, at County's request either on any three weekends between the hours of 6:00 p.m. on Friday and 8:00 a.m. on Monday or, in lieu of any one weekend, any four nights between the hours of 7:00 p.m. and 8:00 a.m., and the electricity and HVAC that County may reasonably require in connection with County's moving into the Premises. Lessor shall provide a qualified property management employee during County's move-in. County shall provide reasonable security at the Building in the event County moves into the Leased Premises at any time other than Normal Business Hours.

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21. Time of the Essence. Time is of the essence in fulfilling all terms and conditions of this Work Letter.

The parties are executing this Work Letter as of the date hereinabove set forth.

COUNTY OF CONTRA COSTA, a  
political subdivision of the State of  
California

RIO Properties I, LLC, a  
California limited liability company

By: \_\_\_\_\_  
Julia R. Bueren  
Director of Public Works

By: \_\_\_\_\_  
Christopher L. Paulson  
Authorized Member

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Karen Laws  
Principal Real Property Agent

By: \_\_\_\_\_  
Julin Perez-Berntsen  
Assistant Real Property Agent

APPROVED AS TO FORM  
SHARON L. ANDERSON, COUNTY COUNSEL

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel

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**SCHEDULE 1**

**TENANT IMPROVEMENTS**

**2380 Bisso Lane, Suite B, Concord, CA**

This project involves the renovation of approximately 13,008 square foot of rentable space, suite B located at 2380 Bisso Lane, Concord, California. The renovated facility will include private and open offices, meeting rooms, storage, filing rooms, server room, work areas, staff breakroom, restrooms and warehouse area. The Tenant Improvements scope of work includes upgrades to the existing mechanical, plumbing, fire protection lighting and electrical systems to comply with current California Building Code and Tenant requirements. New security, telecommunications, IT and fire alarm systems are part of the Tenant Improvements and are to conform to local and state standards.

Lessor shall pay for and provide the following items in the leased Premises, except as noted otherwise:

- **TBD As per final plans.**
- All electrical wiring and outlets for County's furniture including workstation, private offices, breakroom, printers/copiers, TV and computer monitors, storerooms, as noted on the Final Plans.
- Separate ADA restrooms for each gender as required per local and state code for all staff.
- The Premises must meet all federal, state, and local requirements, including provisions for ADA. Restroom floors and walls shall be ceramic tile.
- The entire interior of the Premises will be re-painted with colors determined by County. Any new carpet and linoleum will be in colors and patterns as determined by County, as noted on the Final Plans. Provide linoleum in breakroom and hallway leading to shipping area, large storage room. All other ancillary space floors will be vinyl composition tile (VCT) as noted on the Final Plans.
- All cabling services necessary to complete Tenant Improvements. County shall hire and pay for the services of a cable contractor (the "**Cable Contractor**"), and Cable Contractor will design drawings for all cabling to the Premises. All Systemax Category 6 ("**CAT 6**") plenum rated cabling and face-plates that support 568B, 1000Base-TX/1000Base-T/IEEE 802.3ab, and POE+/IEEE 802.3 at standards are required throughout the entire leased space for computer network connections, as shown on the

Final Plans. The Cabling Contractor will provide as built drawings for all data cabling. The County's cabling contractor must be certified by the manufacturer to install, test, and warranty the product installed. One telephone and four data cable runs and jacks will be required to each workstation, private office, and conference rooms, and office face plate, network printer, copiers, flat screen monitors, and any other computer-related network device and run back to the telecommunications and data room, as noted on the Final Plans. County's cable contractor will terminate all data jacks as required in the telecommunications and data room, and provide cable ends to end test results. The Cable Contractor will provide two dedicated quad NEMA5-20 outlets, one at the end of the data rack and one for County's Alarm Division. All cabling to be terminated on Systemax iPatch 360 panel with a single controller, and allow 2U of Rackspace between patch panels, and place a 1U wire manager below each patch panel.

- Integration Lab / data/ phone room with ¾" fire-rated painted plywood on two (2) walls and a single NEMA5-20 outlet. Lessor's Contractor will provide one dedicated single NEMA5-20 outlet, between the two data racks. A separate air conditioning supply system in the Integration Lab/ data / phone room as noted on the Final Plans, with a minimum 3-ton capacity unit, and that operates 24 hours per day, 7 days per week ("24/7"). 24/7 alarm monitoring service for the telecommunications and data room is required in the event of air conditioning failure, including a High-Low temperature alarm.
- Direct, securable access to the Main Point of Entry ("MPOE") for communication service to the Building.
- An AT&T-approved pathway to curb-side for the MPOE.
- Remove and replace, as and when determined by County, the batteries in the battery room that provide backup power to the data center in the building.
- Key card access control system for all exterior and interior doors as noted on the Final Plans. All electrical wiring for each key card access door will be installed per the Final Plans. Any required door hardware to be coordinated with County's Representative per the Final Plans.
- Emergency doors shall be fail-safe and have internal hinges.
- Outside air intake emergency push-button shut-off capability for the HVAC system shall be tested and verified.
- All electrical wiring at all WIFI AP access points, 120 VAC outlets as needed, break rooms, conference rooms and reception areas as per the Final Plans. All copiers/printers and display monitors will be provided by County. All copier/multi-function printer locations to have 20 amp dedicated circuits.

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- All electrical wiring for County scanners, printers, mail sorters and other equipment in the Premises will be installed per the Final Plans.
- Clean all finishes on counters, walls, ceilings, doors, window treatments and floors, and repair or replace as needed prior to occupancy.
- Coordinate all keying and door hardware requirements with County's Representative per the Final Plans.
- Any other specification for this project as specified in final plans.

The above items shall be included on the Final Plans, including the construction documents, to be submitted for building permits and Fire District approvals.

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**SCHEDULE 2**  
**SPACE PLANS**

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**SCHEDULE 3**

**CONSTRUCTION SCHEDULE**

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**SCHEDULE 4**

**FINAL PLANS**

**SCHEDULE 5**

**FORM OF COMPLETION NOTICE**

To: Contra Costa County  
From: RIO Properties I, LLC  
Date:  
Re: Completion Notice

This notice is provided in compliance with Section 12 of that certain Work Letter dated December 7, 2016, between RIO Properties I, LLC and Contra Costa County (the "Work Letter").

All terms not otherwise defined herein have the meaning ascribed to them in the Work Letter.

Tender by Lessor

Lessor hereby represents that it has completed construction of the Tenant Improvements in substantial conformity with the Final Plans.

Landlord hereby tenders the Premises for delivery to Tenant.

RIO Properties I, LLC

By: \_\_\_\_\_

Its: \_\_\_\_\_

Certification by Architect

The undersigned, a duly authorized representative of Studio Benavente Architects Inc. Architectural Group, hereby represents that (s) he has inspected the Tenant Improvements and determined them to be in substantial conformity with the Final Plans.

Studio Benavente Architects Inc.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Its: \_\_\_\_\_

Certification by Contra Costa County

The undersigned, a duly authorized representative of Contra Costa County, hereby represents that the County has caused the Tenant Improvements to be inspected and has determined them to be in substantial conformity with the Final Plans.

Contra Costa County

By: \_\_\_\_\_

Date: \_\_\_\_\_

Its: \_\_\_\_\_



Contra  
Costa  
County

To: Board of Supervisors  
From: Melinda Cervantes, County Librarian  
Date: March 28, 2017

Subject: Apply for and Accept East Bay Community Foundation Grant Funds Administered by the Rodeo Municipal Advisory Council

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Librarian, or designee, to apply for and accept a grant in the amount of \$5,000 from East Bay Community Foundation, administered by the Rodeo Municipal Advisory Council, for Rodeo Library services, pursuant to the local refinery Good Neighbor Agreement, for the period July 1 through December 31, 2017.

**FISCAL IMPACT:**

No Library Fund match.

**BACKGROUND:**

The County currently funds 18 hours of library service at the Rodeo Library. If granted, the \$5,000 received from Rodeo Municipal Advisory Council will be used by the Contra Costa County Library to fund four additional hours of library service during the period July 1 through December 31, 2017, which will provide one extra hour of service on Saturdays and evening hours on two weekdays for a total of four additional open hours per week. These extended hours offer Rodeo residents more opportunities to make use of the educational and recreational resources available in the library.

The Rodeo Municipal Advisory Council is a strong supporter of the Rodeo Library and consistently grants funds to the Library for extended open hours.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Gail McPartland,  
925-608-7704

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

If the grant proposal is not approved, the Rodeo Library will be open 18 hours per week instead of 22 hours per week.

CHILDREN'S IMPACT STATEMENT:

Extending hours at the Rodeo Library will meet all five community outcomes established in the Children's Report Card. Research shows that early and positive experiences with books set the stage for a child's success in learning to read. Additionally, literacy skills are a strong predictor of health and employment status. Extending hours at the Rodeo Library will draw more families to the library and encourage regular exposure to reading and books, thus improving the quality of life for children and families in Rodeo.



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: Veterans in the Arts Initiative Grant

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**RECOMMENDATION(S):**

Approve and Authorize the County Administrator, or designee, to apply for and accept funding in an amount up to \$10,000 from the California State Arts Council for the Veterans Initiative in the Arts program.

**FISCAL IMPACT:**

If approved, the grant will require a 100% County match of which 50% can be an in-kind match. The maximum general fund impact would be \$5,000 and will be included in the FY 2017-18 Recommended Budget for the Arts Commission.

**BACKGROUND:**

The Veterans Initiative in the Arts (VIA) program is rooted in the California Arts Council's (CAC) desire to increase equity, access, and opportunities for veterans to participate in quality arts programming that is sensitive and responsive to their unique experiences. The VIA program provides project and partnership support for State-Local Partners (SLPs) to reach veterans, active military, and their families. VIA serves to enrich the lives of veterans through arts programming that is sensitive and responsive to their unique experiences.

In 2014, the County as the State-Local-Partner in

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Enid Mendoza, (925)  
335-1039

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

Contra Costa, responded to the CAC VIA pilot grant opportunity with a proposal to develop the AboutFace: Building Veterans Self-understanding through Self-expression project. After a successful AboutFace pilot project in FY 15-16, the County competed for the FY 16-17 VIA grant. CAC VIA grant monies of \$9,400 were awarded to the County to support the second year of this project, and the Arts Commission FY 2016-17 budget includes \$4,700 for the County match. The Arts Commission of Contra Costa County (AC5) is currently wrapping up the 2016-17 fiscal year AboutFace project, which expanded painting workshops throughout the five County districts. Through the FY 2016-17 AboutFace project, the County is offering various two-day self-portrait painting workshops to interested Contra Costa County veterans, at no cost and with all painting materials provided. Through a recent partnership with Library Adult Services, the painting workshops have been offered at local County libraries.

Approval of this request will allow the County to compete for the new grant so that more County veterans can participate in the AboutFace project during the period July 1, 2017 through June 30, 2018.

CONSEQUENCE OF NEGATIVE ACTION:

The County will not compete for the grant and be able to provide AboutFace project painting workshops to veterans in FY 2017-18.



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: Apply For and Receive Funding for Veterans Mental Health Services Grant

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Veterans Services Officer, or designee, to apply for and execute a contract, including signatory authority, to accept grant funding from the California Department of Veterans Affairs (CalVet) in an amount not to exceed \$45,000 to provide mental health outreach and support services for the period July 1, 2017 through June 30, 2018.

**FISCAL IMPACT:**

The grant is awarded, funding of up to \$45,000 would be disbursed to the County by the California Department of Veterans Affairs through the 2017-18 Proposition 63, the Mental Health Services Act, grant program. Funding is specifically provided to County Veterans Service offices. No County match is required.

**BACKGROUND:**

Since July of 2014, the County Veterans Service Office in collaboration with CCTV has produced "Veteran's Voices", a monthly talk show that has facilitated outreach efforts for East Bay veterans and their families. Funding for "Veteran's Voices" production has been provided by CalVet through Proposition 63 grant program monies. CalVet has once

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Enid Mendoza, (925)  
335-1039

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Nathan Johnson, Veterans Services Officer

BACKGROUND: (CONT'D)

again invited County Veterans Service Offices (CVSO) providing mental health outreach and services to submit applications for the 2017-18 Proposition 63 funding. The County Veterans Services Office is requesting approval to apply for and accept this grant funding, which will allow for the production of an additional episodes of "Veteran's Voices."

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Veterans Service Office may not be able to provide key mental health outreach and support services to veterans and their families living in Contra Costa County.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: 2017 Bay Area Regional Energy Network Subcontract Agreement between Association of Bay Area Governments and Contra Costa County

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a subcontract agreement, including modified indemnification language, with the Association of Bay Area Governments (ABAG) to accept California Public Utilities Commission (CPUC) grant funding in the amount not to exceed \$152,093 to support marketing, education, and outreach for energy efficiency programs for the period January 1 through December 31, 2017.

**FISCAL IMPACT:**

There will be no impact to the General Fund. The CPUC grant funding is expected to cover all of the costs that would be incurred by the County as a result of these grant funded energy efficiency programs. No matching funds are required.

**BACKGROUND:**

In July 2012, the County entered into a Memorandum of Understanding (MOU) establishing the Bay Area Regional Energy Network (BayREN), a collaborative partnership among the nine Bay Area counties (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties) and led by the Association of Bay Area Governments (ABAG), for the purpose of facilitating the implementation of building energy efficiency programs throughout the Bay Area. On May 5, 2015, a Restated and Revised MOU was approved by the County in order to better define the roles and responsibilities of ABAG and the counties participating in BayREN.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Demian Hardman, (925) 674-7826

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

#### BACKGROUND: (CONT'D)

Since 2013, all BayREN counties have been receiving CPUC grant funding each calendar year to provide marketing, education and outreach for the following four energy efficiency programs: (1) Single-Family, (2) Multi-Family; (3) Building Codes and Standards; and (4) Energy Efficiency Financing. Both the Single-Family and Multi-Family programs offer free technical services and financial incentives (rebates) if owners/contractors make specific energy efficiency improvements to existing residential structures. The Building Codes and Standards program offers various resources (including training) to support local government officials with building energy code compliance and enforcement. The Energy Efficiency Financing program focuses on marketing various financing options to diverse commercial and residential consumer markets throughout the Bay Area. Continued implementation of energy efficiency programs is consistent with the County's Climate Action Plan adopted in 2015.

The proposed subcontract agreement between ABAG and Contra Costa County will allow the County continued access to CPUC grant funds awarded to ABAG in order to offer and raise awareness about BayREN subprograms throughout Contra Costa County. The amount specified in the agreement is not to exceed \$152,093 and will cover the period of January 1, 2017 through December 31, 2017. These funds are to cover County costs associated with the implementation of these grant programs for both incorporated and unincorporated areas of the County. Technical services and rebates offered by BayREN for these activities are directly administered by ABAG and are funded separately.

Under the subcontract, the County must indemnify the other counties and ABAG for claims alleging intellectual property infringement related to materials the County prepares. The County also must indemnify the CPUC and Pacific Gas and Electric (PG&E) for claims that arise from the County's performance of its obligations under the subcontract.

#### CONSEQUENCE OF NEGATIVE ACTION:

The County will not receive funding to participate in BayREN activities or provide the associated energy efficiency program services to local residents and property owners.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Standard Agreement (Amendment) #29-784-9 with the State of California, Department of Health Care Services

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Standard Agreement (Amendment) #29-784-9 (State #03-75796, A12) with the State of California, Department of Health Care Services (DHCS), effective December 31, 2016, to amend Standard Agreement #29-784 (as amended by Amendment Agreements #29-784-1 through #29-784-8), with no change in the original payment limit of \$1,594,000, to extend the term from December 31, 2016 through December 31, 2020, to allow the County to continue providing Local Initiative Program services.

**FISCAL IMPACT:**

Approval of this amendment will reflect no change in the original amount payable to County of \$1,594,000 for the Local Initiative Program services that are not approved for Federal funding. No County match is required.

**BACKGROUND:**

On August 15, 2006, the Board of Supervisors approved Standard Agreement #29-784 (as amended by Amendment Agreements #29-784-1 through #29-784-8) with the California DHCS for the period from August 1, 2003 through December 31, 2016.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Patricia Tanquary,  
925-313-6004

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

BACKGROUND: (CONT'D)

Approval of Standard Agreement (Amendment) #29-784-9 will allow the County to continue providing Local Initiative Program services that are not approved for Federal funding, through December 31, 2020.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, funding for continuous services to County Medi-Cal recipients will not be provided.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Grant Award #29-549-3 from John Muir Health

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director or his designee, to accept, on behalf of the County, Grant Award #29-549-3 from John Muir Health, to pay the County an amount not to exceed \$50,000 for respite care services for homeless adults at the Philip Dorn Respite Center, for the period from January 1, 2017 through December 31, 2017.

**FISCAL IMPACT:**

Acceptance of this Grant Award will result in an amount not to exceed \$50,000 from John Muir Health for support to the Philip Dorn Respite Center through December 31, 2017. No County match required.

**BACKGROUND:**

The Philip Dorn Respite Center, a Community Benefit Program, located in Concord, is a respite care program for homeless adults who are discharging from local hospitals and require medical stabilization services. Respite care refers to recuperative services for those homeless persons who may not meet medical criteria for hospitalization, but who are too sick or medically vulnerable to reside in an emergency shelter and cannot be returned to the streets. The goal of the program is to get all homeless persons off the street and help them to achieve their highest level

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Lavonna Martin,  
925-313-7716

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

BACKGROUND: (CONT'D)

of self-sufficiency.

Approval of Grant Award #29-549-3 will allow the County to continue to receive support for the Philip Dorn Respite Center through December 31, 2017.

CONSEQUENCE OF NEGATIVE ACTION:

If this Award is not approved the County will not be able to receive funding for services at the Philip Dorn Respite Center.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Interagency Agreement #28-343-2 with West Contra Costa Unified School District

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Interagency Agreement #28-343-2 with West Contra Costa Unified School District, a government agency, to pay County an amount not to exceed \$539,005 to provide school-based mobile clinic services, for the period from December 19, 2016 through August 31, 2020.

**FISCAL IMPACT:**

Approval of this Interagency Agreement will result in a total payment to the County not to exceed \$539,005. No County match required.

**BACKGROUND:**

This Contract meets the social needs of County's population by providing mobile clinic services, including comprehensive physical exams, immunizations, TB testing, sports physicals, and well-child care to low-income and disadvantaged school children at Kennedy High School, DeAnza High School, and Pinole Valley High School. Under Interagency Agreement #28-343-2, will allow Agency to pay County

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Dan Peddycord,  
925-313-6712

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: D Morgan, M Wilhelm

BACKGROUND: (CONT'D)

for the provision of school-based mobile clinic services to children within the West Contra Costa Unified School District (“District”), through August 31, 2020, including County’s agreement to indemnify the District.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, Agency will not pay County for West Contra Costa County low-income and disadvantaged school children to receive preventive health screenings, well-child examinations, and primary health care services from County’s mobile clinics.

CHILDREN'S IMPACT STATEMENT:

This program supports the following Board of Supervisors’ community outcomes: “Children Ready For and Succeeding in School” and “Communities that are Safe and Provide a High Quality of Life for Children and Families”. Expected program outcomes include an increase in the number of healthy children within the District.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Agreement #29-388-58 with the California Department of Public Health

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County Standard Agreement #29-388-58 (#16-10766) with the California Department of Public Health, to pay the County an amount not to exceed \$551,117 for the County Public Health HIV/AIDS Surveillance Project, for the period from July 1, 2016 through June 30, 2019.

**FISCAL IMPACT:**

Approval of this Agreement will result in a three year agreement in an amount not to exceed \$551,117 of funding from the California Department of Public Health, for the amount of \$183,704 for Fiscal Year 2016, \$183,706 for FY 2017 and \$183,707 for FY 2018. No County funds are required.

**BACKGROUND:**

On September 10, 2013, the Board of Supervisors approved Standard Agreement #29-388-57 with the California Department of Public Health, for the County's AIDS Programs, including testing services, surveillance, case management, prevention education, outreach, social marketing, and services to women, for the period from July 1, 2013 through June 30, 2016. Approval

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Dan Peddycord,  
925-313-6712

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: D Morgan, M Wilhelm

BACKGROUND: (CONT'D)

of this Standard Agreement #29-388-58 will establish and enhance active and passive HIV case surveillance for the County's HIV/AIDS Surveillance Project through June 30, 2019. The Agreement includes County's agreement to indemnify and hold the State harmless for claims arising out of the County's performance under the Agreement.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, County will not receive the necessary funding to support the reduction in transmission of HIV, provide case management services that will reduce hospitalization and support to HIV positive individuals to live at home or allow for compliance with State and Federal requirements for reporting of communicable disease.



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: Arts Commission Professional Development Grant

---

**RECOMMENDATION(S):**

Approve and authorize the County Administrator, or designee, to apply for and accept a grant in an amount not to exceed \$1,000 from the California Arts Council for a professional development grant for participation in the Americans for the Arts annual conference.

**FISCAL IMPACT:**

If approved and the grant is awarded, up to \$1,000 will be provided to the County to cover expenses associated with commissioner attendance at the Americans for the Arts annual conference in San Francisco. There is no County match required.

**BACKGROUND:**

The California Arts Council is offering funding opportunities through professional development and consulting grants to assist arts organizations in building their capacity. This funding can be used for professional growth and leadership training opportunities for arts staff, commissioners, and administrators. The grant proposal would cover registration fees and travel expenses for two commissioners and possibly the arts managing director. Attendees of the conference will be able to bring back information gathered on issues of equity, accessibility, and community building and explore the role of the arts in creating and sustaining healthy, vibrant, equitable communities.

**CONSEQUENCE OF NEGATIVE ACTION:**

The County would not receive up to \$1,000 in grant funding to support professional development activities of the County's Arts Commission.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Enid Mendoza, (925)  
335-1039

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: 2016-17 California Department of Education General Childcare & Development Revenue Contract, Amendment 2

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute an agreement amendment, effective January 1, 2017, to increase the payment limit by \$500,000 to a new limit of \$3,134,386 from the California Department of Education for general childcare and development program services with no change to term July 1, 2016 through June 30, 2017.

**FISCAL IMPACT:**

County to receive up to \$3,134,386  
41.49% (\$1,300,462) Federal  
58.51% (\$1,833,924) State  
CFDA Nos. 93.596, 93.575  
No County match

**BACKGROUND:**

California Department of Education notified the Department on June 3, 2016 of the 2016-2017 funding allocation for general childcare and development programs. The County

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: CSB  
925-681-6333

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Ressie Dayco, Cassandra Youngblood

BACKGROUND: (CONT'D)

receives funds from the California Department of Education to provide state preschool general childcare services to program eligible County residents. The program is operated by the Employment and Human Services Department, Community Services Bureau (CSB). The board approved receipt of funds on June 21, 2016 (C.53).

The State routinely amends the contracts to account for cost of living adjustments and other budgetary changes. The board approved amendment #1 on November 8, 2016 (c.23) to increase the standard reimbursement rate from \$38.29 to \$40.20, effective January 1, 2017. This amendment is to accept an additional \$500,000. A corresponding decrease to CSPP funding is the subject of a companion board order on this agenda. This transfer of funds is to address needs identified in CSBs annual community assessment, which continues to show a greater need to serve Infant/Toddler program. This fiscal year, CSB converted a CSPP classroom into a toddler classroom to meet the needs of the families in one of our East County childcare centers. The request of temporary transfer from CSPP to CCTR will fund the growing needs of families in Contra Costa County.

CONSEQUENCE OF NEGATIVE ACTION:

If not approved, County will not receive additional funding to operate the childcare & development program.

CHILDREN'S IMPACT STATEMENT:

The Department of Education General Childcare & Development funding supports three of the community outcomes established in the Children's Report Card: 1) "Children Ready for and Succeeding in School"; 3) "Families that are Economically Self-sufficient"; and, 4) "Families that are Safe, Stable, and Nurturing" by offering comprehensive services, including high quality early childhood education, nutrition, and health services to low-income children throughout Contra Costa County.



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: 2016-17 California Department of Education Preschool Program Revenue Contract, Amendment 2

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Department Director, or designee, to execute a contract amendment, effective January 1, 2017, to decrease the payment limit by \$500,000 to new payment limit of \$9,091,851 from the California Department of Education to provide State preschool services with no change to term July 1, 2016 through June 30, 2017.

**FISCAL IMPACT:**

County to receive up to \$9,091,851: State 82.5% (\$7,505,006); Federal 17.5% (\$1,586,845) No County match.

CFDA #s 93.596 (\$1,087,382) and 93.575 (\$499,463).

State Agreement CSPP 6044, Amend 2 / CCC Agreement 39-908-21

**BACKGROUND:**

The California Department of Education notified the Department on June

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: 03/28/2017  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: CSB  
925-681-6333

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Ressie Dayco, Cassandra Youngblood

BACKGROUND: (CONT'D)

3, 2016 of the 2016-2017 funding allocation of the California State Preschool program services. The County receives funds from the California Department of Education to provide state preschool services to program eligible County residents. The program is operated by the Employment and Human Services Department, Community Services Bureau. The board approved receipt of funds on June 21, 2016 (C.55).

The State routinely adds funds to the contract as cost of living adjustments occur. The board approved amendment #2 on November 8, 2016 (c.24) to increase the daily reimbursement rate from \$38.53 per child day of enrollment to \$40.45, effective January 1, 2017.

This amendment is to decrease the payment limit by \$500,000. A corresponding increase to CCTR funding is the subject of a companion board order on this agenda. This transfer of funds is to address needs identified in CSBs annual community assessment, which continues to show a greater need to serve Infant/Toddler program. This fiscal year, CSB converted a CSPP classroom into a toddler classroom to meet the needs of the families in one of our East County childcare centers. The request of temporary transfer from CSPP to CCTR will fund the growing needs of families in Contra Costa County.

CONSEQUENCE OF NEGATIVE ACTION:

If not approved, County will not receive funding to operate these childcare programs.

CHILDREN'S IMPACT STATEMENT:

The Employment and Human Services Department, Community Services Bureau supports three of the community outcomes established in the Children's Report Card: 1) "Children Ready for and Succeeding in School"; 3) "Families that are Economically Self Sufficient"; and, 4) "Families that are Safe, Stable and Nurturing" by offering comprehensive services, including high quality, early childhood education, nutrition, and health services to low-income children throughout Contra Costa County.



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: 2017-18 Food Services Agreement with the Catholic Council for the Spanish Speaking of the Diocese of Stockton

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment & Human Services Director, or designee, to execute a contract with the Catholic Council for the Spanish Speaking of the Diocese of Stockton to pay the county an amount not to exceed \$28,000, to provide food services to the childcare program at El Concilio Preschool for the period May 1, 2017 through April 30, 2018.

**FISCAL IMPACT:**

No net County costs.

El Concilio Preschool has agreed to reimburse the County, up to the limits of the California Child and Adult Food Program, for all food service expenses related to this contract. The County will provide breakfast, lunch, and snack to 20 children and 3 teachers at the rates specified below:

Breakfast - \$3.25 each  
Lunch - \$5.00 each  
Snack - \$3.20 each

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: CSB (925)  
681-6304

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Nelly Ige, Sam Mendoza, Cassandra Youngblood

### BACKGROUND:

El Concilio is a Migrant Head Start program operating through San Joaquin County's program. The preschool provides services to migrant children for only a limited number of months each year. The Community Services Bureau would provide meals that meet the HS performance Standards and USDA meal guidelines. At some point in the future the Community Services Bureau may operate the program in the months the school is closed to ensure continuity of care for those families.

The Center, located adjacent to Community Services Bureau's (CSB) Los Nogales Center serves the migrant farm-worker families of Contra Costa County. Both Head Start programs have similar missions and similar client needs. The San Joaquin agency has just taken over the El Concilio program and is unable to provide services to the families due to a lack of facility space to provide nutritious meals to the children. CSB has offered to assist with this unmet need for the following reasons:

- The same community is served;
- The continuity of services – the migrant program operates a limited amount per year. CSB would like to continue serving those families since they qualify for our program;
- Besides our program, El Concilio is the only publicly funded program to provide these services to families. It is a great need.
- Assisting with the nutrition program is one way that the two programs can partner.

### CONSEQUENCE OF NEGATIVE ACTION:

If not approved, County will be unable to provide food services to its childcare partner.

### CHILDREN'S IMPACT STATEMENT:

The Employment & Human Services Department Community Services Bureau supports three of Contra Costa County's community outcomes - Outcome 1: "Children Ready for and Succeeding in School," Outcome 3: "Families that are Economically Self-sufficient," and, Outcome 4: "Families that are Safe, Stable, and Nurturing." These outcomes are achieved by offering comprehensive services, including high quality early childhood education, nutrition, and health services to low-income children throughout Contra Costa County.



Contra  
Costa  
County

To: Board of Supervisors  
From: David O. Livingston, Sheriff-Coroner  
Date: March 28, 2017

Subject: Range Use Contract

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Sheriff-Coroner, or designee, to execute contracts with the agencies specified below, including mutual indemnification as approved by the County Counsel, for use of the Sheriff's Range Facility for the period July 1, 2017 through June 30, 2020:

Alameda Police Department, Antioch Police Department, Bay Area Rapid Transit District, Berkeley Police Department, Brentwood Police Department, CA Department of Motor Vehicles, CA State Parks Diablo Vista, Contra Costa County Animal Services Department, Contra Costa County College District Police Department, Contra Costa County District Attorney's Office, Contra Costa County Probation, Clayton Police Department, Contra Costa County Fire Protection District, Department of Consumer Affairs Investigations Division, Department of Homeland Security Federal Protection Services, Department of Homeland Security Investigations, El Cerrito Police Department,, Hercules Police Department, Livermore Police Department, Martinez Adult School, Martinez Police Department, Moraga Police Department, Oakland Police Department, Oakland Schools Police, Oakley Police Department, Pittsburg Police Department, Pleasant Hill Police Department, Richmond Police Department, San Pablo Police Department, San Ramon Police Department, Santa Clara Police Department, Union City Police Department, U.S. Department of Treasury, U.S. Postal Service Inspector General and the Walnut Creek Police Department.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Sandra Brown  
925-335-1553

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

FISCAL IMPACT:

No net County cost - 100% Participant fees

BACKGROUND:

Local, state, and federal law enforcement officers are required to complete firearms qualifications on a regular basis. The Office of the Sheriff has a firing range and classroom that can be used by other law enforcement agencies for firearms qualifications when not in use by County staff.

The recommended contracts provide for use of the Sheriff's Range Facilities, including firearms range and classroom, for firearms qualification of these government agencies' employees. The County Counsel's Office has approved the mutual indemnification language included in the contracts. The contract agencies will pay a per day fee for access to the Sheriff's Range Facility.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action on this request would mean a loss of revenue for the County and a valuable loss of services for outside agencies.

CHILDREN'S IMPACT STATEMENT:

No impact.



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: APPROVE a Purchase Order Amendment with Royal Wholesale Electric Co.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent, or designee, to execute, on behalf of the Public Works Director, a purchase order amendment with Royal Wholesale Electric Co., to increase the payment limit by \$100,000, to a new payment limit of \$190,000, for will call electrical parts and supplies for the period of May 1, 2016 through April 30, 2019, Countywide.

**FISCAL IMPACT:**

This cost is to be funded through the Public Works Facilities Services budget - 100% General Fund

**BACKGROUND:**

Public Works Facilities Services is responsible for electrical device maintenance within County facilities. Electrical supply items not stocked at the Waterbird yard facility are available to staff at several electrical parts houses in the area. As bid, on BidSync #1604-178, Electrical Will Call Purchases, Royal Wholesale Electric Co. was awarded this commodity. This commodity was originally bid for one year with four possible one year extensions. This request represents the second and third possible one year extension.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this agreement is not approved, then purchasing will call electrical parts through Royal Wholesale Electric Co. will discontinue.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Stan Burton, (925)  
313-7077

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Amend and Extend Contract with Child's Best Interest for Ombudsman Services

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment with Child's Best Interest, a corporation of California, to increase the payment limit by \$43,125 to a new payment limit of \$199,375 and to extend the term from August 31, 2017 to November 30, 2017 for increased ombudsman services to program applicants, recipients, community members, and staff while the Department process a new Request For Proposal. (10% County, 45% State, 45% Federal)

**FISCAL IMPACT:**

\$199,375.00 - Administrative Overhead: % County, 45% State, 45% Federal

**BACKGROUND:**

Under this contract, a Child's Best Interest, provides comprehensive ombudsman services for the Employment and Human Services Department (EHSD). The ombudsman receives and investigates complaints, gathers information, and works to resolve issues using various mediation skills. Complaints maybe received from the Children and Family Services Director, Division Managers, program applicants, recipients, other County departments, community-based organizations, individual community members, elected officials, and others. As systemic issues are identified, the ombudsman makes formal recommendations to EHSD Director/s to improve service delivery.

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Gina Chenoweth  
3-1648

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

Participants and staff in Contra Costa County will not receive ombudsman services.

CHILDREN'S IMPACT STATEMENT:

The ombudsman services provided under this contract support all five of Contra Costa County's community outcomes: (1) "Children Ready for and Succeeding in School"; (2) "Children and Youth Healthy and Preparing for Productive Adulthood"; (3) "Families that are Economically Self-Sufficient"; (4) "Families that are Safe, Stable and Nurturing"; and (5) "Communities that are Safe and Provide a High Quality of Life for Children and Families". Through comprehensive ombudsman services and follow-up consultation, EHSD's Children and Family Services Bureau can improve its service delivery to children and families throughout Contra Costa County



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Amend Contract with STAND! For Families Free of Violence for Increased Shelter Services

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment with STAND! For Families Free of Violence, a non-profit corporation, effective March 1, 2017, to increase the payment limit by \$15,000 to a new payment limit of \$218,470 for additional shelter-based services to domestic violence victims and their families for the period of July 1, 2016 through June 30, 2017. (38% County, 62% Other)

**FISCAL IMPACT:**

\$218,470.00 (38% County General Fund; 62% Other - Pubic Records Fees and Fines)

**BACKGROUND:**

Contractor is a domestic violence shelter-based agency providing services in compliance with the requirements of California Welfare and Institutions Code Section 18294. This contract addresses the social needs of the County's population by providing a crisis call center number 24 hours per day, 7 days per week, and provides at least 6,580 shelter bed days to a minimum of 122 women and children in crisis situations. Contractor works to increase victim safety, reduce family violence, and participate in local community service networks to ensure appropriate responses

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Gina Chenoweth  
3-1648

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

to survivors' needs. Services include emergency shelter services, danger assessment, safety planning, psychological support and peer counseling, and domestic violence education and information. Contractor also conducts 40-hour trainings to volunteers working with domestic violence victims and their children.

CONSEQUENCE OF NEGATIVE ACTION:

Contra Costa County victims of domestic violence and their families will not have ready access to valuable emergency and ongoing support services.

CHILDREN'S IMPACT STATEMENT:

This contract supports two of the five community outcomes established in the Children's Report Card: (4) "Families that are Safe, Stable and Nurturing"; and (5) "Communities that are Safe and Provide a High Quality of Life for Children and Families" by providing a safe environment where children of families with domestic violence can receive appropriate emergency, support, and follow-up services.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #26-995-15 with George Lee, M.D.

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment #26-995-15 with George Lee, an individual, effective May 1, 2017, to amend Contract #26-995-14, to increase the payment limit by \$250,000, from \$1,485,000 to a new payment limit of \$1,735,000, with no change in the original term of August 1, 2015 through July 31, 2018.

**FISCAL IMPACT:**

This amendment is funded 100% Hospital Enterprise Fund I. (No rate increase)

**BACKGROUND:**

On September 15, 2015 the Board of Supervisors approved Contract #26-995-14 with George Lee, M.D., for the provision of anesthesiology services, including, but not limited to: consultation, clinics, training, medical and/or surgical procedures and on-call coverage for the General and Obstetrics Units at Contra Costa Regional Medical and Health Centers (CCRMC), for the period from August 1, 2015 through July 31, 2018. Approval of Contract Amendment #26-995-15 will allow the Contractor to provide additional hours of anesthesiology services at CCRMC through July 31, 2018.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, patients requiring anesthesiology services will not have access to Contractor's services.



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Contract with University of California San Francisco for Evaluation of Domestic Violence Homicide Prevention Demonstration Initiative

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract with University of California San Francisco with a payment amount not to exceed \$306,218 to provide local evaluation services of the Domestic Violence Homicide Prevention Demonstration Initiative / Lethality Assessment Program for the period of March 1, 2017 through February 28, 2018.

**FISCAL IMPACT:**

\$306,318.00: 100% Federal CFDA# 16.590

**BACKGROUND:**

The Contra Costa Alliance to End Abuse (Alliance) applied for and received funds from the US Department of Justice, Office on Violence against Women (OVW), Domestic Violence Homicide Prevention Demonstration Initiative (Project) in 2013. The Project was implemented in two phases. The first phase of assessment was completed in September 2014 and Alliance was one of four sites selected by OVW to participate in the second phase of implementation and to implement the Lethality Assessment Program (LAP), a recognized promising practice.

The primary purpose of the Project is to implement and measure through

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Gina Chenoweth  
3-1648

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

formal evaluation, the effectiveness of the LAP with the objective of reducing domestic violence homicides and near homicides. The Project will build the capacity of the County to improve identification of and services for high-risk victims while better monitoring high-risk offenders to reduce domestic violence-related homicide. This Project will document and disseminate solutions for replication across the country. Contra Costa County is engaging the Contractor to assist in carrying out activities consistent with the requirements of this OVW-funded Project including required evaluations, participation in OVW-sponsored technical, research, data collection, and reporting.

CONSEQUENCE OF NEGATIVE ACTION:

Contra Costa County will not meet the grant requirements of the Domestic Violence Homicide Prevention Demonstration Initiative.



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: APPROVE and AUTHORIZE Amendment No. 5 to the Consulting Services Agreement with Carey & Co. for the Exterior Renovations at 625 Court Street (WH190D)

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute Amendment No. 5 to Consulting Services Agreement with Carey & Co. Inc., (Carey) to increase the payment limit by \$49,000, to a new payment limit of \$879,000, to provide additional construction administration services, and to extend the termination date to December 1, 2017, for Exterior Renovations at 625 Court Street, Martinez Project.

**FISCAL IMPACT:**

100% General Fund.

**BACKGROUND:**

On September 25, 2012, the County entered into a Consulting Services Agreement with Carey to provide architectural services for the subject project. During building investigations, it was observed that a structural deficiency exists at the roof/wall connection. On June 25, 2013, the Consulting Services Agreement was amended to include a building structural analysis to determine if there are any other structural deficiencies in the building, the risks the deficiencies

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Ramesh Kanzaria, (925)  
313-2000

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

pose in the event of an earthquake, and repair options and costs.

Upon completion of the structural analysis, which recommended seismic upgrades to the building, it was determined that additional consulting services are required to address the impact of the seismic upgrades on the existing building mechanical, plumbing, and electrical systems, and existing life safety and accessibility conditions. On April 22, 2014, the Board of Supervisors approved Amendment No. 2 to Carey's agreement to provide for the additional services required for a building systems, life safety and accessibility conditions analysis, including a cost estimate for any work required due to the seismic upgrades.

Upon completion of the structural and building systems, life safety, and accessibility condition analyses, it was decided that the project would include certain additional upgrades to the building's structural system that were identified in the structural analysis report. It was further decided that the project would include certain additional ADA and other improvements to building deficiencies that were identified in the facility condition analysis report conducted by ISES Corporation for the County in 2007. Amendment No. 3 to Carey's agreement provided for the additional services required to include these upgrades and improvements in the project.

Due to a longer than expected construction schedule, changed and unforeseen conditions, and additional services, an increase in construction administration time and expense was required to complete the project. On December 6, 2016, the Board approved Amendment No. 4 which provided for the additional construction administration services.

Continued construction delays due to unseasonably wet weather and further unforeseen conditions, including new structural framing at the east landing entry, require additional construction administration and design services. Amendment No. 5 will provide for those additional services necessary for Carey & Co. to assist in the completion and close-out of the projects. It is recommended that the Board approve Amendment No. 5 to the existing Carey & Co. Inc., Consulting Services Agreement dated September 25, 2012.

CONSEQUENCE OF NEGATIVE ACTION:

Without Amendment No. 5, Carey & Co. will be unable to provide the additional construction administration services required to complete and close-out the project.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #27-635-7 with Iraj Babae (dba Advanced Hearing Systems)

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee to execute on behalf of the County, Contract #27-635-7 with Iraj Babae (dba Advanced Hearing Systems), in an amount not to exceed \$150,000, to provide audiology/hearing aid services to Contra Costa Health Plan (CCHP) members for the period from May 1, 2017 through April 30, 2019.

**FISCAL IMPACT:**

This Contract is funded 100% Contra Costa Health Plan Enterprise Fund II. (No rate increase)

**BACKGROUND:**

In June 2015, the County Administrator approved and the Purchasing Services Manager executed Contract #27-635-6 for the provision of audiology/hearing aid services to Contra Costa Health Plan members, for the period from May 1, 2015 through April 30, 2017. Approval of Contract #27-635-7 will allow the Contractor to continue to provide audiology/hearing aid services through April 30, 2019.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, CCHP members requiring audiology/hearing aid services will not have access to Contractor's services, which may result in a reduction in the overall levels of service to the community.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Patricia Tanquary  
925-313-6004

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: A Floyd, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Seneca Family of Agencies Amendment

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment with Seneca Family of Agencies, a non-profit corporation, effective March 1, 2017, to increase the payment limit by \$461,372 to a new total payment limit of \$1,261,919 for additional services to increase placement stability of children with no change in term for August 1, 2016 through July 31, 2017.

**FISCAL IMPACT:**

\$1,261,919 : 39% County, 49% State, 12% Federal Funds

**BACKGROUND:**

Seneca Family of Agencies provides Wraparound Services, a community based intervention program that provides children with service alternatives to group homes care through expanded family-based services. Wraparound Services are services that are wrapped around a child living with his or her birth parent, relative, adoptive parent, foster parent or guardian. These services build on the strengths of each child and family and are tailored to address their unique and changing needs. Funding also provides 24 hours, 7 days a week non-emergency advise and consultation with foster parents and other caregivers by phone.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Elaine Burres,  
313-1717

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

At risk youth in restrictive group home settings will have less opportunities to transition into family-based services.

CHILDREN'S IMPACT STATEMENT:

This contract supports four of the five community outcomes established in the Chileans' Report Card: 1) "Children Ready for and Succeeding in School"; 2) "Children and Youth Healthy and Preparing for Productive Adulthood"; 3) "Families that are Safe, Stable and Nurturing"; and, 4) "Communities that are Safe and Provide a High Quality of Life for Children and Families" by placing at risk youth into family-based or less restrictive service settings.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #27-578-9 with Dialysis Access Center Inc.

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #27-578-9 with Dialysis Access Center Inc., a corporation, in an amount not to exceed \$400,000 to provide dialysis services for Contra Costa Health Plan members for the period from April 1, 2017 through March 31, 2019.

**FISCAL IMPACT:**

This Contract is funded 100% Contra Costa Health Plan Enterprise Fund II.

**BACKGROUND:**

On March 31, 2015, the Board of Supervisors approved Contract #27-578-8 with Dialysis Access Center Inc., to provide dialysis services for Contra Costa Health Plan members for the period from April 1, 2015 through March 31, 2017. Approval of Contract #27-578-9 will allow the Contractor to continue providing these services through March 31, 2019.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, certain specialized professional health care services for its members under the terms of their Individual and Group Health Plan membership contracts with the County will not be provided.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Patricia Tanquary  
325-313-6004

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: A Floyd, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #27-136-11 with Touchstone Counseling

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #27-136-11 with Touchstone Counseling, a corporation, in an amount not to exceed \$300,000, to provide outpatient psychotherapy services to Contra Costa Health Plan (CCHP) members for the period from April 1, 2017 through March 31, 2019.

**FISCAL IMPACT:**

This Contract is funded 100% by Contra Costa Health Plan Enterprise Fund II. (Rate increase)

**BACKGROUND:**

In March 10, 2015, the Board of Supervisors approved Contract #27-136-10 with Touchstone Counseling Services, Inc., for the provision of outpatient psychotherapy services to CCHP members for the period from April 1, 2015 through March 31, 2017. Approval of Contract #27-136-11 will allow Contractor to continue providing outpatient psychotherapy services through March 31, 2019.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, certain specialized professional health care services for its members under the terms of their Individual and Group Health Plan membership contracts with the County will not be provided.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Patricia Tanquary  
925-313-6004

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: A Floyd, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #26-362-12 with Apheresis Care Group, Inc.

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #26-362-12 with Apheresis Care Group, Inc., a corporation, in an amount not to exceed \$400,000, to provide therapeutic apheresis services at Contra Costa Regional Medical Center and Health Services (CCRMC), for the period from April 1, 2017 through June 30, 2020.

**FISCAL IMPACT:**

This Contract is funded 100% Hospital Enterprise Fund I. (Rate increase)

**BACKGROUND:**

On April 29, 2014, the Board of Supervisors approved Contract #26-362-11 with Apheresis Care Group, Inc., to provide the necessary equipment and qualified professional staff to conduct therapeutic apheresis services, such as therapeutic plasmapheresis and hemodialysis procedures at CCRMC for the period from April 1, 2014 through March 31, 2017. Approval of Contract #26-362-12 will allow Contractor to continue providing therapeutic apheresis services through June 30, 2020. This contract includes modifications to the County General Conditions including mutual indemnification.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Anna Roth,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, Contractor will not provide therapeutic apheresis services at CCRMC.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #26-429-25 with Jackson & Coker Locum Tenens, LLC

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #26-429-25 with Jackson & Coker Locum Tenens, LLC, a limited liability company, in an amount not to exceed \$200,000, for the provision of temporary help physicians at Contra Costa Regional Medical Center and Contra Costa Health Centers (CCRMC) and the County’s Main Detention Facility, for the period from January 1, 2017 through December 31, 2017.

**FISCAL IMPACT:**

This Contract is funded 100% Hospital Enterprise Fund I. (Rate increase)

**BACKGROUND:**

On January 19, 2016, the Board of Supervisors approved Contract #26-429-24 with Jackson & Coker Locum Tenens, LLC, for the period from January 1, 2016 through December 31, 2016, for the provision of temporary physicians to cover vacation, sick leave, and extended leave relief for County-employed physicians at CCRMC and County’s Main Detention Facility. Approval of Contract #26-429-25 will allow the Contractor to continue to provide temporary physicians through December 31, 2017. The contract contains modifications to the County General Conditions Paragraph 18. (Indemnification).

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, County will not have access to Contractor's services.



Contra  
Costa  
County

To: Successor to the Contra Costa County Redevelopment Agency  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Independent Registered Municipal Financial Advisor Contract

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Director of Conservation and Development, or designee, to execute a contract amendment with Montague DeRose & Associates, LLC (MDA), to extend the term from June 30, 2016 through June 30, 2018 with no change to the payment limit of \$85,000 for continuing independent registered municipal financial advisor services.

**FISCAL IMPACT:**

No impact to the County General Fund. The cost of financial advisory services is covered in the cost of issuance included in each bond issuance. Fees are negotiated for each borrowing transaction based upon the size and complexity of the transition. Non-issuance and Special Project services are billed hourly and will be funded by Redevelopment Property Tax Trust Fund monies.

**BACKGROUND:**

The County issued a Request for Proposal (RFP) for Independent Registered Municipal Financial Advisor (IRMA) services on July 18, 2014, and Montague DeRose and Associates, LLC (MDA) was selected to provide the service. The contract terms specified in the RFP indicate an initial contract agreement through June 30, 2016, with a two-year renewal option. The contract amendment exercises the two-year renewal option with no change to the original payment limit.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Kristen Lackey (925)  
674-7888

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

MDA is a small business financial advisory firm with nearly 20 years of experience assisting municipalities with the issuance of bonds. The firm is fully compliant with all Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) regulations applicable to municipal financial advisors, and is registered with both the SEC and the MSRB as an IRMA.

The County, through the County Administrator's office, also contracts with MDA for IRMA services.

CONSEQUENCE OF NEGATIVE ACTION:

The County, in its capacity as Successor Agency to the former Contra Costa County Redevelopment Agency, would not have the necessary expertise of an Independent Registered Municipal Financial Advisor.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #26-798-2 with Infectious Disease Doctors Medical Group, Inc.

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #26-798-2, with Infectious Disease Doctors Medical Group, Inc. a professional corporation, effective March 1, 2017, to amend Contract #26-798, to increase the payment limit by \$10,000, from \$250,000 to a new payment limit of \$260,000, with no change in the original term of May 1, 2016 through April 30, 2017.

**FISCAL IMPACT:**

This amendment is funded 100% Hospital Enterprise Fund I. (No rate increase)

**BACKGROUND:**

On June 7, 2016, the Board of Supervisors approved Contract #26-798-1 with Infectious Disease Doctors Medical Group, Inc. for the provision of weekly infectious disease consulting services including, but not limited to: clinic sessions, on-call coverage and training, for the period from May 1, 2015 through April 30, 2016. Approval of Contract Amendment Agreement #26-798-2 will allow the Contractor to provide additional hours of infectious disease consulting services through April 30, 2017.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this amendment is not approved, patients requiring infectious disease consulting will not have access to Contractor's services.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #76-546-1 with Nicole C. Hickey, M.D.

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #76-546-1 with Nicole C. Hickey, M.D., an individual, effective April 1, 2017, to amend Contract #76-546, to increase the payment limit by \$46,000, from \$375,000 to a new payment limit of \$421,000, with no change in the original term of May 15, 2016 through May 14, 2017.

**FISCAL IMPACT:**

This amendment is funded 100% Hospital Enterprise Fund I. (No rate increase)

**BACKGROUND:**

On June 7, 2016, the Board of Supervisors approved Contract #76-546 with Nicole C. Hickey, M.D., for the provision of pulmonology services, including, but not limited to: consultation, clinic coverage, training, administration, and medical and/or surgical procedures in the Critical Care Unit at Contra Costa Regional Medical Center (CCRMC) for the period May 15, 2016 through May 14, 2017. Approval of Contract Amendment Agreement #76-546-1 will allow the Contractor to provide additional hours of pulmonary services through May 14, 2017.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #26-742-7 with God's Grace Caring Home, Inc.

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #26-742-7 with God's Grace Caring Home, Inc., a corporation, in an amount not to exceed \$352,000, to provide residential board and care services for Contra Costa Regional Medical Center (CCRMC) patients in the Patch Program, for the period from April 1, 2017 through March 31, 2018.

**FISCAL IMPACT:**

This Contract is funded 100% County funds budgeted for the the Patch Program. (Rate increase)

**BACKGROUND:**

The County's Patch Program provides residential board and care for post medical, surgical and/or custodial care patients who have been discharged from CCRMC and would otherwise not have appropriate follow up care. On May 24, 2016 the Board of Supervisors approved Contract #26-742-5 (as amended by Amendment Agreement #26-742-6) with God's Grace Caring Home, Inc. for the provision of residential board and care services for CCRMC patients in the Patch Program for the period from April 1, 2016 through March 31, 2017. Approval of Contract #26-742-7 will allow the Contractor to continue to provide residential board and care services through March 31, 2018.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Anna Roth,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, post-surgery patients will not have access to Contractor's services.



Contra  
Costa  
County

To: Board of Supervisors  
From: Todd Billeci, County Probation Officer  
Date: March 28, 2017

Subject: Contract Amendment with Justice Benefits Incorporated

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Probation Officer, or designee, to execute a contract amendment with Justice Benefits Incorporated, Ltd. effective May 15, 2017, to extend the term through May 31, 2018, with no change to the original payment limit of \$300,000, for continued training and Title IV-E claiming assistance.

**FISCAL IMPACT:**

Actual cost to the Probation Department will not exceed 15% of the total Title IV-Claim, approximately \$90,000 annually.

**BACKGROUND:**

Title IV-E of the Social Security Act authorized the Foster Care and Adoption Assistance programs to provide federal matching funds to states for directly administering the programs. Its objectives were to improve the quality of care of children in foster care, reduce the number of children in foster care, return children to their homes as soon as conditions permit, and facilitate the adoption or permanent placement of children who cannot be returned to their homes. A single State agency is designed to claim Federal Title IV-E. In California, the agency is the California Department of Social Services (CDSS). The state designates implementation at the local level

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Danielle Fokkema,  
925-313-4195

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

### BACKGROUND: (CONT'D)

through the county's Social Services Agency. In Contra Costa County that agency is Employment and Human Services (EHSD). In late 2013, the Federal Department of Health and Human Services (DHHS) conducted site visits of two Probation departments in California. During their visits they determined that Probation did not have a clear understanding of which juveniles could properly be claimed under Title IV-E. As a result the DHHS froze funding to all Probation departments. At the time they froze funding to all Probation Departments while CDSS worked DHHS to ensure that Probation departments statewide received training to ensure compliance with Title IV-E. Funding for Probation statewide has now been lifted but Contra Costa Probation has seen Title IV-E revenue drop from \$4.5 million annually to \$424,000. On April 24, 2015 CDSS audited Contra Costa Probation's Title IV-E claims. During this audit it was determined that Probation is properly claiming the correct juveniles but there was concern that Probation was under reporting the amount of time they are working with these youths. Justice Benefits, Inc. (JBI), founded in 1997, specializes in Federal Revenue Maximization for state and local entities. They are the national experts in Title IV-E claiming assistance for Probation departments and they contract with 30 Probation departments in California alone. Contra Costa Probation needs the assistance of JBI to determine how to accurately capture the amount of time deputies work with Title IV-E eligible youths.

### CONSEQUENCE OF NEGATIVE ACTION:

Contra Costa County will no longer have the training and claiming expertise provided by Justice Benefits Incorporated, Ltd.

### CHILDREN'S IMPACT STATEMENT:

This action supports four of the community outcomes established in the Children's Report Card, 1) "Children Ready for and Succeeding in School"; 2) "Children and Youth Healthy and Preparing for Productive Adulthood"; 3) "Families that are Safe, Stable and Nurturing"; and, 4) "Communities that are Safe and Provide a High Quality of Life for Children and Families".



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #26-798-3 with Infectious Disease Doctors Medical Group, APC

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #26-798-3 with Infectious Disease Doctors Medical Group, APC, a corporation, in an amount not to exceed \$260,000, to provide infectious disease consulting services and training at Contra Costa Regional Medical and Contra Costa Health Centers (CCRMC) for the period from May 1, 2017 through April 30, 2018.

**FISCAL IMPACT:**

This Contract is funded 100% Hospital Enterprise Fund I. (No rate increase)

**BACKGROUND:**

On June 7, 2016 the Board of Supervisors approved Contract #26-798-1 (as amended by Amendment Agreement #26-798-2), with Infectious Disease Doctors Medical Group, APC, for the provision of weekly infectious disease consulting services including but not limited to clinic sessions, on-call coverage and training for the period from May 1, 2016 through April 30, 2017. Approval of Contract #26-798-3 will allow Contractor to continue to provide infectious disease consulting services through April 30, 2018.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, patients requiring infectious disease consulting services will not have access to the Contractor's services.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #26-744-3 with the Regents of the University of California, on behalf of its University of California, San Francisco School of Medicine.

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #26-744-3 with the Regents of the University of California, on behalf of its University of California, San Francisco School of Medicine, effective April 1, 2017, to increase the payment limit by \$105,000, from \$105,000 to a new total payment limit of \$210,000 with no change in the original term of May 1, 2013 through June 30, 2019.

**FISCAL IMPACT:**

This amendment is funded 100% Hospital Enterprise I Funds. (No Rate increase)

**BACKGROUND:**

On August 6, 2013, the Board of Supervisors approved Contract #26-744 (as amended by Amendment Agreement #26-744-1 and Extension Agreement #26-744-2) with the Regents of the University of California, on behalf of its University of California, San Francisco School of Medicine, for the period from May 1, 2013 through June 30, 2019, for the provision of a residency training program in family medicine at Contra Costa Regional Medical Center and Contra Costa Health Centers.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Anna Roth,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

BACKGROUND: (CONT'D)

Approval of Contract Amendment Agreement #26-744-3 will allow the Contractor to provide additional residency training programs in family medicine at Contra Costa Regional Medical Center and Contra Costa Health Centers, through June 30, 2019.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, County will not be able to expand the residency training program at Contra Costa Regional Medical Center and Contra Costa Health Centers.



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Authorize Purchasing Agent to Issue Purchase Order

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Employment and Human Services Department, Information Technology (IT) Unit, a purchase order with OmniPro Systems, Inc. of San Francisco in an amount not to exceed \$653,530 to procure 500 personal computers over the period March 15, 2017 through June 30, 2017. (10% County; 48% State; 42% Federal)

**FISCAL IMPACT:**

\$653,530: 100% Administrative Overhead (10% County; 48% State; 42% Federal)

**BACKGROUND:**

The Employment and Human Services Department (EHSD), Information Technology Unit (IT), has replaced some user personal computers (PC) and upgraded PCs in the public use labs to support Windows 10, and with more employees projected to be hired in the coming months and the need to train these staff, EHSD must acquire additional computers and monitors.

In accordance with Administrative Bulletin No. 611.0, County Departments are required to get Board approval for single item purchases greater than \$100,000.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: V. Kaplan,  
3-1514

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

The Employment and Human Services Department will not have enough up-to-date computers for staff and public use labs.

CHILDREN'S IMPACT STATEMENT:

None.



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Authorize Purchasing Agent to Issue Purchase Order

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Employment and Human Services Department (EHSD), Information Technology Unit, a purchase order with OmniPro Systems, Inc. of San Francisco in an amount not to exceed \$179,170 to procure 700 computer drives and power supplies to upgrade EHSD's fleet of desktop personal computers for the period March 15, 2017 through June 30, 2017. (10% County; 48% State; 42% Federal)

**FISCAL IMPACT:**

\$179,170: 100% Administrative Overhead (10% County; 48% State; 42% Federal)

**BACKGROUND:**

With purchasing computer equipment to upgrade the department's fleet of desktop personal computers (refurbishing older computers that still have expendable life), Employment and Human Services Department (EHSD) will produce more usable personal computers (PCs) at a lower cost than purchasing brand new PCs.

In accordance with Administrative Bulletin No. 611.0, County Departments are required to get Board approval for single item purchases greater than \$100,000.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: V. Kaplan,  
3-1514

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

Without the additional computer equipment to refurbish older personal computers (PCs), Employment and Human Services Department (EHSD) would have to purchase additional PCs.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #74-402-6 with Aspiranet

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #74-402-6 with Aspiranet, a non-profit corporation, effective March 1, 2017, to amend Novation Contract #74-402-5, to increase the payment limit by \$73,870, from \$176,130 to a new payment limit of \$250,000, with no change in the original term of July 1, 2016 through June 30, 2017, and to increase the automatic extension payment limit by \$36,935, from \$88,065 to a new payment limit of \$125,000, with no change in the term of the automatic extension, through December 31, 2017.

**FISCAL IMPACT:**

This Amendment is funded 50% Mental Health Realignment; 50% Federal Funds. (No rate increase)

**BACKGROUND:**

On May 24, 2016, the Board of Supervisors approved Novation Contract #74-402-5 with Aspiranet to provide therapeutic behavioral services (TBS) to County referred clients that have been placed in group homes in Stanislaus County and to clients residing in Contra Costa County at facilities throughout the County, for the period from July 1, 2016 through June 30, 2017, which

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cynthia Belon,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala, M Wilhelm

BACKGROUND: (CONT'D)

included a six-month automatic extension through December 31, 2017.

Approval of Contract Amendment Agreement #74-402-6 will allow the Contractor to provide additional TBS through June 30, 2017.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, additional clients requiring TBS services will not have access to Contractor's services.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #24-751-85 with Anka Behavioral Health, Incorporated

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #24-751-85 with Anka Behavioral Health, Incorporated, a non-profit corporation, effective March 1, 2017, to amend Novation Contract #24-751-84, to increase the payment limit by \$961,107, from \$3,253,485 to a new payment limit of \$4,214,592, with no change in the original term of July 1, 2016 through June 30, 2017, and to increase the automatic extension payment limit by \$480,554, from \$1,626,742 to a new payment limit of \$2,107,296 through December 31, 2017.

**FISCAL IMPACT:**

This Amendment is funded 35% Federal Financial Participation; 65% Mental Health Realignment (Rate increase)

**BACKGROUND:**

On October 18, 2016, the Board of Supervisors approved Novation Contract #24-751-84 with Anka Behavioral Health, Incorporated for the provision of community services; support programs and residential mental health services including, but not limited to: vocational, community

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cynthia Belon,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

BACKGROUND: (CONT'D)

living, socialization, and Medi-Cal rehabilitative programs, for the period from July 1, 2016 through June 30, 2017, which included a six-month automatic extension through December 31, 2017.

Approval of Contract Amendment Agreement #24-751-85 will allow the Contractor to provide additional services through June 30, 2017.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, clients will not receive mental health services provided by this contractor.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #74-315-12 with Community Options for Families and Youth, Incorporated

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #74-315-12 with Community Options for Families and Youth, Incorporated, a non-profit corporation, effective April 1, 2017, to amend Novation Contract #74-315-11, to increase the payment limit by \$200,000, from \$2,153,912 to a new payment limit of \$2,353,912, with no change in the original term of July 1, 2016 through June 30, 2017, and to increase the automatic extension payment limit by \$100,000, from \$1,076,956 to a new payment limit of \$1,176,956 through December 31, 2017.

**FISCAL IMPACT:**

This amendment is funded 43% Federal Early and Periodic Screening, Diagnosis and Treatment; 29% County Realignment; 28% Mental Health Services Act. (No rate increase)

**BACKGROUND:**

On July 19, 2016, the Board of Supervisors approved Novation Contract #74-315-11 with Community Options for Families and

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cynthia Belon,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

BACKGROUND: (CONT'D)

Youth, Incorporated for the period from July 1, 2016 through June 30, 2017, which included a six-month automatic extension through December 31, 2017, for the provision of Therapeutic Behavioral Services (TBS) and Multisystemic Behavioral Therapy.

Approval of Contract Amendment Agreement #74-315-12 will allow the Contractor to provide additional services through June 30, 2017.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, seriously emotionally disturbed children and adolescents will not have access to Contractor's additional mental health services

CHILDREN'S IMPACT STATEMENT:

This TBS program supports the following Board of Supervisors' community outcomes: "Children Ready For and Succeeding in School"; "Families that are Safe, Stable, and Nurturing"; and "Communities that are Safe and Provide a High Quality of Life for Children and Families". Expected program outcomes include an increase in positive social and emotional development as measured by the Child and Adolescent Functional Assessment Scale (CAFAS).



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #23-556-2 with Performance Logic, Inc.

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Amendment Agreement #23-556-2 with Performance Logic, Inc., a corporation, effective April 1, 2017, to amend Contract #23-556 (as amended by Amendment Agreement #23-556-1), to increase the payment limit by \$93,500, from \$89,870 to a new payment limit of \$183,370, with no change in the original term of September 1, 2015 through August 31, 2018.

**FISCAL IMPACT:**

This amendment is funded 100% by Hospital Enterprise fund I. (No rate increase).

**BACKGROUND:**

On November 2015, the County Administrator approved and the Purchasing Services Manager executed Contract #23-556 (as amended by Amendment Agreement #23-556-1) with Performance Logic, Inc. for the provision of annual licensing, software consulting, upgrade and maintenance services to the Health Services Information Systems Unit, for the period from September 1, 2015 through August 31, 2018.

Approval

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: David Runt,  
925-313-6220

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

BACKGROUND: (CONT'D)

of Contract Amendment Agreement #23-556-2 will allow the Contractor to provide additional software consultation and maintenance services to integrate software at County facilities, with no change in the original term through August 31, 2018.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the Health Services Department's Information Systems Unit will not receive the consultation services needed for system integration at County facilities.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #23-523-3 with API Healthcare Corporation

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Amendment Agreement #23-523-3 with API Healthcare Corporation, a corporation, effective April 1, 2017, to amend Contract #23-523-2, to increase the payment limit by \$203,508, from \$487,500 to a new payment limit of \$691,008, with no change in the original term of June 30, 2016 through June 29, 2019.

**FISCAL IMPACT:**

This amendment is funded 100% by Hospital Enterprise fund I. (No rate increase)

**BACKGROUND:**

On June 21, 2016, the Board of Supervisors approved Contract #23-523-2 with API Healthcare Corporation for the implementation, licensing and hosting of Contractor's Patient Classification software and Staffing and Scheduling software, for the period from June 30, 2016 through June 29, 2019.

Approval of Contract Amendment Agreement #23-523-3 will allow the Contractor to provide additional software consultation and maintenance services with no change in the original term through June 29, 2019.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: David Runt,  
925-335-8700

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the Health Services Department's Information Systems Unit will not receive the consultation and maintenance services needed for Patient Classification and Staffing and Scheduling Systems.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Fire Funding for Emergency Medical Services (EMS) Enhancements from Measure H Funds

---

**RECOMMENDATION(S):**

Approve and authorize the Auditor-Controller, or designee, to pay the San Ramon Valley Fire Protection District \$33,000 for EMS Fire First Responder medical equipment, medical supplies and EMS training to the San Ramon Valley Fire Protection District, upon approval of EMS Director for FY 2016-17. (100% Measure H Funds, CSA EM-1, Zone A).

**FISCAL IMPACT:**

Funding for this expenditure has been budgeted under CSA EM-1; Zone A (Measure H). There is no General Fund impact.

**BACKGROUND:**

These funds are allocated to partially offset fire services' added costs for medical supplies, equipment, and training through participation in an enhanced Emergency Medical Services system established through CSA EM-1.

**CONSEQUENCE OF NEGATIVE ACTION:**

Fire services would need to fund medical supplies, equipment and training out of their existing funds.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Pat Frost,  
925-646-4690

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm, Patricia Weisinger



**Contra  
Costa  
County**

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #23-600 with Global Healthcare Exchange, LLC

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #23-600 with Global Healthcare Exchange, LLC., in an amount not to exceed \$70,000 including agreeing to indemnify the Contractor, for a contract management system to assist with purchase order payments and pricing at Contra Costa Regional Medical Center, for the period from March 28, 2017 through March 27, 2018.

**FISCAL IMPACT:**

This contract is funded 100% by Hospital Enterprise Fund I.

**BACKGROUND:**

Global Healthcare Exchange, LLC contract management system will assist Contra Costa Regional Medical Center to create process efficiencies and purchase order compliance. Through real-time price validation and purchase order updates from the top six group purchasing organizations (GPOs), Global Healthcare Exchange, LLC will assist with savings on purchases made.

Approval of Contract #23-600 will allow the Contractor to provide the contract management system for the Materials Management Unit at Contra

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: David Runt,  
925-335-8700

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

Costa Regional Medical Center, through March 27, 2018. This Contract includes a provision to indemnify the Contractor for claims arising out of Contractor's performance under this Contract.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the Department will not be able take advantage of contract management system and savings from process efficiencies.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Direct Systems Support (Legacy System) Purchase Order

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent on behalf of the Health Services Department, to execute a Change Order to existing Purchase Order F004211 with Direct Systems Support to increase the amount by \$169,000, to a total of \$355,000 for support services for IBM and Lenovo servers with no change in the original term of March 21, 2016 through December 28, 2018.

**FISCAL IMPACT:**

100% funding is included in the Hospital Enterprise Fund I Budget.

**BACKGROUND:**

The Health Services Department (HSD) Information Technology Unit (IT) Unit extensively uses Lenovo/IBM server hardware for the IT datacenter. Direct Systems Support manages HSD IT server hardware and support with IBM and Lenovo to ensure that there isn't a lapse in support services. This purchase will provide the HSD IT Unit with support for servers that support the Epic Electronic Health Records (EHR) and other healthcare related software for the entire HSD. IBM and Lenovo provide support for Health Services servers to correct defects and functionality issues pursuant to the IBM Master Services Attachment and related Statement(s) of Work.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: David Runt,  
925-335-8700

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm, Allyson Eggert

CONSEQUENCE OF NEGATIVE ACTION:

If the Purchase Order is not approved, HSD will not have the necessary support in place. The servers contain Epic EHR data, and could result in the inability to access and possible loss of patient information for the entire Health Services Department; causing Patient Care issues and emergencies.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Purchase of Safeway Gift Cards for Consumer Input of the Mental Health Services Act (MHSA)-Prop 63

---

**RECOMMENDATION(S):**

Authorize the Purchasing Agent to purchase, on behalf of the Health Services Department, Mental Health Division, Safeway Gift Cards to use as incentives for consumer participation as allowed under Proposition 63, the Mental Health Services Act (MHSA), in the amount of \$7,500.00 (500 cards at \$15.00/each).

**FISCAL IMPACT:**

100% MHSA-Proposition 63; no County General Fund allocation will be used.

**BACKGROUND:**

Proposition 63, the Mental Health Services Act, was passed by voters on November 2, 2004. This proposition imposes an additional 1% tax on taxable personal income above \$1 million to provide dedicated funding for expansion of mental health services and programs. Gift Cards are provided to mental health consumers and family members as an incentive for ongoing and meaningful participation and involvement as full partners in the MHSA planning processes, from the inception of the planning through implementation and evaluation of identified activities. State Department of Mental Health Letter Number 05-01 requires the participation of mental health consumers and family

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cynthia Belon,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm, Lisa Cabral

BACKGROUND: (CONT'D)

members in this process. Additionally, counties must continue to be engaged in ongoing community planning processes for MHSA annual plan updates and for any new MHSA plan. As such, in order to obtain broader stakeholder input, gift cards allow the county to provide a way to reward those mental health consumers and their family members who so willingly volunteer many hours to participate in the myriad MHSA planning processes. Gift cards enable the volunteer participants to cover the expenses of their transportation to/from planning meetings and also covers the expenses of their meals when they need to be away from home. The gift cards allow the county to relieve the financial burden of those volunteer mental health consumer and family members who may not have the extra funds to allow their participation. The gift cards will be administered in accordance with the requirements outlined in Administrative Bulletin #615.

CONSEQUENCE OF NEGATIVE ACTION:

If there are no incentives available, Consumer and Family member participation and involvement will decrease during the Community Program Planning Process, which is a required component for the MHSA Three-Year Program and Expenditure Plan.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #74-475-24(3) with Isaac Burns, MFT

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #74-475-24(3) with Isaac Burns, MFT, an individual, effective March 1, 2017, to amend Contract #74-475-24(2), to increase the payment limit by \$78,000, from \$30,000 to a new payment limit of \$108,000, for Medi-Cal specialty mental health services, with no change in the original term of July 1, 2016 through June 30, 2018.

**FISCAL IMPACT:**

This amendment is funded 50% by Federal Medi-Cal and 50% State. (No rate increase)

**BACKGROUND:**

In October 2016, the County Administrator approved and the Purchasing Services Manager executed Contract #74-475-24(2) with Isaac Burns, MFT, for the period from July 1, 2016 through June 30, 2018, for the provision of Medi-Cal specialty mental health services.

At the time of negotiations, the payment limit was based on target levels of utilization. However, the utilization during the term of the Contract

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cynthia Belon,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Robert Curotto, Marcy Wilhelm

BACKGROUND: (CONT'D)

was higher than originally anticipated. Approval of Contract Amendment #74-475-24(3) will allow the Contractor to provide additional mental health services through June 30, 2018.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, services provided to Contra Costa Mental Health Plan Medi-Cal beneficiaries could be negatively impacted, including access to services, choice of providers, cultural competency, language capacity, geographical locations of service providers, and waiting lists.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Amendment #74-475-9(3) with Paul Kramer, MFT, A Professional Corporation

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #74-475-9(3) with Paul Kramer, MFT, A Professional Corporation, effective March 1, 2017, to amend Contract #74-475-9(2), to increase the payment limit by \$185,000, from \$40,000 to a new payment limit of \$225,000, with no change in the original term of July 1, 2016 through June 30, 2018.

**FISCAL IMPACT:**

This amendment is funded 50% by Federal Medi-Cal and 50% State. (No rate increase)

**BACKGROUND:**

In December 2016, the County Administrator approved and the Purchasing Services Manager executed Contract #74-475-9(2) with Paul Kramer, MFT, A Professional Corporation, for the period from July 1, 2016 through June 30, 2018, for the provision of Medi-Cal specialty mental health services.

At the time of negotiations, the payment limit was based on target levels of utilization. However, the utilization during the term of the Contract was higher than originally anticipated. Approval of Contract Amendment #74-475-9(3) will allow the Contractor to provide additional mental health services through June 30, 2018.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Cynthia Belon,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tasha Scott, Marcy Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, services provided to Contra Costa Mental Health Plan Medi-Cal beneficiaries could be negatively impacted, including access to services, choice of providers, cultural competency, language capacity, geographical locations of service providers, and waiting lists.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Change Order to Purchase Order F004960 with West Interactive for TeleVox Software

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent, on behalf of the Health Services Director, to execute a Change Order to Purchase Order F004960 with West Interactive, to add \$70,000 for a new total amount not to exceed \$150,000 for TeleVox software with no change in the original term for period July 1, 2016 through June 30, 2017.

**FISCAL IMPACT:**

100% funding is included in the Hospital Enterprise Fund I Budget.

**BACKGROUND:**

Televox HouseCalls Automated Messaging Software and appointment reminder system provides meaningful use services to the Ambulatory and Mental Health Service Departments for appointment reminders to CCRMC patients pertaining to mammography reminders, mammography no-show/follow-up, pediatric immunization, adhoc cancelled appointments reminders, etc. Televox interfaces with the Epic electronic records system.

Approval of the agreement will allow the vendor to continue providing services through June 30, 2017. The Agreement obligates the County to indemnify the vendor for breaches of the agreement or claims arising from County materials used with the system.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: David Runt,  
925-335-8700

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

Failure to approve the agreement and pay for the services would interrupt the messaging system reminders and fail to remind patients of important appointments or cancellations.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #26-294-40 with Staff Care, Inc.

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or designee, to execute, on behalf of the County, Contract #26-294-40 with Staff Care, Inc., a corporation, in an amount not to exceed \$5,469,000, to provide temporary locum tenens physician services for Contra Costa Regional Medical Center and Contra Costa Health Centers (CCRMC), for the period from January 1, 2017 through December 31, 2019.

**FISCAL IMPACT:**

This contract is funded 100% Hospital Enterprise Fund I. (Rate increase)

**BACKGROUND:**

On January 5, 2016, the Board of Supervisors approved Contract #26-294-37 (as amended by Amendment Agreement #26-294-38) with Staff Care, Inc., for the provision of locum tenens physicians to cover during vacation, sick leave, and extended leave relief for County-employed physicians at CCRMC for the period from January 1, 2016 through December 31, 2016. Approval of Contract #26-294-40 will allow the Contractor to continue providing temporary locum tenens physician services, through December 31, 2019. This Contract contains modifications to Paragraph 18. (Indemnification) of the General Conditions.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, patients requiring appropriate physician coverage during temporary staff absences will not have access to Contractor's services.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Contract #26-305-36 with Vista Staffing Solutions, Inc.

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**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract #26-305-36 with Vista Staffing Solutions, Inc., a corporation, in an amount not to exceed \$1,575,000, to provide temporary locum tenens physicians at Contra Costa Regional Medical Center and Contra Costa Health Centers (CCRMC), for the period from December 1, 2016 through November 30, 2019.

**FISCAL IMPACT:**

100% Hospital Enterprise Fund I. (Rate Increase)

**BACKGROUND:**

On January 12, 2016, the Board of Supervisors approved Contract #26-305-35, with Vista Staffing Solutions, Inc., for the provision of locum tenens physicians to work as temporary employees to ensure appropriate medical staff coverage at CCRMC for the period from December 1, 2015 through November 30, 2016. The contract includes modifications to General Conditions, Paragraph 18. (Indemnification). Approval of Contract #26-305-36 will allow the Contractor to continue providing temporary locum tenens physicians at CCRMC through November 30, 2019.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, County will not have access to Contractor's services.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Samir Shah, M.D.,  
925-370-5525

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: AMENDMENT TO CONTRACT WITH CONTRA COSTA BAR FOR CRIMINAL CONFLICT DEFENSE SERVICES

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Administrator, or designee, to execute a contract amendment with the Contra Costa County Bar Association to increase the payment limit by \$1,300,000 to a new payment limit of \$4,950,000 for the continued provision of criminal conflict defense services, with no change to the term of July 1, 2016 through June 30, 2017.

**FISCAL IMPACT:**

\$1,300,000, 100% County General Fund.

**BACKGROUND:**

Since 1983, the County has contracted with the Contra Costa County Bar Association for the provision of conflict defense services. The original contract was in response to the escalating cost of conflict defense services under the old system of court-appointed counsel. Subsequently, in FY 1991/92, the Public Defender created an Alternate Defender's Office to handle conflict cases. The cases referred to the Bar Association generally represent multiple co-defendant cases in which the Alternate Defender's Office can represent only one co-defendant.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Timothy Ewell,  
925-335-1036

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

>

The contract with the Bar Association for conflict defense services includes only the costs associated with representing criminal and delinquency cases referred to the Bar Association through a written affidavit of conflict by the Public Defender and the Alternate Defender. In prior years, the contract also provided for legal representation in juvenile dependency cases. County-provided juvenile dependency services were terminated by the Superior Court in July 2008.

The current contract with the Bar Association covers the two-year period of July 1, 2015 through June 30, 2017. The payment limit for fiscal year 2016/17 is currently \$3,650,000. The proposed contract amendment will increase the payment limit by an additional \$1,300,000 in fiscal year 2016/17 to reflect costs associated with increased attorney caseloads referred by the Public Defender or Alternate Defender.

CONSEQUENCE OF NEGATIVE ACTION:

Payment of criminal conflict attorney services is a mandated County cost. If the recommended action is not approved, the contract with the Bar Association the County will remain obligated to pay the Bar for cases assigned and still in progress. The appointment and payment of independent attorneys for new conflict cases that cannot be handled by the Alternate Defender's Office will revert to the court-appointed method used prior to the Bar Association contract. All active and new criminal and delinquency conflict cases will be referred to the courts for appointment of defense counsel with the County fiscal responsible for all costs involved.



Contra  
Costa  
County

To: Board of Supervisors  
From: David O. Livingston, Sheriff-Coroner  
Date: March 28, 2017

Subject: Contract with Murdock & Assoc for Forensic Firearms Examination Services

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Sheriff-Coroner, or designee, to execute a contract with John Murdock and Associates, LLC, in an amount not to exceed \$231,000 to provide specialized forensic services for the period May 1, 2017 through April 30, 2019.

**FISCAL IMPACT:**

100% Agency User fees.

**BACKGROUND:**

The Office of the Sheriff-Coroner is in need of dedicated forensic services and training. Casework most often is performed through the Sheriff's Office Forensic Services Division, which is currently in need of additional assistance. John Murdock is a world renowned forensic firearms expert. John Murdock and Associates will predominately conduct forensic casework and firearms comparison for cases using the County laboratory. He will also provide training and case consultation. The contract is expected to have 100% cost recovery in addition to possible revenue through billing to other agencies. The County will ensure compliance with laboratory accreditation standards through our Forensic Services Division.

**CONSEQUENCE OF NEGATIVE ACTION:**

A negative action on this contract would result in the Office of the Sheriff not being able to provide needed services to the County and other agencies.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Sandra Brown  
925-335-1553

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CHILDREN'S IMPACT STATEMENT:

No impact.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Weatherization Contract - Superior Mechanical Services (C47536)

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a contract amendment with Superior Mechanical Services, Inc (Contract # C497536), to increase the payment limit by \$50,000 to a new payment limit of \$140,000 to provide home weatherization equipment and services, including mechanical ventilation services, to low income residents throughout Contra Costa County, with no change to the original contract term of August 1, 2015 through July 31, 2017.

**FISCAL IMPACT:**

The additional purchase amount (\$50,000) is fully reimbursable through contracts with the State of California Department of Community Services and Development to expend various State and federal grant funds for a variety of weatherization projects throughout the county.

**BACKGROUND:**

The Department of Conservation and Development (DCD) has partnered with the Employment and Human Services Department (EHSD) for the past 20 years to provide energy saving home improvements to low income families throughout unincorporated Contra Costa County, as well as the 19 cities in the county.

Funding is provided by State and federal grant programs including, but not limited to, the Low Income Home Energy Assistance Program (LIHEAP), the Energy Crisis Intervention Program (ECIP), the Department of Energy (DOE), and the Cap and Trade Auction Funds for the Low Income Weatherization Program (LIWP)

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: 03/28/2017  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Laura Glass  
925-674-7834

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

to reduce greenhouse gas emissions.

With these grants, the Weatherization Program may provide homes with equipment and services such as mechanical ventilation, hot water heaters, furnaces, refrigerators, microwaves, doors, windows, LED (light emitting diode) light bulbs, LED night lights, Tier 2 advanced power strips, occupancy sensors, weather-stripping, ceiling fans, and attic insulation.

Homes receive a blower door test (a diagnostic tool to locate and correct air infiltration), and homes with gas appliances receive a combustion appliance safety test that checks for carbon monoxide gas leakage. Homes with gas appliances are provided with a carbon monoxide alarm.

Superior Mechanical Services will repair, replace or provide mechanical ventilation systems to low income households through the Weatherization Program. This service is required by the contract between the County and the State Department of Community Services and Development. The increase in the budget is needed to provide additional service.

Under its grant funding contract, the Weatherization Program is required to meet minimum unit production goals (number of homes weatherized) by the end of its grant contract term, July 31, 2017. Failure to maintain the required production goals may result in the State reallocating our share of funding to other counties and could jeopardize our future funding. These contracts will allow the Weatherization Program to have ready access to mechanical ventilation and other necessary supplies and equipment to weatherize homes and meet production goals.

CONSEQUENCE OF NEGATIVE ACTION:

The installation of mechanical ventilation, repairs to these systems and other services necessary to implement the Weatherization Program would not occur.

CHILDREN'S IMPACT STATEMENT:

Approval of this item will enable the Weatherization Program install mechanical ventilation that improve health, safety, comfort and quality of life for children residing in the households served. This supports outcomes #3 and #5 established in the children's report card: 3) Families are economically self-sufficient; and 5) Families are safe, stable and nurturing.



Contra  
Costa  
County

To: Contra Costa County Fire Protection District Board of Directors  
From: Jeff Carman, Chief, Contra Costa County Fire Protection District  
Date: March 28, 2017

Subject: AMR Ambulance Unit Hour Rate Adjustment

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Fire Chief, or designee, to execute a contract amendment with American Medical Response West (AMR), effective April 1, 2017, to update Exhibit D (Ambulance Unit Hour Rates) in the Service Plan with no change to original term or payment limit, for emergency ambulance services.

**FISCAL IMPACT:**

The AMR ambulance unit hour rate increase is intended to be cost neutral. The District's ambulance service rates will increase by 3.8%, but only a fraction of amounts billed are actually collected. That fraction is applied to the 3.8% CPI increase to determine AMR's ambulance unit hour rate increase. AMR collects 100% of ambulance unit hours invoiced to the District.

Other factors impact District transport revenue, so in fact this action is theoretically cost neutral. Factors that impact future transport collections include transport volume, services provide (e.g., mileage and oxygen), payer mix, payment caps, and potential changes to the Affordable Care Act and other relevant legislation.

Based on the formula included in the service plan, the Ambulance Unit Hour Rates will increase by an amount not to exceed 1.0108%.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Terence Carey, Asst Fire  
Chief (925) 941-3504

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND:

Effective January 1, 2016, the Contra Costa County Fire Protection District (District) became the exclusive operator of emergency ambulance service within Exclusive Operating Areas 1, 2, and 5 in Contra Costa County. The District contracts with American Medical Response West (AMR) for actual ambulance unit hours.

Service Plan Section P.2. of the Contract between the District and AMR states the following:

*Ambulance Unit Hourly Rate Adjustments. Beginning on April 1, 2017, and on each April 1 thereafter, the Per Unit Hour Rate will increase by the percentage equal to the product of (a) District's collection realization percentage (i.e., the percentage of patient billings actually collected) for the preceding year, times (b) the increase in the rates that the District changes for services under the CCCEMSA Contract that is based on the charges in the Consumer Price Index.*

The ambulance unit hour rates are specified in Exhibit D to the Service Plan of the Contract between the District and AMR. This amendment applies the above-described calculations to the unit hour rates in Exhibit D and adjusts them accordingly.

Under the District's Contract with the Contra Costa County Emergency Medical Services Agency (CCCEMSA), the District is also entitled to regular rate increases after the first twelve (12) month of service. The District's increase is based on changes in the Consumer Price Index, All Urban Consumers for Medical Care (U.S. city average) (1982-4=100) ("CPI"). The District's annual rate increase is the greater of three (3) percent or the increase in the CPI for the subject calendar year.

The CPI for calendar year 2016 is 3.8%; therefore, the District is requesting a 3.8% increase in its Ambulance Services Rate Schedule effective April 1, 2017.

To determine AMR's increase, 0.038 (or 3.8%) will be multiplied by the collection realization percentage for calendar year 2015. Calendar year 2015 collection data (provided by AMR) is being used for this calculation because calendar year 2016 collections are not mature (i.e., the percentage of patient billings actually collected, particularly in the last quarter of the year, will not reflect long term actual collections). Likewise, the April 1, 2018, increase for ambulance unit hour rates will be determined using the District's collection realization percentage for calendar year 2016.

## CONSEQUENCE OF NEGATIVE ACTION:

AMR is contractually entitled to a unit hour rate increase on April 1, 2017. The District will not have an accurate ambulance unit hour rate schedule embedded in the service contract without approval of this action.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Approval of Amendments to HOME Investment Partnerships Act Legal Documents for the Lyle Morris Family Center in Antioch

---

**RECOMMENDATION(S):**

For the purpose of allowing SHELTER, Inc. of Contra Costa County to change the use of the Lyle Morris Center in Antioch:

1. APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute the amended and restated HOME Investment Partnerships Act program agreement, and other related documents; and
2. APPROVE and AUTHORIZE the Public Works Director, or designee, to execute First Amendment to Ground Lease.

**FISCAL IMPACT:**

No General Fund impact. HOME funds are provided to the County on a formula allocation basis through the U.S. Department of Housing and Urban Development. CFDA 14.239

**BACKGROUND:**

In 2000, the County and SHELTER, Inc. of Contra Costa County (Shelter Inc.) entered into a ground lease with a term of 20 years so that Shelter Inc. could lease a portion of County-owned property located at 4553 Delta Fair Boulevard in Antioch (the Property). Also in 2000, the County provided a revocable grant to Shelter Inc. of \$587,000 in HOME Investment Partnerships Act (HOME) funds and granted approximately \$1.6 million from the County General Fund to support the construction of a 20 unit apartment building. The HOME funds were used to support the construction of nine units. Shelter Inc. and the County entered into a regulatory agreement with a 40 year term.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Kara Douglas,  
674-7880

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

### BACKGROUND: (CONT'D)

Both the ground lease and the regulatory agreement restrict the use of the building for transitional housing. The development, recently known as the Lyle Morris Family Center (the Center), provided transitional housing for homeless households until August 2016.

Operation of the Center was primarily funded by the U. S. Department of Housing and Urban Development (HUD). In the past several years, HUD has placed an increasing emphasis on permanent supportive housing over transitional housing. In May 2016, HUD announced that it would no longer fund the transitional housing program operated by Shelter Inc. and other providers. Shelter Inc. is requesting that the County amend the ground lease, operating agreement, and the HOME regulatory agreement so that Shelter Inc. can convert the facility into permanent housing for families who are homeless or at-risk of homelessness. The revised documents continue to require that four units be occupied by extremely-low income (incomes at or below 30 percent of the area median income (AMI)) tenants and five units be occupied by very-low income (incomes at or below 50 percent AMI) tenants. The revised documents also require that an additional two units be occupied by low-income tenants and seven units be occupied by tenants with incomes at or below 65 percent AMI. Shelter Inc. expects that a significant number of households will have rental subsidies such as Housing Choice Vouchers, Veterans Affairs Supportive Housing vouchers, or Shelter Plus Care. These subsidies will allow households to pay just 30 percent of their income in rent. Shelter, Inc. is also changing the name to Lyle Morris Apartments.

County staff recommends that the Board of Supervisors agree to this request. Attached are documents that would amend and replace the HOME documents.

### CONSEQUENCE OF NEGATIVE ACTION:

Shelter Inc. cannot continue to operate the Center as transitional housing. If the County does not amend the HOME regulatory agreement, Shelter Inc. will be forced to close the Center.

### CHILDREN'S IMPACT STATEMENT:

This action supports Children's Impact Statement number 4: Families that are Safe, Stable and Nurturing.

### ATTACHMENTS

- First Amendment to Grant Agreement
- First Amendment to Ground Lease
- County Regulatory Agreement
- HOME Amended and Restated Regulatory Agreement

FIRST AMENDMENT TO REVOCABLE GRANT AGREEMENT

This first amendment to revocable grant agreement (“First Amendment”) is dated \_\_\_\_\_, 2017, and is between the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the “County”) and SHELTER, INC. OF CONTRA COSTA COUNTY, a California nonprofit public benefit corporation (“Grantee”).

RECITALS

- A. The County and Grantee are parties to a revocable grant agreement dated as of June 30, 2000 (the “Grant Agreement”), pursuant to which Grantee received a grant of Five Hundred Eighty-Seven Thousand Dollars (\$587,000) (the “Grant”). The Grant was used to construct a 20-unit residential facility on County-owned land in Antioch, California that is commonly known as 4553 Delta Fair Boulevard (the “Facility”). The Center was originally known as the East County Family Transitional Center, then the Lyle Morris Family Center. Grantee now desires to change the name of the facility to the Lyle Morris Apartments.
- B. Under the terms of the Grant Agreement, only transitional (i.e., temporary) housing is permitted at the Facility. The County and Grantee desire to amend the Grant Agreement to extend its term and to permit the Facility to be used to provide affordable, permanent, housing.

The parties therefore agree as follows:

AGREEMENT

- 1. Unless otherwise defined in this First Amendment, all defined terms used in this First Amendment have the meaning ascribed to them in the Grant Agreement.
- 2. Section 1.1(g) is deleted in its entirety and replaced with the following:

Section 1.1 Definitions

1.1 (g) "Development" means the Developer’s leasehold interest in the Property and fee interest in the twenty (20) affordable housing units developed on the Property, and attendant site improvements.

- 3. Section 1.1(s) is deleted in its entirety and replaced with the following:

Section 1.1 Definitions

(s) “Regulatory Agreement” shall mean (i) the Amended and Restated HOME Regulatory Agreement and Declaration of Restrictive Covenants dated as of \_\_\_\_\_, 2017, between the County and Grantee, and (ii) the Regulatory Agreement and

Declaration of Restrictive Covenants dated as of \_\_\_\_\_, 2017, between the County and Grantee, both of which will be recorded against the Land.

4. Section 1.1(t) is deleted in its entirety and replaced with the following:

1.1 (t) "Term" means the period of time that (i) begins on June 30, 2000, and (ii) ends on the day that immediately precedes the fifth-fifth anniversary of the date of the first amendment to this Agreement.

5. Section 4.12 is deleted in its entirety and replaced with the following:

Section 4.12 Operation of Development

Beginning \_\_\_\_\_ 2017, Grantee shall at all times operate the Development to provide rental housing for low-income tenants. In selecting tenants and establishing the rent payable by tenants, Grantee shall comply with the terms of the Regulatory Agreements.

6. Section 7.9 is deleted in its entirety and replaced with the following:

Section 7.9 Notices

If at any time after the execution of this Agreement it shall become necessary or convenient for one of the parties hereto to serve any notice, demand or communication upon the other party, such notice, demand or communication shall be in writing and shall be served personally or by depositing the same in the registered United States mail, return receipt requested, postage prepaid and (1) if intended for County shall be addressed to:

Contra Costa County  
Community Development Department  
30 Muir Road  
Martinez, CA 94553  
Attn: Assistant Deputy Director

and (2) if intended for Grantee shall be addressed to:

SHELTER, Inc. of Contra Costa County  
1333 Willow Pass Road, Suite 206  
Concord, CA 94520  
Attn: Chief Executive Officer

8. All references to "County Deputy Director-Redevelopment" in the Grant Agreement are deleted in their entirety and replaced with "Assistant Deputy Director, Department of Conservation and Development."
9. Leasing Requirements. Prior to leasing any Unit in the Development, Grantee shall provide to the County for its review and approval a copy of its updated marketing plan,

tenant selection plan, and lease, all of which must reflect compliance with the Regulatory Agreement.

10. Operating Budget. Prior to leasing any Unit in the Development and at the beginning of each year of the Term, Grantee shall provide to the County an annual budget for the operation of the Development. The County may request additional information to assist the County in evaluating the financial viability of the Development. Unless rejected by the County in writing within thirty (30) days after receipt of the budget, the budget will be deemed accepted. If rejected by the County in whole or in part, Grantee shall submit a new or corrected budget within thirty (30) calendar days after notification of the County's rejection and the reasons therefor. The provisions of this Section relating to time periods for resubmission of new or corrected budgets will continue to apply until such budget has been approved by the County.

[Remainder of Page Intentionally Left Blank]

11. All other terms of the Grant Agreement remain unchanged.

The parties are signing this First Amendment as of the date set forth in the introductory paragraph.

COUNTY:

CONTRA COSTA COUNTY, a political  
subdivision of the State of California

By: \_\_\_\_\_  
John Kopchik  
Director, Department of Conservation and  
Development

GRANTEE:

SHELTER, INC. OF CONTRA COSTA COUNTY,  
a California non-profit public benefit corporation

By: \_\_\_\_\_  
John Eckstrom  
Chief Executive Officer

## FIRST AMENDMENT TO GROUND LEASE

This first amendment to ground lease (“First Amendment”) is dated \_\_\_\_\_, 2017, and is between the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the “County”) and SHELTER, INC. OF CONTRA COSTA COUNTY, a California nonprofit public benefit corporation (“Lessee”).

### RECITALS

- A. The County and Lessee are parties to a ground lease dated as of February 1, 2000, pursuant to which the Lessee is leasing from the County a portion of County-owned land in Antioch, California that (i) has Assessor’s Parcel No. 074-080-033, and (ii) is commonly known as 4553 Delta Fair Boulevard (the “Lease”).
- B. At the time the County and Lessee entered into the Lease, the Land was unimproved. Under the terms of the Lease, Lessee was required to develop, construct, own and operate a facility that would provide transitional housing and various services for those who are homeless or at imminent risk of homelessness. Lessee succeeded in constructing the facility, which was originally known as the East County Family Transitional Center, then the Lyle Morris Family Center. Lessee now desires to convert the facility to residential rental units, available to eligible tenants, and to change the name of the facility to the Lyle Morris Apartments.
- C. Under the terms of the Lease, only transitional (i.e., temporary) housing is permitted at the facility. The County and Lessee desire to amend the Lease to permit the facility to be used to provide affordable, permanent, housing.

The parties therefore agree as follows:

### AGREEMENT

- 1. Unless otherwise defined in this First Amendment, all defined terms used in this First Amendment have the meaning ascribed to them in the Lease.
- 2. Section 1.1(e) is deleted in its entirety and replaced with the following:

Section 1.1 Definitions

(e) “Center” shall mean the structures on the Land that consist of twenty (20) residential units and community space and all ancillary parking and landscaping improvements.

- 3. Section 1.1(q) is deleted in its entirety and replaced with the following:

Section 1.1 Definitions

(q) “Regulatory Agreements” shall mean (i) the Amended and Restated HOME Regulatory Agreement and Declaration of Restrictive Covenants dated as of January \_\_, 2017, between the County and Lessee, and (ii) the Regulatory Agreement and Declaration of Restrictive Covenants dated as of January \_\_, 2017, between the County and Lessee, both of which will be recorded against the Land.

4. Section 1.1(r) is deleted in its entirety and replaced with the following:

Section 1.1 Definitions

(r) “Residents” shall mean the residents who are authorized by the Lessee to occupy the Improvements.

5. Section 2.3 is deleted in its entirety and replaced with the following:

Section 2.3 Payment of Rent

Lessee shall pay to the Lessor rent in the amount of One Dollar (\$1.00) per year. The Lessor and Lessee acknowledge that on the date of this Lease, Lessee has paid prepaid rent for the entire 20-year term of the Lease.

6. Section 4.1 is deleted in its entirety and replaced with the following:

Section 4.1 Use of Development

(a) Lessee shall at all times during the Lease Term operate the Development to provide low-income housing. In selecting Residents and establishing the rent payable by Residents, Lessee shall comply with the terms of the Regulatory Agreements.

(b) Lessee shall comply with all applicable and lawful statutes, rules, orders, ordinances, requirements and regulations of the United States, the State of California, and any other governmental authority having jurisdiction over the Development; however, the Lessee may, in good faith and on reasonable grounds, dispute the applicability or the validity of any charge, complaint, or action taken pursuant to or under color of any statutes, rule, order, ordinance, requirement or regulation, defend against same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of same. Lessee agrees that any such contest shall be prosecuted to a final conclusion as speedily as reasonably possible.

(c) Lessee shall:

(i) not use the Development for any disorderly or unlawful purpose, but only to provide affordable housing and related services;

(ii) use best efforts, including but not limited to seeking legal or equitable relief where appropriate, to prevent any Resident from committing or maintaining any nuisance or unlawful conduct on or about the Development;

(iii) use best efforts to prevent any Resident from violating any of the covenants and conditions of this Lease, the Operating Agreement, or the Approved Financing Documents with respect to the Development;

(iv) use best efforts to abate any violation of this Lease by any Resident upon notice from the County; and

(v) permit the County and its agents to inspect the Development at any reasonable time during the Lease Term.

7. Section 9.2 is deleted in its entirety and replaced with the following:

Section 9.2 Notices

If at any time after the execution of this Lease it shall become necessary or convenient for one of the parties hereto to serve any notice, demand or communication upon the other party, such notice, demand or communication shall be in writing and shall be served personally or by depositing the same in the registered United States mail, return receipt requested, postage prepaid and (1) if intended for County shall be addressed to:

Contra Costa County  
Community Development Department  
30 Muir Road  
Martinez, CA 94553  
Attn: Assistant Deputy Director

and (2) if intended for Lessee shall be addressed to:

SHELTER, Inc. of Contra Costa County  
1333 Willow Pass Road, Suite 206  
Concord, CA 94520  
Attn: Chief Executive Officer

[Remainder of Page Intentionally Left Blank]

8. All other terms of the Lease remain unchanged.

The parties are signing this First Amendment as of the date set forth in the introductory paragraph.

COUNTY:

CONTRA COSTA COUNTY, a political  
subdivision of the State of California

By: \_\_\_\_\_  
Julia R. Bueren  
Director of Public Works

LESSEE:

SHELTER, INC. OF CONTRA COSTA COUNTY,  
a California non-profit public benefit corporation

By: \_\_\_\_\_  
John Eckstrom  
Chief Executive Officer

NO FEE DOCUMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Contra Costa County  
Department of Conservation and Development  
30 Muir Road  
Martinez, CA 94553  
Attn: Assistant Deputy Director

No fee for recording pursuant to  
Government Code Section 27383

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COUNTY REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS

This Amended and Restated County Regulatory Agreement and Declaration of Restrictive Covenants (the "County Regulatory Agreement") is made and entered into as of \_\_\_\_\_, 2017, by and between the County of Contra Costa, a political subdivision of the State of California ("County"), and SHELTER, Inc. of Contra Costa County, a California nonprofit public benefit corporation ("Grantee").

RECITALS

A. Defined terms used but not defined in these recitals are as defined in Article 1 of this County Regulatory Agreement.

B. The County leased certain real property located in the County of Contra Costa, as more particularly described in Exhibit A attached hereto (the "Property") to the Grantee pursuant to a ground lease dated as of February 1, 2000.

C. The County and the Grantee previously entered into a HOME Revocable Grant Agreement dated June 30, 2000 (the "Grant Agreement") pursuant to which County provided a grant of Five Hundred Eighty-Seven Thousand Dollars (\$587,000) in HOME funds (the "County Grant") to Grantee to construct a twenty (20) unit transitional center for homeless households (the "Development") on the Property.

D. The County Grant is funded with HOME Investment Partnership Act funds received by County from HUD pursuant to the Cranston-Gonzales National Housing Act of 1990.

E. The County agreed to make the County Grant to Grantee on the condition that the Development be maintained and operated in accordance with restrictions concerning affordability, operation, and maintenance of the Development, as specified in the Grant

Agreement and a Regulatory Agreement and Declaration of Restrictive Covenants dated as of June 30, 2000, which was recorded as Doc-2000-0170178-00 in the official records of Contra Costa County (the "Original Regulatory Agreement").

F. The parties desire to replace the Original Regulatory Agreement with the HOME Regulatory Agreement in order to permit a different use of the Development. Specifically, the parties desire that Grantee be required to use the Development to provide affordable, permanent, housing in accordance with the terms of the HOME Regulatory Agreement and this County Regulatory Agreement. Upon execution of the HOME Regulatory Agreement and this County Regulatory Agreement, the Original Regulatory Agreement will be superseded in its entirety by the HOME Regulatory Agreement and this County Regulatory Agreement, which will be recorded against the Property.

G. In consideration of receipt of the County Grant, Grantee agrees to observe all the terms and conditions set forth below.

THEREFORE, County and Grantee hereby agree as follows.

## ARTICLE 1 DEFINITIONS

### 1.1 Definitions.

When used in this County Regulatory Agreement, the following terms have the respective meanings assigned to them in this Article 1.

(a) "Actual Household Size" means the actual number of persons in the applicable household.

(b) "Adjusted Income" means the total anticipated annual income of all persons in a household as calculated in accordance with 24 CFR 92.203(b)(1) (which incorporates 24 CFR 813).

(c) "Assumed Household Size" means the assumed household size under the HOME program for a two-bedroom unit or three-bedroom unit, as applicable.

(d) "County-Assisted Units" means the nineteen (19) Units designated as assisted by the County.

(e) "County Deed of Trust" means the deed of trust to County on the Property that (i) secures repayment of the County Grant and the performance of the Grant Agreement, the HOME Regulatory Agreement and this County Regulatory Agreement, and (ii) was recorded in the official records of Contra Costa County on August 9, 2000 as Document No. 2000-0170177-00.

- (f) "County Grant" has the meaning ascribed to it in Recital C.
- (g) "Development" means the Property and the twenty (20) housing units developed on the Property, as well as any additional improvements, and all landscaping, roads and parking spaces existing thereon, as the same may from time to time exist.
- (h) "Extremely Low Income Household" means a household with an Adjusted Income which does not exceed thirty percent (30%) of Median Income, adjusted for Actual Household Size.
- (i) "Extremely Low Income Units" means the Units which, pursuant to Section 2.1(a) below, are required to be occupied by Extremely Low Income Households.
- (j) "Grant Agreement" means the HOME Revocable Grant Agreement entered into by and between County and Grantee, dated as of June 30, 2000, as amended from time to time.
- (k) "HOME" means the HOME Investment Partnership Act Program pursuant to the Cranston-Gonzales National Housing Act of 1990, as amended.
- (l) "HOME Regulatory Agreement" means the Amended and Restated HOME Regulatory Agreement and Declaration of Restrictive Covenants of even date herewith, between the County and Grantee evidencing HOME requirements applicable to the Grant, which is being recorded against the Property concurrently herewith.
- (m) "HUD" means the United States Department of Housing and Urban Development.
- (n) "Low Income Household" means a household with an Adjusted Income that does not exceed eighty percent (80%) of Median Income, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than eighty percent (80%) of Median Income on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.
- (o) "Median Income" means the median gross yearly income, adjusted for Actual Household Size or Assumed Household Size as specified herein, in the County of Contra Costa, California, as published from time to time by HUD and the State of California. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, County shall provide Grantee with other income determinations which are reasonably similar with respect to methods of calculation to those previously published by HUD and the State.
- (p) "Original Regulatory Agreement" has the meaning set forth in Paragraph E of the Recitals.
- (q) "Property" has the meaning ascribed to it in Recital B.

(r) "Rent" means the total of monthly payments by the Tenant of a Unit for the following: use and occupancy of the Unit and land and associated facilities, including parking; any separately charged fees or service charges assessed by Grantee which are required of all Tenants, other than security deposits; an allowance for the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service or cable TV; and any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Grantee, and paid by the Tenant.

(s) "Sixty-Five Percent Income Household" means a household (i) with an Adjusted Income that does not exceed sixty-five percent (65%) of Median Income, adjusted for Actual Household Size.

(t) "Sixty-Five Percent Income Units" means the Units which, pursuant to Section 2.1(c) below, are required to be occupied by Sixty-Five Percent Income Households.

(u) "Tenant" means a household occupying a Unit.

(v) "Term" means the term of this County Regulatory Agreement which commences on the date of this County Regulatory Agreement, and unless sooner terminated pursuant to the terms of this County Regulatory Agreement, expires on the fifty-fifth (55<sup>th</sup>) anniversary of the date of this County Regulatory Agreement.

(w) "Unit" means one of the twenty (20) housing units included in the Development.

(x) "Very Low Income Household" means a household with an Adjusted Income that does not exceed fifty percent (50%) of Median Income, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than fifty percent (50%) of Median Income on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(y) "Very Low Income Units" means the Units which, pursuant to Section 2.1(b) below, are required to be occupied by Very Low Income Households.

## ARTICLE 2 AFFORDABILITY AND OCCUPANCY COVENANTS

### 2.1 Occupancy Requirements.

(a) Extremely Low Income Units. No fewer than four (4) of the County-Assisted Units shall be rented to and occupied by or, if vacant, available for occupancy by Extremely Low Income Households.

(b) Very Low Income Units. No fewer than seven (7) of the County-Assisted Units shall be rented to and occupied by or, if vacant, available for occupancy by Very Low Income Households.

(c) Sixty-Five Percent Income Units. No fewer than eight (8) of the County-Assisted Units shall be rented to and occupied by or, if vacant, available for occupancy by Sixty-Five Percent Income Households.

(d) Intermingling of Units. The County-Assisted Units shall be intermingled with, and shall be of comparable quality to, all other units on the Property. A minimum of two (2) of the three-bedroom units shall be County-Assisted Units. Tenants in all Units shall have equal access to and enjoyment of all common facilities of the Development.

## 2.2 Allowable Rent.

(a) Extremely Low Income Rent. Subject to the provisions of Section 2.3 below, the Rent (including utility allowance) charged to Tenants of the Extremely Low Income Units shall not exceed one-twelfth (1/12) of thirty percent (30%) of thirty percent (30%) of Median Income, adjusted for Assumed Household Size.

(b) Very Low Income Rent. Subject to the provisions of Section 2.3 below, the Rent (including utility allowance) charged to Tenants of the Very Low Income Units shall not exceed one-twelfth (1/12) of thirty percent (30%) of fifty percent (50%) of Median Income, adjusted for Assumed Household Size.

(c) Sixty-Five Percent Income Rent. Subject to the provisions of Section 2.3 below, the Rent (including utility allowance) charged to Tenants of the Sixty-Five Percent Income Units shall not exceed one-twelfth (1/12) of thirty percent (30%) of sixty-five percent (65%) of Median Income, adjusted for Assumed Household Size.

(d) County Approval of Rent. Initial amounts for Rent for all County-Assisted Units shall be approved by County prior to occupancy. All increases in Rent for residents of County-Assisted Units shall also be subject to County approval. The County shall provide Grantee with a schedule of maximum permissible charges for Rent for the County-Assisted Units annually.

## 2.3 Increased Income of Tenants.

(a) Increase from Extremely Low Income to Very Low Income. If, upon recertification of the income of a Tenant of a County-Assisted Unit, the Borrower determines that a former Extremely Low Income Household's Adjusted Income has increased and exceeds the qualifying income for an Extremely Low Income Household, but does not exceed the maximum qualifying income for a Very Low Income Household, then, upon expiration of the Tenant's lease:

(1) Such Tenant's Unit shall be considered a Very Low Income Unit;

(2) Such Tenant's Rent may be increased to the Very Low Income Rent, upon sixty (60) days written notice to the Tenant; and

(3) The Borrower shall rent the next available Unit to an Extremely Low Income Household at Rent not exceeding the maximum Rent specified in Section 2.2(a) to comply with the requirements of Section 2.1(a) and Section 2.2(a) above.

Increase above Very Low Income but below Low Income. If, upon recertification of the income of a Tenant of a County-Assisted Unit, the Borrower determines that a former Extremely Low Income Household's, Very Low Income Household's, or Sixty-Five Percent Income Household's Adjusted Income has increased and exceeds the qualifying income for a Sixty-Five Percent Income Household, but does not exceed the maximum qualifying income for a Low Income Household, then, upon expiration of the Tenant's lease:

(1) Such Tenant's Unit shall be considered a Sixty-Five Percent Income Unit;

(2) Such Tenant's Rent may be increased to the Sixty-Five Percent Income Rent, upon sixty (60) days written notice to the Tenant; and

(3) The Borrower shall rent the next available Unit to an Extremely Low Income Household, Very Low Income Household or Sixty-Five Percent Income Household at Rent not exceeding the maximum Rent specified in Section 2.2 to comply with the requirements of Section 2.1 and Section 2.2 above.

(b) Non-Qualifying Household. If, upon recertification of the income of a Tenant of a County-Assisted Unit, Grantee determines that a former Extremely Low Income Household, Very Low Income Household, or Sixty-Five Percent Income Household has an Adjusted Income exceeding the maximum qualifying income for a Low Income Household, such Tenant shall be permitted to continue to occupy the Unit. Upon the expiration of such Tenant's lease, Borrower shall with 60 days' advance written notice, increase such Tenant's Rent to the lesser of (i) one-twelfth (1/12) of thirty percent (30%) of the actual Adjusted Income of the Tenant, and (ii) the fair market rent.

Grantee shall rent the next available County-Assisted Unit to an Extremely Low Income Household, a Very Low Income Household, or a Sixty-Five Percent Income Household to meet the requirements of Section 2.1 above as applicable.

(c) Termination of Occupancy. Upon termination of occupancy of a County-Assisted Unit by a Tenant, such Unit shall be deemed to be continuously occupied by a household of the same income level as the initial income level of the vacating Tenant, until such Unit is reoccupied, at which time the income character of the Unit shall be redetermined.

#### 2.4 Units Available to the Disabled.

In compliance with Section 504 of the Rehabilitation Act of 1973, a minimum of one (1) County-Assisted Unit shall be fully accessible to mobility impaired persons and an additional one (1) County-Assisted Unit shall be accessible to vision and/or hearing impaired persons.

### ARTICLE 3 INCOME CERTIFICATION AND REPORTING

#### 3.1 Income Status Certification.

Grantee will obtain, complete and maintain on file, immediately prior to initial occupancy and annually thereafter, income certifications from each Tenant renting any of the County-Assisted Units. Grantee shall make a good faith effort to verify that the income provided by an applicant or occupying household in an income certification is accurate by taking two or more of the following steps as a part of the verification process: (a) obtain a pay stub for the most recent pay period; (b) obtain an income tax return for the most recent tax year; (c) conduct a credit agency or similar search; (d) obtain an income verification form from the applicant's current employer; (e) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (f) if the applicant is unemployed and has no such tax return, obtain another form of independent verification. Copies of Tenant income certifications shall be available to County upon request.

#### 3.2 Annual Report to County.

Grantee shall submit to County (a) not later than the forty-fifth (45th) day after the close of each calendar year, or such other date as may be requested by County, a statistical report, including income, rent, and service fee data for all County-Assisted Units, setting forth the information called for therein, and (b) within fifteen (15) days after receipt of a written request, any other information or completed forms requested by County in order to comply with reporting requirements of the United States Department of Housing and Urban Development, the State of California, or the County.

#### 3.3 Additional Information.

Grantee shall provide any additional information reasonably requested by County. County shall have the right to examine and make copies of all books, records or other documents of Grantee which pertain to the Development.

#### 3.4 Tenant Records.

Grantee shall maintain complete, accurate and current records pertaining to the income and household size of Tenants residing in County-Assisted Units, and shall permit any duly authorized representative of County to inspect records. All Tenant lists, applications and waiting lists relating to the Development shall at all times be kept separate and identifiable from any

other business of Grantee and shall be maintained as required by County, in a reasonable condition for proper audit and subject to examination during business hours by representatives of County. Grantee shall retain copies of all materials obtained or produced with respect to occupancy of the County-Assisted Units for a period of at least five (5) years.

### 3.5 Development Records.

(a) Grantee shall keep and maintain at the principal place of business of the Grantee set forth in Section 6.14 below, or elsewhere with the County's written consent, full, complete and appropriate books, records and accounts relating to the Development. Grantee shall cause all books, records and accounts relating to its compliance with the terms, provisions, covenants and conditions of the Grant Agreement to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and to be consistent with requirements of this County Regulatory Agreement. Grantee shall cause all books, records, and accounts to be open to and available for inspection and copying by HUD, the County, its auditors or other authorized representatives at reasonable intervals during normal business hours. Grantee shall cause copies of all tax returns and other reports that Grantee may be required to furnish to any government agency to be open for inspection by the County at all reasonable times at the place that the books, records and accounts of Grantee are kept. Grantee shall preserve such records for a period of not less than five (5) years after their creation in compliance with all HUD records and accounting requirements. If any litigation, claim, negotiation, audit exception, monitoring, inspection or other action relating to the use of the Grant is pending at the end of the record retention period stated herein, then Grantee shall retain the records until such action and all related issues are resolved. Grantee shall cause the records to include all invoices, receipts, and other documents related to expenditures from the Grant funds. Grantee shall cause records to be accurate and current and in a form that allows the County to comply with the record keeping requirements contained in 24 C.F.R. 92.508. Such records are to include but are not limited to:

- (i) Records providing a full description of the activities undertaken with the use of the Grant funds;
- (ii) Records demonstrating compliance with the maintenance requirements of this County Regulatory Agreement;
- (iii) Records documenting compliance with the fair housing, equal opportunity, and affirmative fair marketing requirements;
- (iv) Financial records; and
- (v) Records demonstrating compliance with marketing, tenant selection, affordability, and income requirements.

(b) The County shall notify Grantee of any records it deems insufficient. Grantee has fifteen (15) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the County in such notice, or if a period longer than

fifteen (15) days is reasonably necessary to correct the deficiency, then Grantee must begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible.

3.6 On-site Inspection.

County shall have the right to perform an on-site inspection of the Development at least one time per year. Grantee agrees to cooperate in such inspection.

ARTICLE 4  
OPERATION OF THE DEVELOPMENT

4.1 Residential Use.

The Development shall be operated as affordable housing for Extremely Low Income Households, Very Low Income Households and Sixty-Five Percent Income Households. No part of the Development shall be operated as transient housing with occupancy of less than thirty (30) days.

4.2 Compliance with Grant Agreement.

Grantee shall comply with all the terms and provisions of the Grant Agreement.

4.3 Taxes and Assessments.

Grantee shall pay all real and personal property taxes, assessments and charges and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any line or charge from attaching to the Property; provided, however, that Grantee shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event Grantee exercises its right to contest any tax, assessment, or charge against it, Grantee, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

4.4 Property Tax Exemption.

Grantee shall not apply for a property tax exemption for the property under any provision of law except California Revenue and Taxation Section 214 (g), without the prior written consent of the County.

ARTICLE 5  
PROPERTY MANAGEMENT AND MAINTENANCE

5.1 Management Responsibilities.

The Grantee is responsible for all management functions with respect to the Development, including without limitation the selection of tenants, certification and recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. County shall have no responsibility over management of the Development.

5.2 Management Agent; Periodic Reports.

The Development shall at all times be managed by an experienced management agent reasonably acceptable to County, with demonstrated ability to operate residential facilities like the Development in a manner that will provide decent, safe, and sanitary housing (as approved, the "Management Agent"). A resident manager shall also be required. The Grantee shall submit for County's approval the identity of any proposed Management Agent (and County pre-approves, initial self-management of the Development by Grantee). The Grantee shall also submit such additional information about the background, experience and financial condition of any proposed Management Agent as is reasonably necessary for County to determine whether the proposed Management Agent meets the standard for a qualified Management Agent set forth above. If the proposed Management Agent meets the standard for a qualified Management Agent set forth above, County shall approve the proposed Management Agent by notifying the Grantee in writing. Unless the proposed Management Agent is disapproved by County within thirty (30) days, which disapproval shall state with reasonable specificity the basis for disapproval, it shall be deemed approved.

5.3 Performance Review.

County reserves the right to conduct an annual (or more frequently, if deemed necessary by County) review of the management practices and financial status of the Development. The purpose of each periodic review will be to enable County to determine if the Development is being operated and managed in accordance with the requirements and standards of this County Regulatory Agreement. The Grantee shall cooperate with County in such reviews.

5.4 Replacement of Management Agent.

If, as a result of a periodic review, County determines in its reasonable judgement that the Development is not being operated and managed in accordance with any of the material requirements and standards of this County Regulatory Agreement, County shall deliver notice to Grantee of its intention to cause replacement of the Management Agent, including the reasons therefor. Within fifteen (15) days of receipt by Grantee of such written notice, County staff and the Grantee shall meet in good faith to consider methods for improving the financial and operating status of the Development, including, without limitation, replacement of the Management Agent.

If, after such meeting, County staff recommends in writing the replacement of the Management Agent, Grantee shall promptly dismiss the then Management Agent, and shall appoint as the Management Agent a person or entity meeting the standards for a Management Agent set forth in Section 5.2 above and approved by County pursuant to Section 5.2 above.

Any contract for the operation or management of the Development entered into by Grantee shall provide that the contract can be terminated as set forth above. Failure to remove the Management Agent in accordance with the provisions of this Section shall constitute default under this County Regulatory Agreement, and County may enforce this provision through legal proceedings as specified in Section 6.6 below.

5.5 Approval of Management Policies.

The Grantee shall submit its written management policies with respect to the Development to County for its review, and shall amend such policies in any way necessary to ensure that such policies comply with the provisions of this County Regulatory Agreement.

5.6 Property Maintenance.

The Grantee agrees, for the entire Term of this County Regulatory Agreement, to maintain all interior and exterior improvements, including landscaping, on the Property in good condition and repair (and, as to landscaping, in a healthy condition) and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials, and in accordance with the following maintenance conditions:

County places prime importance on quality maintenance to protect its investment and to ensure that all County and County-assisted affordable housing projects within County are not allowed to deteriorate due to below-average maintenance. Normal wear and tear of the Development will be acceptable to County assuming the Grantee agrees to provide all necessary improvements to assure the Development is maintained in good condition. The Grantee shall make all repairs and replacements necessary to keep the improvements in good condition and repair.

In the event that the Grantee breaches any of the covenants contained in this section and such default continues for a period of five (5) days after written notice from County with respect to graffiti, debris, waste material, and general maintenance or thirty (30) days after written notice from County with respect to landscaping and building improvements, then County, in addition to whatever other remedy it may have at law or in equity, shall have the right to enter upon the Property and perform or cause to be performed all such acts and work necessary to cure the default. Pursuant to such right of entry, County shall be permitted (but is not required) to enter upon the Property and perform all acts and work necessary to protect, maintain, and preserve the improvements and landscaped areas on the Property, and to attach a lien on the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of

protection, maintenance, and preservation by County and/or costs of such cure, which amount shall be promptly paid by the Grantee to County upon demand.

## ARTICLE 6 MISCELLANEOUS

### 6.1 Lease Provisions.

In leasing the County-Assisted Units, Grantee shall use a form of Tenant lease approved by County. The form of Tenant lease shall also comply with all requirements of this County Regulatory Agreement and the Grant Agreement, and shall, among other matters:

(a) provide for termination of the lease and consent by the Tenant to immediate eviction for failure: (1) to provide any information required under this County Regulatory Agreement or reasonably requested by Grantee to establish or recertify the Tenant's qualification, or the qualification of the Tenant's household, for occupancy in the Development in accordance with the standards set forth in this County Regulatory Agreement, or (2) to qualify as an Extremely Low Income Household or Very Low Income Household or Sixty-Five Percent Income Household as a result of any material misrepresentation made by such Tenant with respect to the income computation or certification; and

(b) be for an initial term of not less than one year (1) (unless a shorter term is mutually agreed by the Tenant and the Grantee) and provide for no increase in Rent during such time period. After the initial term of tenancy, the lease may be month to month by mutual agreement of Grantee and the Tenant, however Rent may not be raised more often than once a year. Grantee will provide each Tenant with at least sixty (60) days' written notice of any increase in Rent applicable to such Tenant, and with such further notice as may be required by Section 2.3 above.

(c) any termination of a lease or refusal by Grantee to renew must be preceded by no less than thirty (30) days written notice to the tenant by Grantee specifying the grounds for the action.

### 6.2 Nondiscrimination.

All of the Units shall be available for occupancy on a continuous basis to members of the general public who are income eligible. Grantee shall not give preference to any particular class or group of persons in renting the Units, except to the extent that the Units are required to be leased to Extremely Low Income Households, Very Low Income Households, and Sixty-Percent Income Households. There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, source of income (e.g. SSI), ancestry, or disability, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall Grantee or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or

occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Unit or in connection with the employment of persons for the construction, operation and management of any Unit.

### 6.3 Term.

The provisions of this County Regulatory Agreement shall apply to the Property for the entire Term even if the entire County Grant is paid in full prior to the end of the Term. This County Regulatory Agreement shall bind any successor, heir or assign of Grantee, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by County. County makes the County Grant on the condition, and in consideration of, this provision, and would not do so otherwise.

### 6.4 Notice of Expiration of Term.

(a) At least six (6) months prior to the expiration of the Term, Grantee shall provide by first-class mail, postage prepaid, a notice to all Tenants containing (a) the anticipated date of the expiration of the Term, (b) any anticipated increase in Rent upon the expiration of the Term, (c) a statement that a copy of such notice will be sent to County, and (d) a statement that a public hearing may be held by County on the issue and that the Tenant will receive notice of the hearing at least fifteen (15) days in advance of any such hearing. Grantee shall also file a copy of the above-described notice with the County's Assistant Deputy Director, Department of Conservation.

(b) In addition to the notice required above, Grantee shall comply with the requirements set forth in California Government Code Sections 65863.10 and 65863.11. Such notice requirements include: (i) a twelve (12) month notice to existing tenants, prospective tenants and Affected Public Agencies (as defined in California Government Code Section 65863.10(a)) prior to the expiration of the Term, (ii) a six (6) month notice requirement to existing tenants, prospective tenants and Affected Public Agencies prior to the expiration of the Term; (iii) a notice of an offer to purchase the Development to "qualified entities" (as defined in California Government Code Section 65863.11(d)), if the Development is to be sold within five (5) years of the end of the Term; (iv) a notice of right of first refusal within the one hundred eighty (180) day period that qualified entities may purchase the Development.

### 6.5 Covenants to Run With the Land.

County and Grantee hereby declare their express intent that the covenants and restrictions set forth in this County Regulatory Agreement shall run with the land, and shall bind all successors in title to the Property, provided, however, that on the expiration of the Term of this County Regulatory Agreement said covenants and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof, shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless County expressly releases such conveyed portion of the Property from the requirements of this County Regulatory Agreement.

6.6 Enforcement by County.

If Grantee fails to perform any obligation under this County Regulatory Agreement, and fails to cure the default within thirty (30) days after County has notified Grantee in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, County shall have the right to enforce this County Regulatory Agreement by any or all of the following actions, or any other remedy provided by law.

(a) Calling the County Grant. County may declare a default under the Grant Agreement, require repayment of the Grant (including interest due pursuant to the Grant Agreement), and proceed with foreclosure under the County Deed of Trust.

(b) Action to Compel Performance or for Damages. County may bring an action at law or in equity to compel Grantee's performance of its obligations under this County Regulatory Agreement, and/or for damages.

(c) Remedies Provided Under Grant Agreement. County may exercise any other remedy provided under the Grant Agreement.

6.7 Attorneys' Fees and Costs.

In any action brought to enforce this County Regulatory Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

6.8 Recording and Filing.

County and Grantee shall cause this County Regulatory Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Contra Costa.

6.9 Governing Law.

This County Regulatory Agreement shall be governed by the laws of the State of California.

6.10 Waiver of Requirements.

Any of the requirements of this County Regulatory Agreement may be expressly waived by County in writing, but no waiver by County of any requirement of this County Regulatory Agreement shall, or shall be deemed to, extend to or affect any other provision of this County Regulatory Agreement.

6.11 Amendments.

This County Regulatory Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the real property records of County of Contra Costa.

6.12 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States certified mail, postage prepaid, addressed to the appropriate party as follows:

Grantee: SHELTER, Inc. of Contra Costa County  
1070 Concord Ave.  
Concord, CA 94520  
Attention: Chief Executive Officer

County: County of Contra Costa  
Department of Conservation and Development  
30 Muir Road  
Martinez, CA 94553  
Attn: Assistant Deputy Director

Such addresses may be changed by notice to the other party given in the same manner as provided above.

6.13 Severability.

If any provision of this County Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this County Regulatory Agreement shall not in any way be affected or impaired thereby.

6.14 Multiple Originals; Counterparts.

This County Regulatory Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

6.15 HOME Regulatory Agreement.

The County and Grantee are entering into this County Regulatory Agreement concurrently with the HOME Regulatory Agreement. The HOME Regulatory Agreement as it applies to the County-Assisted Units will be in effect until December 31, 2022 (the "HOME Term") and includes HOME requirements applicable to the use of the County Grant. Compliance with the terms of the HOME Regulatory Agreement will be deemed compliance with this County Regulatory Agreement during the HOME Term. In the event of a conflict between this County

Regulatory Agreement and the HOME Regulatory Agreement during the HOME Term, the terms of the HOME Regulatory Agreement will prevail.

IN WITNESS WHEREOF, County and Grantee are executing this County Regulatory Agreement by duly authorized representatives, all on the date first written above.

**GRANTEE:**

SHELTER, INC. OF CONTRA COSTA COUNTY,  
a California nonprofit public benefit corporation

By: \_\_\_\_\_  
John Eckstrom, Chief Executive Officer

**COUNTY:**

COUNTY OF CONTRA COSTA, a political  
subdivision of the State of California

By: \_\_\_\_\_  
John Kopchik  
Director, Department of Conservation and  
Development

Approved as to form:

SHARON L. ANDERSON  
County Counsel

By: \_\_\_\_\_  
Kathleen Andrus  
Deputy County Counsel

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public

EXHIBIT A

Legal Description of the Property

NO FEE DOCUMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Contra Costa County  
Department of Conservation and Development  
30 Muir Road  
Martinez, CA 94553  
Attn: Assistant Deputy Director

No fee for recording pursuant to  
Government Code Section 27383

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AMENDED AND RESTATED HOME REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS

This Amended and Restated HOME Regulatory Agreement and Declaration of Restrictive Covenants (the "HOME Regulatory Agreement") is made and entered into as of \_\_\_\_\_, 2017, by and between the County of Contra Costa, a political subdivision of the State of California ("County"), and SHELTER, Inc. of Contra Costa County, a California nonprofit public benefit corporation ("Grantee").

RECITALS

A. Defined terms used but not defined in these recitals are as defined in Article 1 of this HOME Regulatory Agreement.

B. The County leased certain real property located in the County of Contra Costa, as more particularly described in Exhibit A attached hereto (the "Property") to the Grantee pursuant to a ground lease dated as of February 1, 2000.

C. The County and the Grantee previously entered into a HOME Revocable Grant Agreement dated June 30, 2000 (the "Grant Agreement") pursuant to which County provided a grant of Five Hundred Eighty-Seven Thousand Dollars (\$587,000) in HOME funds (the "County Grant") to Grantee to construct a twenty (20) unit transitional center for homeless households (the "Development") on the Property.

D. The County Grant is funded with HOME Investment Partnership Act funds received by County from HUD pursuant to the Cranston-Gonzales National Housing Act of 1990.

E. The County agreed to make the County Grant to Grantee on the condition that the Development be maintained and operated in accordance with restrictions concerning affordability, operation, and maintenance of the Development, as specified in the Grant

Agreement and a Regulatory Agreement and Declaration of Restrictive Covenants dated as of June 30, 2000, which was recorded as Doc-2000-0170178-00 in the official records of Contra Costa County (the "Original Regulatory Agreement").

F. The parties desire to replace the Original Regulatory Agreement with this HOME Regulatory Agreement in order to permit a different use of the Development. Specifically, the parties desire that Grantee be required to use the Development to provide affordable, permanent, housing in accordance with the terms of this HOME Regulatory Agreement and the County Regulatory Agreement. Upon execution of this HOME Regulatory Agreement and the County Regulatory Agreement, the Original Regulatory Agreement will be superseded in its entirety by this HOME Regulatory Agreement and the County Regulatory Agreement, which will be recorded against the Property.

G. In consideration of receipt of the County Grant, Grantee agrees to observe all the terms and conditions set forth below.

THEREFORE, County and Grantee hereby agree as follows.

## ARTICLE 1 DEFINITIONS

### 1.1 Definitions.

When used in this HOME Regulatory Agreement, the following terms shall have the respective meanings assigned to them in this Article 1.

(a) "Actual Household Size" means the actual number of persons in the applicable household.

(b) "Adjusted Income" means the total anticipated annual income of all persons in a household as calculated in accordance with 24 CFR 92.203(b)(1) (which incorporates 24 CFR 813).

(c) "Assumed Household Size" means the assumed household size under the HOME program for a two-bedroom unit or three-bedroom unit, as applicable.

(d) "County-Assisted Units" means the nineteen (19) Units designated as assisted by the County.

(e) "County Deed of Trust" means the deed of trust to County on the Property that (i) secures repayment of the County Grant and the performance of the Grant Agreement, this HOME Regulatory Agreement and the County Regulatory Agreement, and (ii) was recorded in the official records of Contra Costa County on August 9, 2000 as Document No. 2000-0170177-00.

(f) "County Grant" has the meaning ascribed to it in Recital C.

(g) "County Regulatory Agreement" means the Regulatory Agreement and Declaration of Restrictive Covenants of even date herewith, between the County and Grantee evidencing County requirements applicable to the Grant, to be recorded against the Property concurrently herewith.

(h) "Development" means the Property and the twenty (20) housing units developed on the Property, as well as any additional improvements, and all landscaping, roads and parking spaces existing thereon, as the same may from time to time exist.

(i) "Extremely Low Income Household" means a household with an Adjusted Income which does not exceed thirty percent (30%) of Median Income, adjusted for Actual Household Size.

(j) "Extremely Low Income Units" means the Units which, pursuant to Section 2.1(a) below, are required to be occupied by Extremely Low Income Households.

(k) "Grant Agreement" means the HOME Revocable Grant Agreement entered into by and between County and Grantee dated as of June 30, 2000, as amended from time to time.

(l) "High HOME Rent" means the rent limit established by HUD for units assisted under the HOME program and occupied by Low Income Households set out in 24 CFR 92.2.

(m) "HOME" means the HOME Investment Partnership Act Program pursuant to the Cranston-Gonzales National Housing Act of 1990, as amended.

(n) "HUD" means the United States Department of Housing and Urban Development.

(o) "Low Income Household" means a household with an Adjusted Income that does not exceed the qualifying limit for a low income family under the HOME Program as defined in 24 CFR 92.2.

(p) "Median Income" means the median gross yearly income, adjusted for Actual Household Size or Assumed Household Size as specified herein, in the County of Contra Costa, California, as published from time to time by HUD and the State of California. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, County shall provide Grantee with other income determinations which are reasonably similar with respect to methods of calculation to those previously published by HUD and the State.

(q) "Original Regulatory Agreement" has the meaning set forth in Paragraph E of the Recitals.

(r) "Property" has the meaning ascribed to it in Recital B.

(s) "Rent" means the total of monthly payments by the Tenant of a Unit for the following: use and occupancy of the Unit and land and associated facilities, including parking; any separately charged fees or service charges assessed by Grantee which are required of all Tenants, other than security deposits; an allowance for the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service or cable TV; and any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Grantee, and paid by the Tenant.

(t) "Sixty-Five Percent Income Household" means a household (i) with an Adjusted Income that does not exceed sixty-five percent (65%) of Median Income, adjusted for Actual Household Size.

(u) "Sixty-Five Percent Income Units" means the Units which, pursuant to Section 2.1(c) below, are required to be occupied by Sixty-Five Percent Income Households.

(v) "Tenant" means a household occupying a Unit.

(w) "Term" means the term of this HOME Regulatory Agreement, which commenced on June 30, 2000 and continues until December 31, 2022.

(x) "Unit" means one of the twenty (20) housing units included in the Development.

(y) "Very Low Income Household" means a household with an Adjusted Income that does not exceed the qualifying limit for a very low income family under the HOME program as defined in 24 CFR 92.2.

(z) "Very Low Income Units" means the Units which, pursuant to Section 2.1(b) below, are required to be occupied by Very Low Income Households.

## ARTICLE 2 AFFORDABILITY AND OCCUPANCY COVENANTS

### 2.1 Occupancy Requirements.

(a) Extremely Low Income Units. No fewer than four (4) of the County-Assisted Units shall be rented to and occupied by or, if vacant, available for occupancy by Extremely Low Income Households.

(b) Very Low Income Units. No fewer than an additional seven (7) of the County-Assisted Units shall be rented to and occupied by or, if vacant, available for occupancy by Very Low Income Households.

(c) Sixty-Five Percent Income Units. No fewer than an additional eight (8) of the County-Assisted Units shall be rented to and occupied by or, if vacant, available for occupancy by Sixty-Five Percent Income Households.

(d) Intermingling of Units. The County-Assisted Units shall be intermingled with, and shall be of comparable quality to, all other units on the Property. A minimum of two (2) of the three-bedroom units shall be County-Assisted Units. Tenants in all Units shall have equal access to and enjoyment of all common facilities of the Development.

## 2.2 Allowable Rent.

(a) Extremely Low Income Rent. Subject to the provisions of Section 2.3 below, the Rent (including utility allowance) charged to Tenants of the Extremely Low Income Units shall not exceed one-twelfth (1/12) of thirty percent (30%) of thirty percent (30%) of Median Income, adjusted for Assumed Household Size.

(b) Very Low Income Rent. Subject to the provisions of Section 2.3 below, the Rent (including utility allowance) charged to Tenants of the Very Low Income Units shall not exceed the rent limit established by HUD for Units assisted under the HOME program and occupied by Very Low Income Households set out in 24 CFR 92.252.

(c) Sixty-Five Percent Income Rent. Subject to the provisions of Section 2.3 below, the Rent (including utility allowance) charged to Tenants of the Sixty-Five Percent Income Units shall not exceed the High HOME Rent.

(d) County Approval of Rent. Initial amounts for Rent for all County-Assisted Units shall be approved by County prior to occupancy. All increases in Rent for residents of County-Assisted Units shall also be subject to County approval. The County shall provide Grantee with a schedule of maximum permissible charges for Rent for the County-Assisted Units annually.

## 2.3 Increased Income of Tenants.

(a) Increase from Extremely Low Income to Very Low Income. If, upon recertification of the income of a Tenant of a County-Assisted Unit, the Borrower determines that a former Extremely Low Income Household's Adjusted Income has increased and exceeds the qualifying income for an Extremely Low Income Household, but does not exceed the maximum qualifying income for a Very Low Income Household, then, upon expiration of the Tenant's lease:

- (1) Such Tenant's Unit shall be considered a Very Low Income Unit;
- (2) Such Tenant's Rent may be increased to the Very Low Income Rent, upon sixty (60) days written notice to the Tenant; and

(3) The Borrower shall rent the next available Unit to an Extremely Low Income Household at Rent not exceeding the maximum Rent specified in Section 2.2(a) to comply with the requirements of Section 2.1(a) and Section 2.2(a) above.

(b) Increase above Very Low Income but below Low Income. If, upon recertification of the income of a Tenant of a County-Assisted Unit, the Borrower determines that a former Extremely Low Income Household's, Very Low Income Household's, or Sixty-Five Percent Income Household's Adjusted Income has increased and exceeds the qualifying income for a Sixty-Five Percent Income Household, but does not exceed the maximum qualifying income for a Low Income Household, then, upon expiration of the Tenant's lease:

(1) Such Tenant's Unit shall be considered a Sixty-Five Percent Income Unit;

(2) Such Tenant's Rent may be increased to the High HOME Rent, upon sixty (60) days written notice to the Tenant; and

(3) The Borrower shall rent the next available Unit to an Extremely Low Income Household, Very Low Income Household or Sixty-Five Percent Income Household at Rent not exceeding the maximum Rent specified in Section 2.2 to comply with the requirements of Section 2.1 and Section 2.2 above.

(c) Non-Qualifying Household. If, upon recertification of the income of a Tenant of a County-Assisted Unit, Grantee determines that a former Extremely Low Income Household, Very Low Income Household or Sixty-Five Percent Income Household has an Adjusted Income exceeding the maximum qualifying income a Low Income Household, such Tenant shall be permitted to continue to occupy the Unit. Upon the expiration of such Tenant's lease, Borrower shall with 60 days' advance written notice, increase such Tenant's Rent to the lesser of (i) one-twelfth (1/12) of thirty percent (30%) of the actual Adjusted Income of the Tenant, and (ii) the fair market rent.

Grantee shall rent the next available County-Assisted Unit to an Extremely Low Income Household, a Very Low Income Household or a Sixty-Five Percent Income Household to meet the requirements of Section 2.1 above, as applicable.

(d) Termination of Occupancy. Upon termination of occupancy of a County-Assisted Unit by a Tenant, such Unit shall be deemed to be continuously occupied by a household of the same income level as the initial income level of the vacating Tenant, until such Unit is reoccupied, at which time the income character of the Unit shall be redetermined.

### 2.3 Units Available to the Disabled.

In compliance with Section 504 of the Rehabilitation Act of 1973, a minimum of one (1) County-Assisted Unit shall be fully accessible to mobility impaired persons and an additional one (1) County-Assisted Unit shall be accessible to vision and/or hearing impaired persons.

ARTICLE 3  
INCOME CERTIFICATION AND REPORTING

3.1 Income Status Certification.

Grantee shall obtain, complete and maintain on file, immediately prior to initial occupancy and annually thereafter, income certifications from each Tenant renting any of the County-Assisted Units. Grantee shall make a good faith effort to verify that the income provided by an applicant or occupying household in an income certification is accurate by taking two or more of the following steps as a part of the verification process: (a) obtain a pay stub for the most recent pay period; (b) obtain an income tax return for the most recent tax year; (c) conduct a credit agency or similar search; (d) obtain an income verification form from the applicant's current employer; (e) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (f) if the applicant is unemployed and has no such tax return, obtain another form of independent verification. Copies of Tenant income certifications shall be available to County upon request.

3.2 Annual Report to County.

Grantee shall submit to County (a) not later than the forty-fifth (45th) day after the close of each calendar year, or such other date as may be requested by County, a statistical report, including income, rent, and service fee data for all County-Assisted Units, setting forth the information called for therein, and (b) within fifteen (15) days after receipt of a written request, any other information or completed forms requested by County in order to comply with reporting requirements of the United States Department of Housing and Urban Development, the State of California, or the County.

3.3 Additional Information.

Grantee shall provide any additional information reasonably requested by County. County shall have the right to examine and make copies of all books, records or other documents of Grantee which pertain to the Development.

3.4 Tenant Records.

Grantee shall maintain complete, accurate and current records pertaining to the income and household size of Tenants residing in County-Assisted Units and shall permit any duly authorized representative of County to inspect records. All Tenant lists, applications and waiting lists relating to the Development shall at all times be kept separate and identifiable from any other business of Grantee and shall be maintained as required by County, in a reasonable condition for proper audit and subject to examination during business hours by representatives of County. Grantee shall retain copies of all materials obtained or produced with respect to occupancy of the County-Assisted Units for a period of at least five (5) years.

### 3.5 Development Records.

(a) Grantee shall keep and maintain at the principal place of business of the Grantee set forth in Section 6.14 below, or elsewhere with the County's written consent, full, complete and appropriate books, records and accounts relating to the Development. Grantee shall cause all books, records and accounts relating to its compliance with the terms, provisions, covenants and conditions of the Grant Agreement to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and to be consistent with requirements of this HOME Regulatory Agreement. Grantee shall cause all books, records, and accounts to be open to and available for inspection and copying by HUD, the County, its auditors or other authorized representatives at reasonable intervals during normal business hours. Grantee shall cause copies of all tax returns and other reports that Grantee may be required to furnish to any government agency to be open for inspection by the County at all reasonable times at the place that the books, records and accounts of Grantee are kept. Grantee shall preserve such records for a period of not less than five (5) years after their creation in compliance with all HUD records and accounting requirements. If any litigation, claim, negotiation, audit exception, monitoring, inspection or other action relating to the use of the Grant is pending at the end of the record retention period stated herein, then Grantee shall retain the records until such action and all related issues are resolved. Grantee shall cause the records to include all invoices, receipts, and other documents related to expenditures from the Grant funds. Grantee shall cause records to be accurate and current and in a form that allows the County to comply with the record keeping requirements contained in 24 C.F.R. 92.508. Such records are to include but are not limited to:

- (i) Records providing a full description of the activities undertaken with the use of the Grant funds;
- (ii) Records demonstrating compliance with the HUD property standards and lead-based paint requirements set forth in 24 C.F.R. 92.251;
- (iii) Records documenting compliance with the fair housing, equal opportunity, and affirmative fair marketing requirements;
- (iv) Financial records as required by 24 C.F.R. 92.505, and 2 C.F.R. Part 200;
- (v) Records demonstrating compliance with the HOME marketing, tenant selection, affordability, and income requirements;
- (vi) Records demonstrating compliance with MBE/WBE requirements;
- (vii) Records demonstrating compliance with 24 C.F.R. Part 135 which implements Section 3 of the Housing Development Act of 1968;
- (viii) Records demonstrating compliance with applicable relocation requirements, which must be retained for at least five (5) years after the date by which persons displaced from the property have received final payments; and

(ix) Records demonstrating compliance with labor requirements including certified payrolls from Grantee's general contractor evidencing that applicable prevailing wages have been paid.

(b) The County shall notify Grantee of any records it deems insufficient. Grantee has fifteen (15) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the County in such notice, or if a period longer than fifteen (15) days is reasonably necessary to correct the deficiency, then Grantee must begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible.

3.6 On-site Inspection.

County shall have the right to perform an on-site inspection of the Development at least one time per year. Grantee agrees to cooperate in such inspection.

ARTICLE 4  
OPERATION OF THE DEVELOPMENT

4.1 Residential Use.

The Development shall be operated as affordable housing for Extremely Low Income Households, Very Low Income Households and Sixty-Five Percent Income Households. No part of the Development shall be operated as transient housing with occupancy of less than thirty (30) days.

4.2 Compliance with Grant Agreement.

Grantee shall comply with all the terms and provisions of the Grant Agreement.

4.3 Taxes and Assessments.

Grantee shall pay all real and personal property taxes, assessments and charges and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any line or charge from attaching to the Property; provided, however, that Grantee shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event Grantee exercises its right to contest any tax, assessment, or charge against it, Grantee, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

4.4 Property Tax Exemption.

Grantee shall not apply for a property tax exemption for the property under any provision of law except California Revenue and Taxation Section 214 (g), without the prior written consent of the County.

ARTICLE 5  
PROPERTY MANAGEMENT AND MAINTENANCE

5.1 Management Responsibilities.

The Grantee is responsible for all management functions with respect to the Development, including without limitation the selection of tenants, certification and recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. County shall have no responsibility over management of the Development.

5.2 Management Agent; Periodic Reports.

The Development shall at all times be managed by an experienced management agent reasonably acceptable to County, with demonstrated ability to operate residential facilities like the Development in a manner that will provide decent, safe, and sanitary housing (as approved, the "Management Agent"). A resident manager shall also be required. The Grantee shall submit for County's approval the identity of any proposed Management Agent (and County pre-approves, initial self-management of the Development by Grantee). The Grantee shall also submit such additional information about the background, experience and financial condition of any proposed Management Agent as is reasonably necessary for County to determine whether the proposed Management Agent meets the standard for a qualified Management Agent set forth above. If the proposed Management Agent meets the standard for a qualified Management Agent set forth above, County shall approve the proposed Management Agent by notifying the Grantee in writing. Unless the proposed Management Agent is disapproved by County within thirty (30) days, which disapproval shall state with reasonable specificity the basis for disapproval, it shall be deemed approved.

5.3 Performance Review.

County reserves the right to conduct an annual (or more frequently, if deemed necessary by County) review of the management practices and financial status of the Development. The purpose of each periodic review will be to enable County to determine if the Development is being operated and managed in accordance with the requirements and standards of this HOME Regulatory Agreement. The Grantee shall cooperate with County in such reviews.

5.4 Replacement of Management Agent.

If, as a result of a periodic review, County determines in its reasonable judgement that the Development is not being operated and managed in accordance with any of the material requirements and standards of this HOME Regulatory Agreement, County shall deliver notice to Grantee of its intention to cause replacement of the Management Agent, including the reasons therefor. Within fifteen (15) days of receipt by Grantee of such written notice, County staff and the Grantee shall meet in good faith to consider methods for improving the financial and

operating status of the Development, including, without limitation, replacement of the Management Agent.

If, after such meeting, County staff recommends in writing the replacement of the Management Agent, Grantee shall promptly dismiss the then Management Agent, and shall appoint as the Management Agent a person or entity meeting the standards for a Management Agent set forth in Section 5.2 above and approved by County pursuant to Section 5.2 above.

Any contract for the operation or management of the Development entered into by Grantee shall provide that the contract can be terminated as set forth above. Failure to remove the Management Agent in accordance with the provisions of this Section shall constitute default under this HOME Regulatory Agreement, and County may enforce this provision through legal proceedings as specified in Section 6.7 below.

#### 5.5 Approval of Management Policies.

The Grantee shall submit its written management policies with respect to the Development to County for its review, and shall amend such policies in any way necessary to ensure that such policies comply with the provisions of this HOME Regulatory Agreement.

#### 5.6 Property Maintenance.

The Grantee agrees, for the entire Term of this HOME Regulatory Agreement, to maintain all interior and exterior improvements, including landscaping, on the Property in good condition and repair (and, as to landscaping, in a healthy condition) and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials, and in accordance with the following maintenance conditions:

County places prime importance on quality maintenance to protect its investment and to ensure that all County and County-assisted affordable housing projects within County are not allowed to deteriorate due to below-average maintenance. Normal wear and tear of the Development will be acceptable to County assuming the Grantee agrees to provide all necessary improvements to assure the Development is maintained in good condition. The Grantee shall make all repairs and replacements necessary to keep the improvements in good condition and repair.

In the event that the Grantee breaches any of the covenants contained in this section and such default continues for a period of five (5) days after written notice from County with respect to graffiti, debris, waste material, and general maintenance or thirty (30) days after written notice from County with respect to landscaping and building improvements, then County, in addition to whatever other remedy it may have at law or in equity, shall have the right to enter upon the Property and perform or cause to be performed all such acts and work necessary to cure the default. Pursuant to such right of entry, County shall be permitted (but is not required) to enter upon the Property and perform all acts and work necessary to protect, maintain, and preserve the

improvements and landscaped areas on the Property, and to attach a lien on the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by County and/or costs of such cure, which amount shall be promptly paid by the Grantee to County upon demand.

## ARTICLE 6 MISCELLANEOUS

### 6.1 Lease Provisions.

In leasing the County-Assisted Units, Grantee shall use a form of Tenant lease approved by County. The lease shall not contain any provision which is prohibited by 24 CFR Section 92.253(b) and any amendments thereto. The form of Tenant lease shall also comply with all requirements of this HOME Regulatory Agreement and the Grant Agreement, and shall, among other matters:

(a) provide for termination of the lease and consent by the Tenant to immediate eviction for failure: (1) to provide any information required under this HOME Regulatory Agreement or reasonably requested by Grantee to establish or recertify the Tenant's qualification, or the qualification of the Tenant's household, for occupancy in the Development in accordance with the standards set forth in this HOME Regulatory Agreement, or (2) to qualify as an Extremely Low Income Household, Very Low Income Household or Sixty-Five Percent Income Household as a result of any material misrepresentation made by such Tenant with respect to the income computation or certification; and

(b) be for an initial term of not less than one year (1) (unless a shorter term is mutually agreed by the Tenant and the Grantee) and provide for no increase in Rent during such time period. After the initial term of tenancy, the lease may be month to month by mutual agreement of Grantee and the Tenant, however Rent may not be raised more often than once a year. Grantee will provide each Tenant with at least sixty (60) days' written notice of any increase in Rent applicable to such Tenant, and with such further notice as may be required by Section 2.3 above.

(c) any termination of a lease or refusal by Grantee to renew shall be in conformance with 24 CFR 92.253(c) and must be preceded by no less than thirty (30) days written notice to the tenant by Grantee specifying the grounds for the action.

### 6.2 Nondiscrimination.

All of the Units shall be available for occupancy on a continuous basis to members of the general public who are income eligible. Grantee shall not give preference to any particular class or group of persons in renting the Units, except to the extent that the Units are required to be leased to Extremely Low Income Households, Very Low Income Households, and Sixty-Five Percent Income Household. There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation,

marital status, national origin, source of income (e.g. SSI), ancestry, or disability, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall Grantee or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Unit or in connection with the employment of persons for the construction, operation and management of any Unit.

### 6.3 Term.

The provisions of this HOME Regulatory Agreement shall apply to the Property for the entire Term even if the entire County Grant is paid in full prior to the end of the Term. This HOME Regulatory Agreement shall bind any successor, heir or assign of Grantee, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by County. County makes the County Grant on the condition, and in consideration of, this provision, and would not do so otherwise.

### 6.4 Compliance with Grant Agreement and Program Requirements.

Grantee's actions with respect to the Property shall at all times be in full conformity with: (i) all requirements of the Grant Agreement ; and (ii) all requirements imposed on projects assisted under the HOME Investment Partnership Program as contained in 42 U.S.C. 12701 et seq., 24 CFR Part 92, and other implementing rules and regulations.

### 6.5 Notice of Expiration of Term.

At least six (6) months prior to the expiration of the Term, Grantee shall provide by first-class mail, postage prepaid, a notice to all Tenants containing (a) the anticipated date of the expiration of the Term, (b) any anticipated increase in Rent upon the expiration of the Term, (c) a statement that a copy of such notice will be sent to County, and (d) a statement that a public hearing may be held by County on the issue and that the Tenant will receive notice of the hearing at least fifteen (15) days in advance of any such hearing. Grantee shall also file a copy of the above-described notice with the County Assistant Deputy Director- Department of Conservation.

### 6.6 Covenants to Run With the Land.

County and Grantee hereby declare their express intent that the covenants and restrictions set forth in this HOME Regulatory Agreement shall run with the land, and shall bind all successors in title to the Property, provided, however, that on the expiration of the Term of this HOME Regulatory Agreement said covenants and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof, shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless County expressly releases such conveyed portion of the Property from the requirements of this HOME Regulatory Agreement.

6.7 Enforcement by County.

If Grantee fails to perform any obligation under this HOME Regulatory Agreement, and fails to cure the default within thirty (30) days after County has notified Grantee in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, County shall have the right to enforce this HOME Regulatory Agreement by any or all of the following actions, or any other remedy provided by law.

(a) Calling the County Grant. County may declare a default under the Grant Agreement, require repayment of the Grant (including interest due pursuant to the Grant Agreement), and proceed with foreclosure under the County Deed of Trust.

(b) Action to Compel Performance or for Damages. County may bring an action at law or in equity to compel Grantee's performance of its obligations under this HOME Regulatory Agreement, and/or for damages.

(c) Remedies Provided Under Grant Agreement. County may exercise any other remedy provided under the Grant Agreement.

6.8 Attorneys' Fees and Costs.

In any action brought to enforce this HOME Regulatory Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

6.9 Recording and Filing.

County and Grantee shall cause this HOME Regulatory Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Contra Costa.

6.10 Governing Law.

This HOME Regulatory Agreement shall be governed by the laws of the State of California.

6.11 Waiver of Requirements.

Any of the requirements of this HOME Regulatory Agreement may be expressly waived by County in writing, but no waiver by County of any requirement of this HOME Regulatory Agreement shall, or shall be deemed to, extend to or affect any other provision of this HOME Regulatory Agreement.

6.12 Amendments.

This HOME Regulatory Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the real property records of County of Contra Costa.

6.13 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States certified mail, postage prepaid, addressed to the appropriate party as follows:

Grantee: SHELTER, Inc. of Contra Costa County  
1070 Concord Ave.  
Concord, CA 94520  
Attention: Chief Executive Officer

County: County of Contra Costa  
Department of Conservation and Development  
30 Muir Road  
Martinez, CA 94553  
Attn: Assistant Deputy Director

Such addresses may be changed by notice to the other party given in the same manner as provided above.

6.14 Severability.

If any provision of this HOME Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this HOME Regulatory Agreement shall not in any way be affected or impaired thereby.

6.15 Multiple Originals; Counterparts.

This HOME Regulatory Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

6.16 Revival of Agreement after Foreclosure.

In the event there is a foreclosure of the Property, this HOME Regulatory Agreement will revive according to its original terms if, during the Term, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Development or Property.

6.17 County Regulatory Agreement.

The County and Grantee are entering into this HOME Regulatory Agreement concurrently with the County Regulatory Agreement. The County Regulatory Agreement as it applies to the County-Assisted Units will be in effect for fifty-five (55) years from the date of the County Regulatory Agreement which term overlaps with but is longer than the Term. Compliance with the terms of this HOME Regulatory Agreement will be deemed compliance with the County Regulatory Agreement during the Term. In the event of a conflict between this HOME Regulatory Agreement and the County Regulatory Agreement during the Term, the terms of this HOME Regulatory Agreement will prevail.

6.18 Original Regulatory Agreement.

This HOME Regulatory Agreement supersedes in its entirety the Original Regulatory Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, County and Grantee are executing this HOME Regulatory Agreement by duly authorized representatives, all on the date first written above.

**GRANTEE:**

SHELTER, INC. OF CONTRA COSTA COUNTY,  
a California nonprofit public benefit corporation

By: \_\_\_\_\_  
John Eckstrom  
Chief Executive Officer

**COUNTY:**

COUNTY OF CONTRA COSTA, a political  
subdivision of the State of California

By: \_\_\_\_\_  
John Kopchik  
Director, Department of Conservation and  
Development

Approved as to form:

SHARON L. ANDERSON  
County Counsel

By: \_\_\_\_\_  
Kathleen Andrus  
Deputy County Counsel

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF CONTRA COSTA )

On \_\_\_\_\_, 201\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (seal)

STATE OF CALIFORNIA )  
 )  
COUNTY OF CONTRA COSTA )

On \_\_\_\_\_, 201\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (seal)

EXHIBIT A

Legal Description of the Property



**Contra  
Costa  
County**

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: General Plan Annual Report for Calendar Year 2016

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**RECOMMENDATION(S):**

1. ACCEPT the annual progress report by the Department of Conservation and Development on implementation of the County General Plan (2005-2020), as required under California Government Code Section 65400.
2. DIRECT Department of Conservation and Development (DCD) staff to forward the annual progress report on the County General Plan to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD), as required under California Government Code Section 65400.

**FISCAL IMPACT:**

No impact to the General Fund. The report on the County's progress in implementing its General Plan is funded 100% from the Land Development Fund, FY 2016/2017.

**BACKGROUND:**

California Government Code Section 65400 requires the planning agency for certain cities and all 58 counties to submit an annual report to their legislative body (city council or board of supervisors, respectively), OPR, and HCD on the status of their General Plan and progress on its implementation. The annual report provides the local legislative body with information regarding the status of its General Plan and gives OPR the opportunity to identify statewide trends in land use decision making, including how local planning and development activities relate to statewide planning goals and policies. Additionally, it enables OPR to track progress on a local jurisdiction's General Plan in terms of its comprehensiveness and consistency with the current OPR General Plan Guidelines and other

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: (925)  
674-7791

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

State mandates.

There is no standardized form or format for preparation of the General Plan annual progress report. OPR leaves it up to each jurisdiction to determine which locally-relevant issues are important to include, but they do suggest general content to cover within the report. The attached report covering calendar year 2016 follows the general guidance of OPR in terms of content.

Staff notes that under a separate section of the Government Code, all local jurisdictions are required to submit a report to HCD on certain housing information, including the jurisdiction's progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to development of housing. On March 28, 2017, the Board is scheduled to consider accepting the County's General Plan Housing Element implementation report for 2016. Information in that report is incorporated into the attached General Plan annual progress report.

Staff calls to the Board's attention the County's progress in meeting its share of regional housing needs. Current data indicates that through calendar year 2016, the second year of the current eight-year Housing Element cycle, the County has issued building permits for 42.3 percent of its allocated share of the region's housing needs. While the data indicates the County has made significant progress in achieving gross housing production goals, production of new housing units available to households in the low- and very low-income categories continues to be stagnant. In 2016, zero permits were issued for new units available to low- and very low-income households. Through the first two years of the current housing cycle only eight such permits have been issued, constituting 0.014 percent of the total building permits issued for new units.

## CONSEQUENCE OF NEGATIVE ACTION:

State law requires DCD to submit this report to the Board of Supervisors prior to submitting it to OPR and HCD. The purpose of this report is to provide an update to the Board of Supervisors on General Plan implementation.

## ATTACHMENTS

2016 GP Annual Progress Report

# **CONTRA COSTA COUNTY 2016 GENERAL PLAN ANNUAL PROGRESS REPORT**

**Submitted to:  
Board of Supervisors  
Contra Costa County  
March 28, 2017**



**Prepared by:  
Contra Costa County  
Department of Conservation and Development**

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## **I. INTRODUCTION/PURPOSE OF ANNUAL REPORT**

The intent of this report is to demonstrate the County's compliance with California Government Code Section 65400(b)(1), which mandates that all cities and counties submit to their legislative bodies an annual report on the status of their General Plan and progress in its implementation. A copy of this report will, as required under the statute, be provided to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD). A separate report will be provided to HCD in fulfillment of another statutory requirement to report certain housing information, including the County's progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing, as defined in Government Code sections 65584 and 65583(c)(3).

In compliance with Section 65400(b)(1) of the Government Code, this report covering calendar year 2016 has been prepared for the Contra Costa County Board of Supervisors' consideration and acceptance. This report:

1. Summarizes the status of the Contra Costa County General Plan and describes steps that have been taken to implement General Plan policies in calendar year 2016;
2. Provides a summary of General Plan Amendments (GPAs) that were approved by the Board of Supervisors in 2016;
3. Describes Housing Element implementation, specifically the County's progress in meeting its share of the regional housing needs over the current reporting period (current Housing Element cycle) and its efforts to remove governmental constraints to maintenance, improvement, and development of housing pursuant to Government Code Section 65583; and
4. Concludes with a discussion on goals, objectives, and work activities related to General Plan implementation for calendar years 2017 and 2018.

## **II. GENERAL PLAN STATUS AND IMPLEMENTATION**

### **A. GENERAL PLAN BACKGROUND**

The Contra Costa County Department of Conservation and Development (DCD) is a division of the planning agency for the unincorporated area of Contra Costa County and is responsible for proper preparation and administration of the County General Plan (County Ordinance Code §26-2.808(1)). The County Board of Supervisors adopted a comprehensive General Plan in January 1991 following an extensive public outreach and participation process initiated in 1986. This updated General Plan superseded the County's prior General Plan (and each of the previously adopted elements), and consolidated several area-specific General Plans into one comprehensive document.

The General Plan was re-adopted by the Board of Supervisors in July 1996 to consolidate General Plan Amendments approved between 1991 to 1995 and to correct minor errors and omissions discovered in the original 1991 General Plan text. This reconsolidated General Plan covered the period from 1995 through 2010. The General Plan was re-adopted again by the Board of Supervisors in January 2005 to consolidate General Plan Amendments adopted between 1995 and 2004, revise text and maps to reflect the 1999 incorporation of the City of Oakley (formerly an unincorporated community that was covered under the County

General Plan), and incorporate the 2001 Housing Element update. The second County General Plan reconsolidation covers the period from 2005 through 2020.

Pursuant to Government Code Section 65302, there are seven mandatory General Plan elements. Each of the mandatory elements in the Contra Costa County General Plan was prepared and/or updated in full compliance with the *General Plan Guidelines*, as established by OPR. The County General Plan also includes two non-mandatory elements indicated in italics in Table 1, below. Table 1 indicates the status of the County General Plan elements, including the year the element was first adopted and the year it was last revised.

**TABLE 1: GENERAL PLAN ELEMENTS – STATUS**

<u>Element</u>	<u>First Adopted</u>	<u>Last Revised</u>
Land Use	1963	2005
Transportation/Circulation	1963	2005
Housing	1970 <sup>1</sup>	2014
Conservation	1973	2005
Open Space	1973	2005
Safety	1975	2005
Noise	1975	2005
<i>Growth Management</i>	1991	2005
<i>Public Facilities/Services</i>	1972	2005

**B. ADOPTED GENERAL PLAN AMENDMENTS FOR CALENDAR YEAR 2016**

Pursuant to Government Code Section 65358(b), the County may amend the mandatory elements of the General Plan up to four times per calendar year. However, each amendment may include more than one change to the General Plan. DCD refers to amendments of the mandatory elements as “consolidated” amendments because each may include more than one change the General Plan. The Board of Supervisors, acting in its capacity as the legislative body for the unincorporated areas of Contra Costa County, adopted four amendments to the County General Plan during calendar year 2016, which are summarized as follows:

**1<sup>st</sup> Consolidated General Plan Amendment**

*Buchanan Field Airport Business Park (County File GP#16-0002)*: Amended Land Use Element Policy 3-98 to increase the development limit for one parcel at Buchanan Field Airport from 18,500 square feet to 52,300 square feet. Adopted by the Board of Supervisors on June 21, 2016.

*2007 Flood Legislation (County File #16-0004)*: Amended the Land Use, Conservation, and Safety Elements to achieve compliance with Assembly Bill (AB) 162 (Wolk), Senate Bill (SB) 5 (Machado), and several related bills known together as the “2007 Flood Legislation.”

<sup>1</sup> A preliminary Housing Element was approved in 1970 - one year after State legislation established the Housing Element as a mandatory element to the General Plan. Following new statutory requirements for Housing Elements established in the mid-1970s, the Housing Element was formally adopted by the Board of Supervisors in December 1980. The element was subsequently updated through the State-mandated Housing Element update process in 1985, 1991, 1996, 2001, and 2009. The current Housing Element, adopted on December 2, 2014, was certified by HCD in March 11, 2015.

Numerous goals, policies, and implementation measures were added to these Elements along with several maps. The County Floodplain Management Ordinance also was amended to conform with the amended General Plan elements. Adopted by the Board of Supervisors on June 21, 2016.

## **2<sup>nd</sup> Consolidated General Plan Amendment**

*Roadway Network Plan Revisions (County File GP#16-0006):* Amended the Transportation and Circulation Element, Roadway Network Plan, to reduce the planned width for a portion of Camino Tassajara and indicate a “Special Planning Area” in the vicinity of the planned State Route 239 and Vasco Road-Byron Highway Connector projects. The Land Use Element was also amended to add a policy explaining the significance of the Special Planning Area. Adopted by the Board of Supervisors on December 13, 2016.

## **Other General Plan Amendments**

*Growth Management Element Correspondence Table (County File #GP16-0001):* Amended the Growth Management Element, a non-mandatory element, to include a new table and text illustrating consistency (correspondence) between the General Plan and the Contra Costa Transportation Authority’s *Model Growth Management Element*. Adopted by the Board of Supervisors on March 29, 2016.

## **C. GENERAL PLAN AMENDMENTS AND OTHER ACTIVITIES RELATED TO GENERAL PLAN IMPLEMENTATION INITIATED IN 2016**

Proposals to amend the General Plan, whether submitted from the private sector or County-initiated, must receive pre-authorization by the Board of Supervisors before DCD may initiate the full General Plan Amendment process. In calendar year 2016 the Board of Supervisors gave pre-authorization to the following General Plan Amendments:

- *Buchanan Field Airport Business Park (County File GP#16-0002):* See description above. Pre-authorized by the Board of Supervisors on May 24, 2016.
- *KOMAC, Inc. GPA Study (County File #GP16-0003):* Consider a change to the General Plan Land Use Element Map to re-designate a 0.73-acre site from Multiple-Family Residential – High Density (MH) to Commercial (CO) in support of applications to develop a small retail building on a vacant lot on San Pablo Avenue, in the unincorporated San Pablo area. Pre-authorized by the Board of Supervisors on April 12, 2016.
- *Hamilton Tree Service GPA Study (County File: GP#16-0005):* Consider a change to the General Plan Land Use Element Map to re-designate a 2.7-acre site from Multiple-Family Residential – Low Density (ML) to Agricultural Lands (AL) in support of applications to expand an existing tree removal and mulching business located at 4949 Pacheco Boulevard, in the unincorporated Martinez area. Pre-authorized by the Board of Supervisors on July 12, 2016.
- *Aretê, Inc. GPA Study (County File: GP#16-0007):* Consider a change to the General Plan Land Use Element Map to re-designate a 0.51-acre site from Office (OF) to Multiple-Family Residential – Medium Density (MM) in support of applications to develop nine townhomes at 214 Center Avenue, in the unincorporated Pacheco area. Pre-authorized by the Board of Supervisors on October 18, 2016.

#### **D. COMPLIANCE WITH OFFICE OF PLANNING AND RESEARCH GENERAL PLAN GUIDELINES AND ASSOCIATED DIRECTIVES**

Section 65400 of the Government Code requires jurisdictions to discuss the degree to which the adopted General Plan complies with the *State of California General Plan Guidelines* as issued by OPR. The *Guidelines* provide a definitive interpretation of State statutes and case law as they relate to the General Plan. Additionally, the *Guidelines* outline the general framework for preparation and revision of a General Plan, Attorney General Opinions, and the relationship of the General Plan to the requirements of the California Environmental Quality Act (CEQA). The *Guidelines* are advisory in nature rather than prescriptive, and thereby preserve opportunities for a local jurisdiction to address contemporary planning topics in a locally appropriate manner. DCD staff has reviewed the latest set of *General Plan Guidelines*, issued by OPR in October 2003, and determined that the Contra Costa County General Plan (2005-2020) is consistent.

In addition to the *General Plan Guidelines*, OPR has issued other advisories and guidance related to State planning law requirements for cities and counties. DCD has endeavored to incorporate these advisories into the County's planning process. Specifically, in November 2005 OPR issued a supplement to the *Guidelines* providing advisory guidance to cities and counties on the process for consulting with California Native American tribes during the adoption or amendment of local General Plans or Specific Plans for the purpose of protecting Traditional Tribal Cultural Places (also known as SB 18 Tribal Consultation). DCD has established a protocol for SB 18 Tribal Consultation on General Plan Amendments and Specific Plans in accordance with the November 2005 supplemental issued by OPR.

In December 2010 OPR updated the *Guidelines* to provide guidance on amending circulation elements in response to AB 1358 (Leno), The California Complete Streets Act, which requires cities and counties to plan for development of multi-modal transportation networks. In 2008, the Board of Supervisors amended the Land Use, Transportation and Circulation, and Open Space Elements of the General Plan to include language supporting the Complete Streets philosophy. Then in July 2016 the Board adopted the *Complete Streets Policy of Contra Costa County*, which builds upon the 2008 amendments. Pursuant to AB 1358, Complete Streets/multi-modal transportation planning will be fully integrated into the Transportation and Circulation Element upon its next substantial revision, which is anticipated to occur in 2020 (see below).

In May 2015 OPR issued a technical advisory on fire hazard planning which among other things, provides guidance on amending safety elements pursuant to SB 1241 (Kehoe). DCD is in the process of amending the County General Plan Safety Element to comply with SB 1241 (see below).

OPR has also worked to improve communication and encourage collaboration between local governments and the United States military on land use planning and development issues in response to passage in 2002 of SB 1468 (Knight) and SB 1462 (Kuehl) in 2004. SB 1462 requires local jurisdictions to establish a notification process to inform the United States military of certain local land use proposals to avoid conflicts with military installations and training activities. SB 1468 resulted in preparation of the California Advisory Handbook for Community and Military Compatibility Planning to encourage collaboration between cities, counties, builders, and military personnel by providing tools and guidance regarding compatibility planning between communities and military installations and activities. Since there is a limited number of military installations in Contra Costa County, and only two in the unincorporated area, the impact of these requirements for the County to notify the U.S.

Military of pending land use planning and development applications has been negligible. Nevertheless, DCD has established a protocol to determine whether notification to the U.S. military is necessary if a project is located within 1,000 feet of a military installation or within special airspace as defined in the Public Resources Code § 21098. DCD uses the California Military Land Use Compatibility Analyst, which was prepared by the State Resources Agency in conjunction with OPR to help cities and counties find the location of military installations and training facilities within their jurisdiction and to determine if a project triggers notification to the U.S. Military.

**III. HOUSING ELEMENT IMPLEMENTION AND PROGRESS IN MEETING SHARE OF REGIONAL HOUSING NEEDS**

The County General Plan Housing Element was preliminarily approved by the Board of Supervisors in 1970, approximately one year after State law established the element as one of the mandatory elements of the General Plan, and formally adopted by the Board in December 1980 following new mandated requirements established in the mid-1970s. It has been subsequently updated as part of the mandated cycle of Housing Element updates adopted by the State Legislature beginning in 1985. The Housing Element was updated when it was incorporated as part of the comprehensive update to the General Plan in January 1991. Subsequently, the Housing Element was updated in 1995 and included in the 1996 General Plan reconsolidation (1995-2010), updated in December 2001 and included in the 2005 General Plan reconsolidation (2005-2020), updated in 2009, and updated most recently in 2014 pursuant to SB 375 (Steinberg). The current Housing Element sets forth the County’s housing goals, objectives, policies, and implementation measures, and was certified by HCD on March 11, 2015.

The attached tables listed as A, A3, B, and C are taken from Contra Costa County’s Annual Housing Element Progress Report for 2016. These tables contain more detailed information pertaining to progress and implementation activities for the 5<sup>th</sup> Cycle Housing Element (2015-2023) which began January 31, 2015.

**A. SHARE OF REGIONAL HOUSING NEEDS**

The following table summarizes the County’s share of projected regional housing needs in the San Francisco Bay Area over the 5<sup>th</sup> Cycle Housing Element planning period that covers 2015 to 2023:

**TABLE 2: SHARE OF REGIONAL HOUSING NEEDS**

Regional Housing Needs Allocation (RHNA)  
by Income Category for San Francisco Bay Area and Contra Costa County, 2015-2023

State Affordability - Income Category	SF Bay Area Total RHNA	Contra Costa County RHNA	
		Unincorporated + Cities	Unincorporated only
Very-Low Income	46,680	5,264	374
Low Income	28,940	3,086	218
Moderate Income	33,420	3,496	243
Above-Moderate Income	78,950	8,784	532
<b>TOTAL Housing Need</b>	<b>187,990</b>	<b>20,630</b>	<b>1,367</b>

The RHNA for the 5<sup>th</sup> Cycle was adopted by the Association of Bay Area Governments (ABAG) in July 2013.<sup>2</sup>

## B. HOUSING PRODUCTION

Table 3 provides a breakdown by income level of the County's housing production for 2016 along with a running total for the current Housing Element cycle:

**TABLE 3: UNIT COUNT OF UNINCORPORATED COUNTY HOUSING PRODUCTION**

Income Level		RHNA by Income Level	Units Built in 2016 (Percentage) <sup>3</sup>	Total 5 <sup>th</sup> Cycle Units Built (Percentage) <sup>4</sup>	Total Remaining RHNA Units
Very-Low	Deed Restricted	374	0 (0.0%)	0 (0.0%)	374
	Non-Restricted		0 (0.0%)	0 (0.0%)	
Low	Deed Restricted	218	0 (0.0%)	0 (0.0%)	210
	Non-Restricted		0 (0.0%)	8 (0.01%)	
Moderate		243	28 (11.5%)	93 (38.3%)	150
Above-Moderate		532	201 (37.8%)	477 (89.7%)	55
<b>TOTAL</b>		<b>1,367</b>	<b>229 (16.7%)</b>	<b>578 (42.3%)</b>	<b>789</b>

As indicated, the County issued 229 permits for new residential units in 2016, equaling 16.7 percent of the entire 5<sup>th</sup> Cycle RHNA. Through 2016, the second year of the eight-year 5<sup>th</sup> Cycle, the County has already issued permits for 42.3 percent of its RHNA share. However, only 28 permits were issued in 2016 for units which would be affordable to moderate-income households [income at 81 to 120 percent of the area median income, or AMI, for Contra Costa County] and no permits were issued for units that would be available to very low- or low-income households (income at 51 to 80 percent of the AMI). While the County is well on its way toward meeting its total RHNA share, 82.5 percent of new housing production has been in the above-moderate income category and less than 1 percent has been in the very-low and low income categories.

## C. BARRIERS TO HOUSING DEVELOPMENT AND AFFORDABLE HOUSING ACTIVITY IN CALENDAR YEAR 2016

Market factors such as the high cost of land suitable for residential development and high construction costs continue to be the most significant constraints on development of affordable housing in Contra Costa County. The County attempts to counter these factors with strategies and subsidy programs, which are identified in the General Plan Housing Element, aimed at developing affordable rental housing and expanding homeownership opportunities. The key funding sources the County utilizes include Community Development Block Grant, HOME Investment Partnerships Act, Emergency Solutions Grant Funds, Housing Opportunities for Persons with AIDS, Mental Health Services Act, Housing Successor (former Redevelopment Set-Aside) Funds, bond financing, Mortgage Credit Certificates, low-income housing tax credits, and Section 8 Assistance.

<sup>2</sup> Source: ABAG Website, *Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

<sup>3</sup> Indicates percentage of units constructed during the current reporting year relative to the total RHNA for each income category.

<sup>4</sup> Indicates cumulative percentage of units constructed for the 5<sup>th</sup> Cycle relative to the total RHNA for each income category.

Table C, attached, briefly outlines the housing programs contained in the Housing Element and describes their 2016 performance. Some notable County actions include:

- Issuing \$23.57 million in tax-exempt bonds for construction of 143 new units in the cities of Walnut Creek and Antioch.
- Issuing \$45.46 million in tax-exempt bonds for rehabilitation of 235 units in the cities of Pinole and Concord.
- Weatherizing 297 residential units (221 extremely-low income, 75 very-low income, and 1 low income).
- Providing 54 Mortgage Credit Certificates worth \$3.56 million for first-time home buyers.
- Providing \$487,000 in HOME funds to support development of a 30-unit rental project for veterans and homeless veterans in the City of Pittsburg.

A barrier to affordable housing also exists in the form of discrimination. Contra Costa County affirmatively furthers fair housing through the ongoing support of fair housing counseling, education, and outreach activities. In addition, all housing projects funded by the County are required to undertake broad marketing activities in a manner consistent with federal and State fair housing laws, including outreach to underserved populations. The Analysis of Impediments to Fair Housing (AI) was adopted by the Board of Supervisors in 2010. A major effort to update the AI was initiated in 2015 and continued through 2016.

#### **IV. GOALS, OBJECTIVES, AND WORK ACTIVITIES RELATED TO GENERAL PLAN IMPLEMENTATION FOR CALENDAR YEARS 2017 AND 2018**

In 2017 and 2018 DCD will continue a significant work effort associated with General Plan implementation in response to the following State mandates:

##### **Safety Element**

**Fire Hazard Severity Map** – As required under SB 1241, the Fire Hazard Severity Map in the Safety Element will be updated to reflect new mapping by the California Department of Forestry and Fire Protection (Cal Fire) of wildland fire hazards and risks, and to identify State responsibility areas and very-high fire hazard severity zones in Contra Costa County. Accordingly, the Safety Element’s goals, policies, and implementation measures related to wildland fire hazards will be reviewed and updated, as necessary.

##### **Land Use Element**

**Disadvantaged Unincorporated Communities** – SB 244 (Wolk, 2011) requires cities and counties to address the infrastructure and service needs of unincorporated disadvantaged communities (DUCs) in their respective General Plans. Disadvantaged unincorporated communities are defined under SB 244 as:

- Containing 10 or more dwelling units in close proximity to one another;
- Within a city Sphere of Influence (SOI), or is an island surrounded by a city, or is geographically isolated and has existed for more than 50 years; and,
- Having a median household income that is 80 percent or less than the statewide median household income.

SB 244 requires that the Land Use Element be updated to identify DUCs and analyze the water, wastewater, stormwater drainage, and structural fire protection deficiencies and needs for each. Funding alternatives for extension of services to the DUCs must also be identified. The County's SB 244 DUC analysis was initiated in 2014 in conjunction with the 5<sup>th</sup> Cycle Housing Element update, and DCD anticipates completing this work in 2017.

### **General Plan Update**

The term of the current County General Plan extends through calendar year 2020. In the second quarter of 2017 DCD intends to present the Board of Supervisors with options for updating the General Plan. Upon receiving Board direction on a preferred option, DCD will issue a RFQ/RFP to prospective consultants with the goal of securing a consultant by the end of the year, allowing work to begin in earnest in 2018.

### **List of Attachments (Tables taken from 2016 Housing Element Progress Report to HCD)**

- Table A: Annual Building Activity Report Summary – New Construction of Very Low-, Low-, and Mixed-Income Multi-family Projects
- Table A3: Annual Building Activity Report for Above Moderate-Income Units (not including those units reported on Table A)
- Table B: Regional Housing Needs Allocation Progress
- Table C: Program Implementation Status

**ANNUAL ELEMENT PROGRESS REPORT**  
***Housing Element Implementation***  
 (CCR Title 25 §6202 )

Jurisdiction CONTRA COSTA COUNTY  
 Reporting Period 01/01/2016 - 12/31/2016

**Table A**

**Annual Building Activity Report Summary - New Construction**  
**Very Low-, Low-, and Mixed-Income Multifamily Projects**

Housing Development Information							Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions		
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income			See Instructions	See Instructions	
<b>(9) Total of Moderate and Above Moderate from Table A3</b>					28	201					
(10) Total by Income Table A/A3			0	0	28	201					
<b>(11) Total Extremely Low-Income Units*</b>			0								

\* Note: These fields are voluntary

**ANNUAL ELEMENT PROGRESS REPORT**  
***Housing Element Implementation***  
 (CCR Title 25 §6202 )

Jurisdiction CONTRA COSTA COUNTY  
 Reporting Period 01/01/2016 - 12/31/2016

**Table A3**  
**Annual building Activity Report Summary for Above Moderate-Income Units**  
**(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for <b>Moderate</b>	4	2	0	19	3	28	0
No. of Units Permitted for <b>Above Moderate</b>	187	14	0	0	0	201	0

\* Note: This field is voluntary

# ANNUAL ELEMENT PROGRESS REPORT

## *Housing Element Implementation*

(CCR Title 25 §6202 )

**Jurisdiction**      CONTRA COSTA COUNTY

**Reporting Period**      01/01/2016      -      12/31/2016

**Table B**  
**Regional Housing Needs Allocation Progress**  
**Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.												Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed Restricted	374	0	0	0	0	0	0	0	0	0	0	374
	Non-Restricted		0	0	0	0	0	0	0	0	0		
Low	Deed Restricted	218	0	0	0	0	0	0	0	0	0	8	210
	Non-Restricted		8	0	0	0	0	0	0	0	0		
Moderate		243	65	28	0	0	0	0	0	0	0	93	150
Above Moderate		532	276	201	0	0	0	0	0	0	-	477	55
Total RHNA by COG. Enter allocation number:		1367											
Total Units    ▶ ▶ ▶			349	229	0	0	0	0	0	0	0	578	
Remaining Need for RHNA Period    ▶ ▶ ▶ ▶ ▶													789

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

**ANNUAL ELEMENT PROGRESS REPORT**  
***Housing Element Implementation***  
 (CCR Title 25 §6202 )

Jurisdiction CONTRA COSTA COUNTY

Reporting Period 01/01/2016 - 12/31/2016

**Table C**

**Program Implementation Status**

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report - Government Code Section 65583.</b> Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Neighborhood Preservation Program	Improve the quality of existing housing & neighborhoods.	Ongoing	There were five homes within the unincorporated county that were rehabilitated. Of those five projects, two were moderate income, two were low income, and one was extremely low income.
Weatherization Program	Assist homeowners and renters with minor home repairs.	Ongoing	297 units have been weatherized in County cities, towns, and communities. 221 units were extremely low income, 75 units were very low income, and 1 unit was low income.
Code Enforcement	Maintain & improve the quality of existing housing & neighborhoods.	Ongoing	There were a total of 951 cases opened with 893 cases closed. Approximately 99% of all cases were residential.
Preservation of Affordable Housing Assisted with Public Funds	Preserve the existing stock of affordable housing.	Ongoing	The County provided \$300,000 in HOME and CDBG funding for a 14-unit rehabilitation project located in Bay Point. Additionally, the County provided \$4.125 million in funding recommendations for HOME, HOPWA, and CDBG to support the rehabilitation of 283 rental units in the Cities of Concord and Pinole.
New Construction of Affordable Housing	Increase the supply of affordable housing, including units affordable to extremely low income households.	Annual: Award HOME, CDBG, and	The County provided \$1.55 million in CDBG funding for a 42-unit rental project located in North Richmond. Additionally, the County provided \$1.67 million in funding recommendations for HOME, HOPWA, and CDBG to support the

		HOPWA funds to experienced housing developers	development of 138 new rental units in the cities of El Cerrito, Pittsburg, and Walnut Creek. The County also issued \$23,571,320 in tax-exempt bonds for 143 new units in the cities of Walnut Creek and Antioch.
Housing Successor to the former Redevelopment Agency	Utilize County owned property (former redevelopment agency) to develop affordable housing	Disposition agreements by 2020.	The Rodeo Senior Housing Extension project in Rodeo had an Exclusive Negotiating Agreement approved in December. The County issued a Request for Qualifications/Request for Proposal in December for the Orbisonia Heights project in Bay Point. The property at 1250 Las Juntas in Walnut Creek was sold in December to Habitat for Humanity. This property is located within the city limits.
Inclusionary Housing	Integrate affordable housing within market-rate developments.	Ongoing	In-lieu fees were collected for developments within a subdivision. The total fees collected was \$23,249.
Acquisition/ Rehabilitation	Improve existing housing and increase supply of affordable housing.	Ongoing	There were no projects in this reporting period within the unincorporated County. The County issued \$45,464,000 in tax-exempt bonds for 235 units in the Cities of Pinole and Concord.
Second Units	Facilitate the development of second units.	Ongoing	There were 19 building permits issued for second units.
Affordability by Design	Develop affordability by design program to promote creative solutions to building design and construction.	2017	There is nothing to report for this reporting period.
New Initiatives Program	Develop new programs or policies to fund or incentivize affordable housing development	2017	The County is implementing the State's Accessory Dwelling Unit Ordinance.
Special Needs Housing	Increase the supply of special needs housing.	Ongoing	There were no projects in this reporting period within the unincorporated County. The County provided \$487K in HOME funds to support the development of a 30-unit rental project in the City of Pittsburg for homeless veterans and veterans.
Developmental Disabled Housing	Increase the supply of housing available to persons with developmental disabilities.	Ongoing	There were no projects this reporting period in the unincorporated County.
Accessible Housing	Increase the supply of accessible housing.	Ongoing	The County provided funding for a multifamily rental project in North Richmond that will include 4 fully accessible units; 3 physically disabled units and 1 vision/hearing impaired unit. Additionally, the County provided funding for projects located in the Cities of El Cerrito, Pittsburg and Walnut Creek that included a total of 11 fully accessible units; 8 physically disabled units and 3 vision/hearing impaired units.

Reasonable Accommodation	Increase the supply of special needs and accessible housing.	Ongoing	Through the NPP program, the County assisted in the funding of 5 fully accessible bathroom renovations and 1 addition of an exterior stair lift. In addition, the County provides access to language assistance via phone calls, emails, and/or general correspondence to all residents of the County requiring these services.
Council on Homelessness, formerly known as, Contra Costa Interagency Council on Homelessness	Meet the housing & supportive services needs of the homeless	Ongoing	This program is currently known as the Council on Homelessness. They continue to support the development of permanent supportive housing. Hearth Act funds are used for the support of existing permanent supportive housing units or placement of people into permanent supportive housing.
Farmworker Housing	Increase the supply of farmworker housing.	Annually: Include farmworker housing in CDBG, HOME NOFA (See #5 above)	There were none built this reporting period.
First-Time Homebuyer Opportunities	Provide additional homeownership opportunities.	Ongoing	The County provided 54 households with the Mortgage Credit Certificate Program (MCC) throughout the county and cities, a total of \$3,566,301 in MCC funds.
Extremely Low Income Housing	Promote development of housing affordable to extremely low income households.	Annually: Prioritize x-low income housing in funding recommendations	The County continues to provide funding preferences to developers who include units that are affordable to extremely-low income households. There were a total of 225 extremely low income housing projects during this reporting period (See Neighborhood Preservation Program and Weatherization Program).
Sites Inventory	Provide for adequate housing sites, including 'as-right development' sites for homeless facilities	Ongoing maintenance of site inventory.	There are no changes or updates for this reporting period.
Mixed-Use Developments	Encourage mixed-use developments.	2015 ¿ 2016: Review existing ordinance and development patterns.	There are no projects to report.
Density Bonus & Other Development Incentives	Support affordable housing development.	Ongoing	There are no projects to report for this reporting period.
Infill Development	Facilitate infill development.	Biennially:	The County continues to use the Small Lot Review process to assist applicants

		Review site inventory, adjust for planned and completed developments	in developing infill single-family residences on substandard-size lots and streamline the administrative review process for infill housing in the former redevelopment areas.
Planned Unit District	Provide flexibility in design for residential projects.	Ongoing	There are no updates to report during this period.
Development Fees	Reduce the cost of development	Ongoing	There are no updates to report during this period.
Quick Turn-around Program	Develop program to expedite review of small projects, and conditions of approval.	2016	This program continues to be utilized for ensuring expedited review of infill projects and various planning applications including tree permits, variances, and design reviews.
Review of Zoning & Subdivision Ordinance	Periodically review subdivision ordinance to ensure it does not unduly constrain housing development. Revise zoning code to allow emergency shelters by right, single room occupancy housing, transitional and permanent supportive housing, and agricultural worker housing.	Ongoing: period review of zoning and subdivision ordinances	There are no updates to report during this period. The agricultural worker housing, permanent supportive housing, and transitional housing draft zoning ordinance is expected in 2017.
Coordinated County Department Review of Development Applications	Expedite application review through a better coordinated process with other County departments.	Ongoing	The County strives to coordinate and reach-out to other County departments and agencies when processing new applications.
Anti-Discrimination Program	Promote fair housing.	Complete update to the AI after promulgation of new regulations	The Analysis of Impediments to Fair Housing (AI) was adopted by the Board of Supervisors on May 25, 2010. A major effort to update the AI occurred in 2016. The final AI updated document is anticipated to be presented to the County Board of Supervisors in Spring 2017.
Residential Displacement Program	Limit number of households being displaced or relocated because of County sponsored programs or projects.	Ongoing	There are no updates to report this period within the unincorporated County.
Residential Energy Conservation Program	Participate in Bay Area regional efforts to reduce energy consumption.	2016: Draft County guidelines	Solar permits for roof-mounted residential PV systems are available on-line under the Application and Permit Center web page. Instructions for in-person and on-line submittal for expedited review is posted on the County's web page. The number of solar permits issued is 1,563.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Annual Housing Element Progress Report for Calendar Year 2016

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**RECOMMENDATION(S):**

ACCEPT the 2016 Annual Housing Element Progress Report, in accordance with Government Code Section 65400.

**FISCAL IMPACT:**

There is no fiscal impact.

**BACKGROUND:**

The Housing Element is one of seven mandatory elements that every jurisdiction must include in its General Plan. State law mandates that all local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The Association of Bay Area Governments allocates the Bay Area regional housing need to all the cities and counties in the Bay Area. Pursuant to Government Code Section 65400, the County is required to submit an annual report to the State Department of Housing and Community Development and the State Office of Planning and Research by April 1st of each year. Jurisdictions are also required to submit the annual report to their legislative bodies for review and comment. Attached to this Board Order is the County's 2016 Annual Housing Element Progress Report.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Christine Louie, (925)  
674-7787

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

The County's Housing Element (Fifth Cycle) covers the planning period from 2015 to 2023 and plans for the provision of 1,367 units of housing in the unincorporated County. This is the second report for the Fifth Cycle Housing Element.

In 2016, the County issued 191 building permits for single-family dwellings, 19 building permits were issued for accessory dwelling units, or second units, 6 building permits were issued for 2 to 4-unit buildings (16 units), and 3 building permits were issued for mobile homes. Of these issued building permits, a total of 28 units were determined to be moderate-income housing units based on the location of the units and the type of dwelling (e.g. accessory dwelling units). The number of building permits issued for above-moderate income housing was 201 units. During this reporting period, the County issued building permits for a total of 229 units.

Calendar Year 2016 is the second year in the eight-year planning cycle. To date, the total number of units the County has issued building permits is 578 units, which includes 8 low-income units, 93 moderate-income units, and 477 above-moderate income units. This total is 42 percent of the County's Regional Housing Needs Allocation for this planning cycle.

The County continues to implement 31 housing related programs, including programs designed to remove governmental constraints to maintaining, improving, and developing housing. A summary of the programs and recent accomplishments are included as Table C in the attached report.

## CONSEQUENCE OF NEGATIVE ACTION:

There is no consequence of a negative action. The County is required to provide the annual Housing Element Progress Report to the Board of Supervisors in a public meeting to allow the public an opportunity to review and comment on the report.

## ATTACHMENTS

2016 Annual Housing Element Progress Report

# ANNUAL ELEMENT PROGRESS REPORT

## *Housing Element Implementation*

(CCR Title 25 §6202 )

Jurisdiction CONTRA COSTA COUNTY

Reporting Period 01/01/2016 - 12/31/2016

Pursuant to GC 65400 local governments must provide by April 1 of each year the annual report for the previous calendar year to the legislative body, the Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD). By checking the “Final” button and clicking the “Submit” button, you have submitted the housing portion of your annual report to HCD only. Once finalized, the report will no longer be available for editing.

The report must be printed and submitted along with your general plan report directly to OPR at the address listed below:

Governor’s Office of Planning and Research  
P.O. Box 3044  
Sacramento, CA 95812-3044

# ANNUAL ELEMENT PROGRESS REPORT

## *Housing Element Implementation*

(CCR Title 25 §6202 )

Jurisdiction CONTRA COSTA COUNTY

Reporting Period 01/01/2016 - 12/31/2016

**Table A**

### Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information							Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions		
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income			See Instructions	See Instructions	
<b>(9) Total of Moderate and Above Moderate from Table A3</b>					28	201					
(10) Total by Income Table A/A3			0	0	28	201					
<b>(11) Total Extremely Low-Income Units*</b>			0								

\* Note: These fields are voluntary

# ANNUAL ELEMENT PROGRESS REPORT

## *Housing Element Implementation*

(CCR Title 25 §6202 )

**Jurisdiction**      CONTRA COSTA COUNTY

**Reporting Period**      01/01/2016      -      12/31/2016

**Table A2**  
**Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c )(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	0	0	
(2) Preservation of Units At-Risk	0	0	0	0	
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	0	0	0	0	

\* Note: This field is voluntary

**ANNUAL ELEMENT PROGRESS REPORT**  
***Housing Element Implementation***  
 (CCR Title 25 §6202 )

Jurisdiction CONTRA COSTA COUNTY  
 Reporting Period 01/01/2016 - 12/31/2016

**Table A3**  
**Annual building Activity Report Summary for Above Moderate-Income Units**  
**(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for <b>Moderate</b>	4	2	0	19	3	28	0
No. of Units Permitted for <b>Above Moderate</b>	187	14	0	0	0	201	0

\* Note: This field is voluntary

# ANNUAL ELEMENT PROGRESS REPORT

## *Housing Element Implementation*

(CCR Title 25 §6202 )

**Jurisdiction**      CONTRA COSTA COUNTY

**Reporting Period**      01/01/2016      -      12/31/2016

**Table B**  
**Regional Housing Needs Allocation Progress**  
**Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.												Total Units to Date (all years)	Total Remaining RHNA by Income Level
<b>Income Level</b>		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted	374	0	0	0	0	0	0	0	0	0	0	374
	Non-Restricted		0	0	0	0	0	0	0	0	0		
Low	Deed Restricted	218	0	0	0	0	0	0	0	0	0	8	210
	Non-Restricted		8	0	0	0	0	0	0	0	0		
Moderate		243	65	28	0	0	0	0	0	0	0	93	150
Above Moderate		532	276	201	0	0	0	0	0	0	-	477	55
Total RHNA by COG. Enter allocation number:		1367											
Total Units ▶ ▶ ▶			349	229	0	0	0	0	0	0	0	578	
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶													789

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

**ANNUAL ELEMENT PROGRESS REPORT**  
***Housing Element Implementation***  
 (CCR Title 25 §6202 )

**Jurisdiction**      CONTRA COSTA COUNTY

**Reporting Period**    01/01/2016      -    12/31/2016

**Table C**

**Program Implementation Status**

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report - Government Code Section 65583.</b> Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Neighborhood Preservation Program	Improve the quality of existing housing & neighborhoods.	Ongoing	There were five homes within the unincorporated county that were rehabilitated. Of those five projects, two were moderate income, two were low income, and one was extremely low income.
Weatherization Program	Assist homeowners and renters with minor home repairs.	Ongoing	297 units have been weatherized in County cities, towns, and communities. 221 units were extremely low income, 75 units were very low income, and 1 unit was low income.
Code Enforcement	Maintain & improve the quality of existing housing & neighborhoods.	Ongoing	There were a total of 951 cases opened with 893 cases closed. Approximately 99% of all cases were residential.
Preservation of Affordable Housing Assisted with Public Funds	Preserve the existing stock of affordable housing.	Ongoing	The County provided \$300,000 in HOME and CDBG funding for a 14-unit rehabilitation project located in Bay Point. Additionally, the County provided \$4.125 million in funding recommendations for HOME, HOPWA, and CDBG to support the rehabilitation of 283 rental units in the Cities of Concord and Pinole.
New Construction of Affordable Housing	Increase the supply of affordable housing, including units affordable to extremely low income households.	Annual: Award HOME, CDBG, and	The County provided \$1.55 million in CDBG funding for a 42-unit rental project located in North Richmond. Additionally, the County provided \$1.67 million in funding recommendations for HOME, HOPWA, and CDBG to support the

		HOPWA funds to experienced housing developers	development of 138 new rental units in the cities of El Cerrito, Pittsburg, and Walnut Creek. The County also issued \$23,571,320 in tax-exempt bonds for 143 new units in the cities of Walnut Creek and Antioch.
Housing Successor to the former Redevelopment Agency	Utilize County owned property (former redevelopment agency) to develop affordable housing	Disposition agreements by 2020.	The Rodeo Senior Housing Extension project in Rodeo had an Exclusive Negotiating Agreement approved in December. The County issued a Request for Qualifications/Request for Proposal in December for the Orbisonia Heights project in Bay Point. The property at 1250 Las Juntas in Walnut Creek was sold in December to Habitat for Humanity. This property is located within the city limits.
Inclusionary Housing	Integrate affordable housing within market-rate developments.	Ongoing	In-lieu fees were collected for developments within a subdivision. The total fees collected was \$23,249.
Acquisition/ Rehabilitation	Improve existing housing and increase supply of affordable housing.	Ongoing	There were no projects in this reporting period within the unincorporated County. The County issued \$45,464,000 in tax-exempt bonds for 235 units in the Cities of Pinole and Concord.
Second Units	Facilitate the development of second units.	Ongoing	There were 19 building permits issued for second units.
Affordability by Design	Develop affordability by design program to promote creative solutions to building design and construction.	2017	There is nothing to report for this reporting period.
New Initiatives Program	Develop new programs or policies to fund or incentivize affordable housing development	2017	The County is implementing the State's Accessory Dwelling Unit Ordinance.
Special Needs Housing	Increase the supply of special needs housing.	Ongoing	There were no projects in this reporting period within the unincorporated County. The County provided \$487K in HOME funds to support the development of a 30-unit rental project in the City of Pittsburg for homeless veterans and veterans.
Developmental Disabled Housing	Increase the supply of housing available to persons with developmental disabilities.	Ongoing	There were no projects this reporting period in the unincorporated County.
Accessible Housing	Increase the supply of accessible housing.	Ongoing	The County provided funding for a multifamily rental project in North Richmond that will include 4 fully accessible units; 3 physically disabled units and 1 vision/hearing impaired unit. Additionally, the County provided funding for projects located in the Cities of El Cerrito, Pittsburg and Walnut Creek that included a total of 11 fully accessible units; 8 physically disabled units and 3 vision/hearing impaired units.

Reasonable Accommodation	Increase the supply of special needs and accessible housing.	Ongoing	Through the NPP program, the County assisted in the funding of 5 fully accessible bathroom renovations and 1 addition of an exterior stair lift. In addition, the County provides access to language assistance via phone calls, emails, and/or general correspondence to all residents of the County requiring these services.
Council on Homelessness, formerly known as, Contra Costa Interagency Council on Homelessness	Meet the housing & supportive services needs of the homeless	Ongoing	This program is currently known as the Council on Homelessness. They continue to support the development of permanent supportive housing. Health Act funds are used for the support of existing permanent supportive housing units or placement of people into permanent supportive housing.
Farmworker Housing	Increase the supply of farmworker housing.	Annually: Include farmworker housing in CDBG, HOME NOFA (See #5 above)	There were none built this reporting period.
First-Time Homebuyer Opportunities	Provide additional homeownership opportunities.	Ongoing	The County provided 54 households with the Mortgage Credit Certificate Program (MCC) throughout the county and cities, a total of \$3,566,301 in MCC funds.
Extremely Low Income Housing	Promote development of housing affordable to extremely low income households.	Annually: Prioritize x-low income housing in funding recommendations	The County continues to provide funding preferences to developers who include units that are affordable to extremely-low income households. There were a total of 225 extremely low income housing projects during this reporting period (See Neighborhood Preservation Program and Weatherization Program).
Sites Inventory	Provide for adequate housing sites, including 'as-right development' sites for homeless facilities	Ongoing maintenance of site inventory.	There are no changes or updates for this reporting period.
Mixed-Use Developments	Encourage mixed-use developments.	2015 & 2016: Review existing ordinance and development patterns.	There are no projects to report.
Density Bonus & Other Development Incentives	Support affordable housing development.	Ongoing	There are no projects to report for this reporting period.
Infill Development	Facilitate infill development.	Biennially:	The County continues to use the Small Lot Review process to assist applicants

		Review site inventory, adjust for planned and completed developments	in developing infill single-family residences on substandard-size lots and streamline the administrative review process for infill housing in the former redevelopment areas.
Planned Unit District	Provide flexibility in design for residential projects.	Ongoing	There are no updates to report during this period.
Development Fees	Reduce the cost of development	Ongoing	There are no updates to report during this period.
Quick Turn-around Program	Develop program to expedite review of small projects, and conditions of approval.	2016	This program continues to be utilized for ensuring expedited review of infill projects and various planning applications including tree permits, variances, and design reviews.
Review of Zoning & Subdivision Ordinance	Periodically review subdivision ordinance to ensure it does not unduly constrain housing development. Revise zoning code to allow emergency shelters by right, single room occupancy housing, transitional and permanent supportive housing, and agricultural worker housing.	Ongoing: period review of zoning and subdivision ordinances	There are no updates to report during this period. The agricultural worker housing, permanent supportive housing, and transitional housing draft zoning ordinance is expected in 2017.
Coordinated County Department Review of Development Applications	Expedite application review through a better coordinated process with other County departments.	Ongoing	The County strives to coordinate and reach-out to other County departments and agencies when processing new applications.
Anti-Discrimination Program	Promote fair housing.	Complete update to the AI after promulgation of new regulations	The Analysis of Impediments to Fair Housing (AI) was adopted by the Board of Supervisors on May 25, 2010. A major effort to update the AI occurred in 2016. The final AI updated document is anticipated to be presented to the County Board of Supervisors in Spring 2017.
Residential Displacement Program	Limit number of households being displaced or relocated because of County sponsored programs or projects.	Ongoing	There are no updates to report this period within the unincorporated County.
Residential Energy Conservation Program	Participate in Bay Area regional efforts to reduce energy consumption.	2016: Draft County guidelines	Solar permits for roof-mounted residential PV systems are available on-line under the Application and Permit Center web page. Instructions for in-person and on-line submittal for expedited review is posted on the County's web page. The number of solar permits issued is 1,563.

# ANNUAL ELEMENT PROGRESS REPORT

## *Housing Element Implementation*

(CCR Title 25 §6202 )

**Jurisdiction**      CONTRA COSTA COUNTY

**Reporting Period**      01/01/2016      -      12/31/2016

**General Comments:**



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Williamson Act Contract/ Cooper/ AP16-0005/ Tassajara Valley Area

---

**RECOMMENDATION(S):**

1. FIND the proposed actions are consistent with the Williamson Act and the County's Williamson Act Program.
2. FIND that APN 006-190-009 is large enough to sustain the agricultural uses authorized under the proposed contract.
3. FIND the proposed actions are categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).
4. ADOPT Resolution No. 2017/26 to (1) RESCIND Land Conservation Contract AP20-70 as to APN 006-190-009 only; and (2) APPROVE Land Conservation Contract AP16-0005 over APN 006-190-009.
5. AUTHORIZE the Chair of the Board of Supervisors to execute, on behalf of the County, Land Conservation Contract AP16-0005 with Owners Donald and Wendy Cooper.
6. DIRECT the Department of Conservation and Development to record Resolution No. 2017/26 and Land Conservation Contract AP16-0005 with the County Clerk Recorder and forward a copy to the California Department of Conservation and the County Assessor's Office.
7. DIRECT the Department of Conservation and Development to file a CEQA Notice of Exemption

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: John Osborne,  
925-674-7793

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

RECOMMENDATION(S): (CONT'D)

for this project.

FISCAL IMPACT:

None. All costs are borne by the applicant.

BACKGROUND:

Donald and Wendy Cooper (Owners) recently purchased a 20-acre parcel located in the Tassajara Valley area, commonly known as Assessor's Parcel No. 006-190-009 ( the "Property"). The Property is currently encumbered under Land Conservation Contract AP 20-70, which was established on January 20, 1970 by the Board of Supervisors between the County and the then-owners Henry and Christine Reinstein. The Property is currently used for grazing and there are no structures on the Property. The current Owners have applied to rescind existing Land Conservation Contract AP 20-70, only as to the Property, and simultaneously enter into a new Land Conservation Contract AP16-0005 encumbering the Property. The restricted parcel is assessed for property tax purposes at a rate that is consistent with the actual use, rather than the potential use.

The Williamson Act (Government Code Section 51200 et seq.), through Land Conservation Contracts, restricts land uses and structures on property under contract. Under the Williamson Act, property may be encumbered by a Land Conservation Contract by mutual agreement between the County and landowner, provided that the land and land uses complies with the requirements of the Williamson Act and County's Williamson Act program. The Williamson Act provides for a process to rescind an existing Land Conservation Contract and simultaneously enter into a new contract by mutual agreement between the parties, provided the new contract remains consistent with the intent and purpose of the Williamson Act.

The Owners have applied to rescind the existing Land Conservation Contract AP 20-70, only as to the Property, and simultaneously enter into a new Land Conservation Contract AP 16-0005 encumbering the Property. The Property is zoned A-80, Exclusive Agricultural District. The proposed Land Conservation Contract would apply to the entire Property and would restrict uses on the Property to those specifically enumerated by the Contract. The uses allowed in the A-80 District are consistent with the uses allowed in the A-4 District. The Owners intend to use the Property for grazing, livestock, orchards, and row crops. The new contract would authorize construction of a single-family residence, a residential second unit, a covered arena for personal use, and several agricultural-related outbuildings. The Owners would be required to obtain all necessary permits for construction (e.g. building permits, etc.). The new structures would be incidental to the primary agricultural use of the Property, would not conflict with ongoing and proposed agricultural uses, and thus are consistent with the intent and purpose of the Williamson Act and the County's Williamson Act Program. The residential structures would be limited to a 2-acre building envelope.

Government Code Section 51222 declares that it is in the public interest for local officials and landowners to retain agricultural lands which are subject to contracts entered into pursuant to the Williamson Act on parcels large enough to sustain agricultural uses permitted under the contract. It has been the County's practice to honor the original 20-acre minimum parcel size for contracts under the Williamson Act that were established prior to 2003, before the County amended the A-4, Agricultural Preserve District to follow the State of California minimum of 40-acres. or Staff recommends that the Board of Supervisors find that the Property is large enough to sustain the contracted agricultural uses for the following reasons: the Property has been in continuous agricultural use since at least 1970, including after 2002 when the Property was reconfigured in its current state as a 20-acre parcel; the Owners propose to continue current agricultural uses and practices; the proposed structures will cover a small percentage of the Property and will not conflict with ongoing and proposed agricultural uses.

The making of a Land Conservation Contract under the Williamson Act is categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).

CONSEQUENCE OF NEGATIVE ACTION:

If the Board does not approve Land Conservation Contract AP16-0005, the Property will remain encumbered by Land Conservation Contract AP20-70 and the proposed structures would not be authorized.

CHILDREN'S IMPACT STATEMENT:

None. This is a proposal to enter into a new Land Conservation Contract.

ATTACHMENTS

Resolution No. 2017/26

Exhibit A- Legal Description

Exhibit B - Williamson Act Contract AP 16-0005

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2017/26**

WHEREAS, Donald and Wendy Cooper (Owners) recently purchased a 20-acre parcel located in the Tassajara Valley area, commonly known as Assessor's Parcel Number 006-190-009 ( the "Property"). The Property is currently encumbered under Land Conservation Contract AP 20-70, which was established by the Board of Supervisors on January 20, 1970 between the County and the then-owners Henry and Christine Reinstein. The Property is currently used for grazing and there are no structures on the Property. The current Owners have applied to rescind existing Land Conservation Contract AP 20-70, only as to the Property, and simultaneously enter into a new Land Conservation Contract AP16-0005 encumbering the Property.

WHEREAS, the Williamson Act (Government Code Section 51200 et seq.), through Land Conservation Contracts, restricts land uses and structures on property under contract. Under the Williamson Act, property may be encumbered by a Land Conservation Contract by mutual agreement between the County and landowner, provided that the land and land uses complies with the requirements of the Williamson Act and County's Williamson Act program. The Williamson Act provides for a process to rescind and existing Land Conservation Contract and simultaneously enter into a new contract by mutual agreement between the parties, provided the new contract remains consistent with the intent and purpose of the Williamson Act.

WHEREAS, the Property is currently used for grazing, and the Owners intend to use the property for grazing, orchards, and row crops, and the new contract would authorize construction of a single-family residence, a residential second unit, a ranch manager's unit and several agriculturally related outbuildings. The new structures would be incidental to the primary agricultural use on the Property, would not conflict with ongoing and proposed agricultural uses, and thus are consistent with the intent and purpose of the Williamson Act Program and the County's Williamson Act Program.

WHEREAS, Government Code Section 51222 declares that it is in the public interest for local officials and landowners to retain agricultural lands which are subject to contracts entered into pursuant to the Williamson Act in parcels large enough to sustain agricultural uses permitted under the contract.

WHEREAS, Staff recommends that the Board of Supervisors find that the Property is large enough to sustain the contracted agricultural uses for the following reasons: the Property has been in continuous agricultural use since at least 1970, including after 2002 when the Property was reconfigured in its current state as a 20-acre parcel; the Owners propose to continue current agricultural uses and practices; the proposed structures will cover a small percentage of the Property and will not conflict with ongoing and proposed agricultural uses.

WHEREAS, the making of Land Conservation Contract under the Williamson Act is categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).

BE IT RESOLVED that the Board of Supervisors:

1. FINDS that the proposed actions are consistent with the Williamson Act and the County's Williamson Act Program.
2. FINDS that the 20-acre parcel, commonly identified as APN 006-190-009, and more particularly describe in Attachment " A" attached hereto and incorporated herein by reference is large enough to sustain the agricultural uses permitted under the contract.
3. FINDS that the proposed actions and adoption of this resolution are categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).

4. RESCINDS Land Conservation Contract AP20-70 as to APN 006-190-009 only.
5. APPROVES Land Conservation Contract AP16-0005, attached hereto as Exhibit "B" and incorporated herein by reference.
6. AUTHORIZES the Chair of the Board of Supervisors to execute, on behalf of the County, Land Conservation Contract AP16-0005 with owners Donald and Wendy Cooper.
7. DIRECTS the Department of Conservation and Development to record Resolution No 2017/26 and Land Conservation Contract AP16-0005 with the County Clerk Recorder and forward a copy to the California Department of Conservation and the County Assessor's Office.
8. DIRECTS the Department of Conservation and Development to file a CEQA Notice of Exemption for this project.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

**Contact: John Osborne, 925-674-7793**

By: , Deputy

**cc:**

LAND CONSERVATION CONTRACT NO. AP16-0005  
ASSESSOR PARCEL: 006-190-009

EXHIBIT A / PROPERTY DESCRIPTION

Pursuant to Paragraph 2 of the Land Conservation Contract to which this exhibit is attached, the land described below is designated as the subject of said Contract. Said land is described as follows:

Real property in the unincorporated area of the County of Contra Costa, State of California, described as follows:

PORTION OF LOT 11 AS SAID LOT 11 IS SHOWN AND SO DESIGNATED ON THE MAP ENTITLED "HOILAND RANCH, CONTRA COSTA COUNTY, CALIFORNIA, FEBRUARY 1918," FILED MARCH 4, 1918 IN LIBER 16 OF MAPS AT PAGES 347, 348 AND 349, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

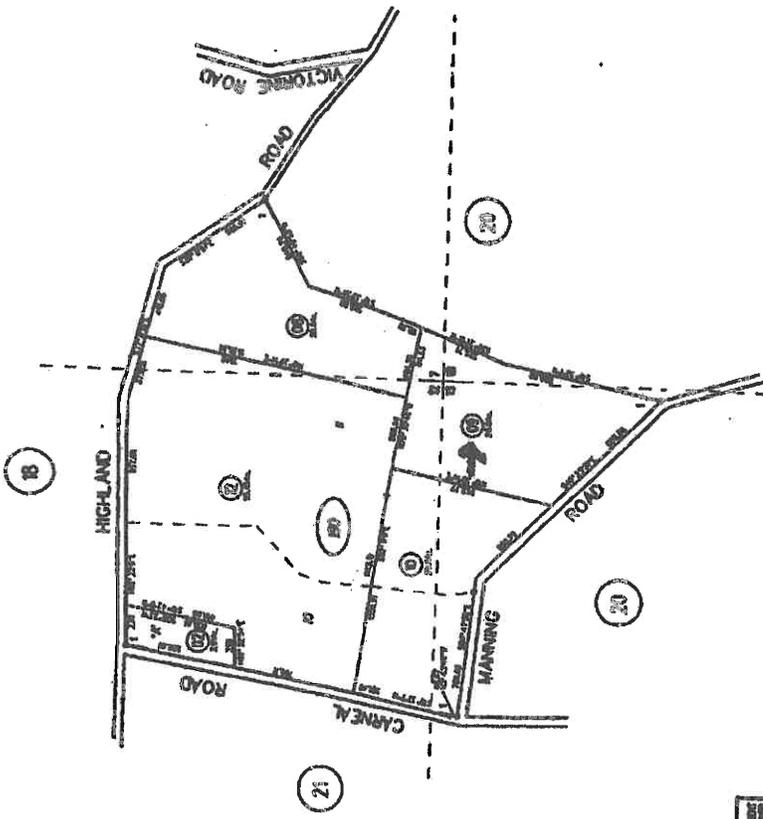
COMMENCING AT A POINT DESCRIBED AS "HL-38" OF THAT CERTAIN "PRECISE ALIGNMENT OF HIGHLAND ROAD NUMBER 6311" DATED FEBRUARY 3, 1977 FILED IN THE CONTRA COSTA COUNTY PUBLIC WORKS, SAID POINT BEING THE EASTERLY TERMINUS OF SOUTH 55°14'00" EAST 290.14 AS DESCRIBED IN SAID PRECISE ALIGNMENT; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 89°24'23" WEST 2,609.74 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND; THENCE FROM SAID POINT OF BEGINNING SOUTH 79°30'46" EAST 811.63 FEET TO A POINT ON THE EASTERN LINE OF SAID LOT 11 (16 M 347); THENCE ALONG SAID EASTERN LINE THE FOLLOWING TWO (2) COURSES: 1) SOUTH 20°21'18" WEST 522.71 FEET AND 2) SOUTH 10°52'01" WEST 895.02 FEET TO A POINT ON THE NORTHERN RIGHT OF WAY LINE OF MANNING ROAD; THENCE ALONG SAID NORTHERN RIGHT OF WAY LINE NORTH 46°23'31" WEST 855.05 FEET TO A POINT ON THE SOUTHERN TERMINUS OF A LINE BEING SOUTH 10°29'14" WEST; THENCE NORTH 10°29'14" EAST 942.77 FEET TO THE POINT OF BEGINNING

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE FILE #ZC-495, RECORDED OCTOBER 22, 2002, AS INSTRUMENT NO. 2002-0385015-00, OF OFFICIAL RECORDS.

APN: 006-190-009



HOLLAND RANCH 81139  
 POR. SECS 12 & 13 T2S RE M.D.B. & M.  
 POR. SECS 7 & 10 T2S R2E M.D.B. & M.  
 S. 34P.M.38840 1-28-78



MAR 07 2012  
 ASSESSOR'S MAP  
 BOOK 6 PAGE 19  
 CONTRA COSTA COUNTY, CALIF.

NOT TO BE USED FOR ANY PURPOSES AND NOT TO BE RELIED UPON FOR ANY PURPOSES WITHOUT THE EXPRESS WRITTEN PERMISSION OF THE COUNTY OF CONTRA COSTA, CALIF.

ATTACHMENT B

LAND CONSERVATION CONTRACT NO. AP16-0005

ASSESSOR PARCEL: 006-190-009

1. Parties. BY THIS CONTRACT, made and entered into \_\_\_\_\_, Donald Scott Cooper and Wendy Lynne Cooper, Husband and Wife, as Community Property with right of survivorship hereinafter referred to as "Owners," and the County of Contra Costa, a political subdivision of the State of California, hereinafter referred to as "County," do mutually agree and promise as follows:

2. Property Description. Owners possess certain real property located within the County, which property is presently devoted to agricultural and compatible uses. The "Property" is described in Exhibit A, attached hereto and made a part of this contract.

3. Purpose. Both Owner and County desire to limit the use of said Property to agricultural uses and to compatible uses specified in this agreement in order to discourage premature and unnecessary conversion of such lands from agricultural uses, recognizing that such land has definite public value as open space and that the preservation of such land in agricultural production constitutes an important physical, social, aesthetics and economic asset to County to maintain the agricultural economy of County and the State of California.

4. Intent of Parties: Enforceable Restriction. Both Owners and County intend that the term, conditions and restrictions of this Contract be in accordance with the California Land Conservation Act of 1965, as amended, so as to be an enforceable restriction under the provisions of Division 1, Part 2, Chapter 3, Article 1.5 of the California Revenue and Taxation Code (Rev. & Tax Code § 421 et. seq.).

5. Intent of Parties: Effect on Property Value. It is the intent of the County and Owners that this Contract is conditioned upon the continued existence of legislation implementing Article XIII, § 8 of the California Constitution so the effect of the terms, conditions and restrictions of the Contract on property values for taxation purposes is substantially as favorable to Owners as the legislation existing on the last renewal date.

6. Governing Statutes and Ordinances. This Contract is made and entered into pursuant to the California Land Conservation Act of 1965 (Chapter 7 of Part 1 of Division 1 of Title 5 of the California Government Code commencing with Section 51200). This Contract further is made pursuant to and subject to Contra Costa County Ordinance Code, Chapter 84-42 and Chapters 810-2 through 810-4, and Resolutions of the Contra Costa County Board of Supervisors Numbers 68-635 and 69-763.

7. Land Use Restrictions. During the term of this Contract or any renewals thereof, the above described land shall not be used for any purpose, other than the production of food and fiber and compatible uses as listed in Contra Costa County Ordinance Code Chapter 84-42, which is

hereby incorporated by reference as if fully set forth herein; provided, however, that such additional agricultural or compatible uses as are set forth in Exhibit B, which is attached hereto and is hereby incorporated by reference, shall also be permitted subject to the terms and conditions set forth herein.

In case of conflict or inconsistency between the uses allowed in this Contract and those specified in said zoning ordinance, the provisions of the Contract as set forth in Exhibit B shall prevail.

8. Modification of Restrictions. The Board of Supervisors of County may from time to time and during the term of this Contract or any extensions thereof, by amendment to Contra Costa County Ordinance Code Chapter 84-42, add to those uses listed in said ordinance. Such additional uses shall be limited to commercial agriculture and compatible uses and be subject to the density restrictions of Government Code § 51220.5. Said board shall not eliminate, without written consent of the Owners, their heirs, successors or assigns, a compatible use during the term of this Contract or any renewals thereof.

9. Term and Renewal. This Contract shall be effective commencing on the last day of \_\_\_\_\_, and shall remain in effect for a period of ten (10) years therefrom.

This Contract shall be automatically renewed and its terms extended for a period of one (1) year on the last day of \_\_\_\_\_ of each succeeding year during the term hereof, unless notice of non-renewal is given in the manner provided by section 51245 of the Government Code. At all times during the continuance of this Contract, as from time to time renewed, there shall be a ten (10) year term of restriction unless notice of non-renewal is given in the manner provided by Section 51245 of the Government Code. Under no circumstances shall a notice of renewal be required of either party to effectuate the automatic renewal of this paragraph.

10. Cancellation. (a) Except as provided in Section 11, the provisions of this Contract whereby Owners agree to restrict the use of the land described in Paragraph 2 may be canceled as to all or a portion of said land by mutual agreement of the County and Owners after a public hearing has been held in the manner provided by Section 51284 of the Government Code and upon a finding by the Board of Supervisors that such cancellation is not inconsistent with the purposes of the Land Conservation Act, or in the public interest, pursuant to Government Code Section 51282. It is understood by the parties that the existence of an opportunity for another use of said land shall not be sufficient reason for cancellation of the land use restrictions imposed herein and that the uneconomic character of the existing use will be considered only if there is no other reasonable or comparable agricultural use to which the land may be put.

(b) Upon cancellation of said portions of this Contract, Owners shall pay to the County Treasurer, as deferred taxes, a cancellation fee in an amount equal to the greater of twelve and one-half (12 ½%) percent or the current fee provided by state law of the cancellation value of the property being released from the terms of this Contract. Said cancellation value shall be determined in accordance with the provisions of Government Code Section 51283 (a) and (b). Under no circumstances shall the payment of said cancellation fee be waived, deferred, or made subject to any contingency whatever.

(c) Final cancellation shall be effectuated in accordance with the provisions of Government Code Section 51283.4.

11. Cancellation Upon Substitution of New Restrictions. This Contract may be canceled by mutual agreement of County and Owners without payment of deferred taxes or public hearing if it is replaced by an enforceable restriction authorized by Article XIII, § 8 of the California Constitution.

12. Eminent Domain Proceedings. (a) In accordance with the provisions of Government Code Section 51295, incorporated by reference herein, upon the filing of any action in eminent domain for the condemnation of the fee title of the land or any portion thereof subject to this Contract or upon acquisition of such land in lieu of eminent domain by public agency for a public improvement, the provisions of this Contract shall be null and void as to the land so condemned or acquired.

(b) If, subsequent to the filing of an action in eminent domain, the proposed condemnation is abandoned as to all or a portion of the land subject to the Contract, the restrictions on land use set forth in this Contract shall, without further agreement of the parties herein, be reinstated and the terms of this contract shall be in full force and effect, subject to the cancellation provisions of Government Code Section 51295.

13. Remedies for Breach of Contract. (a) The County may pursue all remedies allowed by law or in equity to enforce this contract and remedy any breach of this contract, including the remedies specified in Government Code Sections 51250 and 51251.

(b) The enforcement provisions of the Contra Costa zoning ordinance shall also apply if the land which is subject of the contract is used for purposes other than those provided in Ordinance Code 84-42 or this Contract.

14. Effect of Division of Property. Owners agree that division of the Property described in Exhibit A into two (2) or more parcels, whether by sale, gift, by operation of law or by any other means, upon a finding by the Board of Supervisors that said division is detrimental to the ultimate preservation of said property for exclusive agricultural use, be construed by the County as notice of non-renewal by the property owner as provided in Section 9 of this Contract.

15. New Contracts Upon Division. In the event the property that is subject to this contract is divided, the owner of any subdivided parcel may exercise, independent of any owner of any other subdivided parcel, any of the rights of Owners under this Contract. Upon division of the Property a Contract identical to the Contract then covering the original parcel shall be executed by Owners on each parcel created by the division at the time of the division. Any agency making an order of division or the County which has jurisdiction shall require, as a condition of the approval of the division, the execution of the Contracts provided for in this section, provided, however, that failure of Owners to execute Contracts upon division shall not affect the obligations of the heirs, successors and assigns of Owners as established in Section 16.

16. Contract to Run with Land. The within Contract shall run with the land described herein, and upon division, to all parcels created therefrom; and it shall be binding upon, and inure to the benefit of, the heirs, successors, and assigns of the Owners.

17. Consideration. Owners shall not receive any payment from County in consideration of the obligations imposed hereunder, it being recognized and agreed that the consideration for the execution of the within Contract is the substantial public benefit to be derived therefrom and the advantage which will accrue to Owners as a result of the effect on the method of determining the assessed value of land described herein and any reduction therein due to the imposition of the limitations on its use contained herein.

18. Income and Expense Information. The Owners shall annually furnish the County Assessor with such information as the Assessor may require to determine the valuation of the Owners' land.

ATTEST: COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Chair, Board of Supervisors

DAVID TWA, County Administrator  
and Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

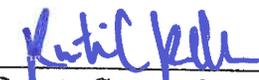
OWNERS

Donald Scott Cooper and Wendy Lynne Cooper, Husband and Wife, as Community Property  
with right of survivorship

  
\_\_\_\_\_  
  
\_\_\_\_\_

Approved as to Form:

Sharon L. Anderson, County Counsel

By:   
\_\_\_\_\_  
Deputy County Counsel

NOTE: All signatures for Owners must be acknowledged.

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

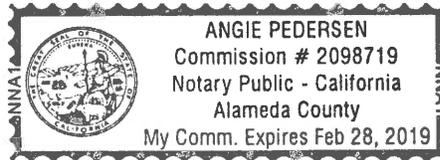
State of California  
County of Contra Costa )

On Oct. 24, 2016 before me, Angie Pedersen, notary Public  
(insert name and title of the officer)

personally appeared Donald Scott Cooper and Wendy Lynne Cooper,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Angie Pedersen (Seal)

LAND CONSERVATION CONTRACT NO. AP16-0005  
ASSESSOR PARCEL: 006-190-009

EXHIBIT A / PROPERTY DESCRIPTION

Pursuant to Paragraph 2 of the Land Conservation Contract to which this exhibit is attached, the land described below is designated as the subject of said Contract. Said land is described as follows:

Real property in the unincorporated area of the County of Contra Costa, State of California, described as follows:

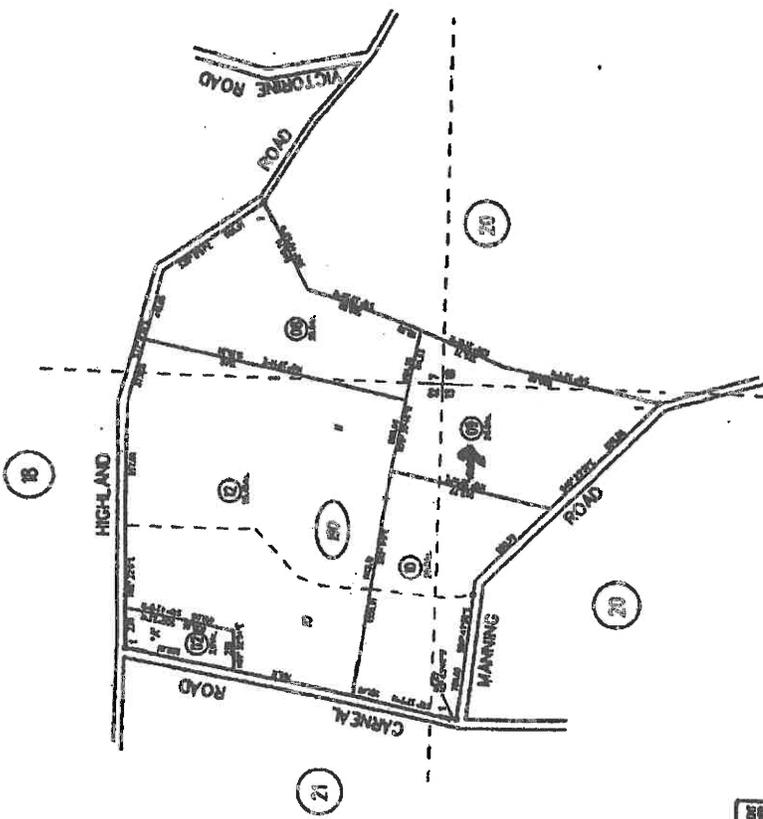
PORTION OF LOT 11 AS SAID LOT 11 IS SHOWN AND SO DESIGNATED ON THE MAP ENTITLED "HOILAND RANCH, CONTRA COSTA COUNTY, CALIFORNIA, FEBRUARY 1918," FILED MARCH 4, 1918 IN LIBER 16 OF MAPS AT PAGES 347, 348 AND 349, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT DESCRIBED AS "HL-38" OF THAT CERTAIN "PRECISE ALIGNMENT OF HIGHLAND ROAD NUMBER 6311" DATED FEBRUARY 3, 1977 FILED IN THE CONTRA COSTA COUNTY PUBLIC WORKS, SAID POINT BEING THE EASTERLY TERMINUS OF SOUTH 55°14'00" EAST 290.14 AS DESCRIBED IN SAID PRECISE ALIGNMENT; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 89°24'23" WEST 2,609.74 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND; THENCE FROM SAID POINT OF BEGINNING SOUTH 79°30'46" EAST 811.63 FEET TO A POINT ON THE EASTERN LINE OF SAID LOT 11 (16 M 347); THENCE ALONG SAID EASTERN LINE THE FOLLOWING TWO (2) COURSES: 1) SOUTH 20°21'18" WEST 522.71 FEET AND 2) SOUTH 10°52'01" WEST 895.02 FEET TO A POINT ON THE NORTHERN RIGHT OF WAY LINE OF MANNING ROAD; THENCE ALONG SAID NORTHERN RIGHT OF WAY LINE NORTH 46°23'31" WEST 855.05 FEET TO A POINT ON THE SOUTHERN TERMINUS OF A LINE BEING SOUTH 10°29'14" WEST; THENCE NORTH 10°29'14" EAST 942.77 FEET TO THE POINT OF BEGINNING

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE FILE #ZC-495, RECORDED OCTOBER 22, 2002, AS INSTRUMENT NO. 2002-0385015-00, OF OFFICIAL RECORDS.

APN: 006-190-009

HOLLAND RANCH  
 FOR SECS 12 & 13 T2S R1E M.D.B. & M.  
 FOR SECS 7 & 8 T2S R2E M.D.B. & M.  
 S. 34P.M.38840 T.2S.2E.



12  
 05  
 MAR 7 2012

ASSESSOR'S MAP  
 BOOK 6 PAGE 19  
 CONTRA COSTA COUNTY, CALIF.

NOT TO SCALE  
 THIS MAP IS FOR INFORMATION ONLY  
 AND DOES NOT CONSTITUTE A WARRANTY  
 OF ANY KIND BY THE COUNTY OF CONTRA COSTA

LAND CONSERVATION CONTRACT NO. AP16-0005  
ASSESSOR PARCEL: 006-190-009

EXHIBIT B

ALLOWABLE LAND USES

Pursuant to the provisions of Section 84-42.402 (2) of the Contra Costa County Ordinance Code and Paragraph 7 of the Land Conservation Contract, of which this exhibit is made a part, the land uses and structures described below are authorized without a land use permit subject to the terms and conditions set forth below. Said uses and structures shall be in conformance to those authorized by Section 84-42.402 (1) and Section 84-42.404 but shall be subject to Section 84-42.602 through Section 84-42.1402 of Chapter 84-42 of the County Ordinance Code.

1. Existing Non-conforming Structures

The following non-conforming structures are permitted, subject to the provisions of County Ordinance Code Chapter 82-8:

*None.*

2. Existing Conforming Structures

*None*

3. Proposed Structures

*Primary Residence, Second Unit, Ranch Manager Unit, Livestock Barn, Agricultural Equipment Barn, Covered Arena for personal use, Pond, Outbuildings, Animal Enclosures, Swimming Pool*

4. Existing Land Use

*Grazing*

5. Proposed Land Use

*Grazing, orchard, row crops, wheat*



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Williamson Act Contract/ Pedersen/ AP16-0004/ Tassajara Valley Area

---

**RECOMMENDATION(S):**

1. FIND the proposed actions are consistent with the Williamson Act and the County's Williamson Act Program.
2. FIND that the construction of a solar power array for farm use only is compatible with the agricultural use of the property.
3. FIND that APN 006-190-010 is large enough to sustain the agricultural uses authorized under the proposed contract.
4. FIND the proposed actions are categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).
5. ADOPT Resolution No. 2017/25 to (1) RESCIND Land Conservation Contract AP20-70 as to APN 006-190-010 only; and (2) APPROVE Land Conservation Contract AP16-0004 over APN 006-190-010.
6. AUTHORIZE the Chair of the Board of Supervisors to execute, on behalf of the County, Land Conservation Contract AP16-0004 with Owners Jeff and Angie Pedersen, as Trustees of the Jeff and Angie Pedersen 2014 Family Trust, dated December 18, 2014.
7. DIRECT the Department of Conservation and Development to record Resolution No. 2017/25 and Land Conservation Contract AP16-0004 with the County Clerk Recorder and forward a copy to the California Department of Conservation and the County Assessor's Office.
8. DIRECT the Department of Conservation and Development to file a CEQA Notice of Exemption for this project.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: John Osborne,  
925-674-7793

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## RECOMMENDATION(S): (CONT'D)

### FISCAL IMPACT:

None. All cost are borne by the applicant.

### BACKGROUND:

Jeff and Angie Pedersen, as Trustees of the Jeff and Angie Pedersen 2014 Family Trust, dated December 18, 2014 (Owners) recently purchased a 20-acre parcel located in the Tassajara Valley area, commonly known as Assessor's Parcel Number 006-190-010 (the "Property"). The Property is currently encumbered under Land Conservation Contract AP 20-70, which was established by the Board of Supervisors on January 20, 1970 between the County and the then-owners Henry and Christine Reinstein. The land is currently used for grazing and there are no structures on the Property. The current Owners have applied to rescind existing Land Conservation Contract AP 20-70, only as to the Property, and simultaneously enter into a new Land Conservation Contract AP16-0004 encumbering the Property. The restricted parcel is assessed for property tax purposes at a rate that is consistent with the actual use, rather than the potential use.

The Williamson Act (Government Code Section 51200 et seq.), through Land Conservation Contracts, restricts land uses and structures on property under contract. Under the Williamson Act, property may be encumbered by a Land Conservation Contract by mutual agreement between the County and landowner, provided that the land and land uses complies with the requirements of the Williamson Act and County's Williamson Act program. The Williamson Act provides for a process to rescind an existing Land Conservation Contract and simultaneously enter into a new contract by mutual agreement between the parties, provided the new contract remains consistent with the intent and purpose of the Williamson Act.

The Owners have applied to rescind the existing Land Conservation Contract AP20-70, only as to the Property, and simultaneously enter into a new Land Conservation Contract AP16-0004 encumbering the Property. The Property is zoned A-80, Exclusive Agricultural District. The proposed Land Conservation Contract would apply to the entire Property and would restrict uses on the Property to those specifically enumerated by the Contract. The uses allowed in the A-80 District are consistent with the uses allowed in the A-4 District. The Owners intend to use the Property for grazing, orchards, and row crops. The new contract would authorize construction of a single-family residence, a residential second unit, a solar power array for farm use only, and several agricultural-related outbuildings. The residential structures would be limited to a 2-acre building envelope on the Property.

The construction of a solar power array on contracted lands is not addressed in the County's Williamson Act Program, but can be approved as compatible with the agricultural use of the Property if consistent with the principles found in Government Code 51238.1, specifically:

1. The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or on other contracted lands in the agricultural preserve.
2. The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or other contracted parcels in the agricultural preserve. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if the related use is directly related to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping.
3. The use will not result in the removal of adjacent contracted land from agricultural or open space use.

The proposed solar power array is intended for farm use only, not commercial solar power generation, and will therefore be limited in scale. Agricultural operations will not be significantly displaced or impaired. The proposed solar power array will be directly related to agricultural production as it will serve as a power source, promoting the agricultural use of the property. The Owners would be required to obtain all necessary permits for construction (e.g. building permits, etc.). The new structures would be incidental to the primary agricultural use of the Property, would not conflict with ongoing and proposed agricultural uses, and thus are consistent with the intent and

would not conflict with ongoing and proposed agricultural uses, and thus are consistent with the intent and purpose of the Williamson Act and the County's Williamson Act Program. Government Code Section 51222 declares that it is in the public interest for local officials and landowners to retain agricultural lands which are subject to contracts entered into pursuant to the Williamson Act in parcels large enough to sustain agricultural uses permitted under the contract. It has been the County's practice to honor the original 20-acre minimum parcel size for contracts under the Williamson Act that were established prior to 2003, before the County amended the A-4, Agricultural Preserve District to follow the State of California minimum of 40-acres. Staff recommends that the Board of Supervisors find that the Property is large enough to sustain the contracted agricultural uses for the following reasons: the Property has been in continuous agricultural use since at least 1970, including after 2002 when the Property was reconfigured in its current state as a 20-acre parcel; the Owners propose to continue current agricultural uses and practices; the proposed structures will cover a small percentage of the Property and will not conflict with ongoing and proposed agricultural uses.

The making of a Land Conservation Contract under the Williamson Act is categorically exempt from environmental review under the California Environmental Quality Act (California Code of Regulations, Title 14, Section 15317).

CONSEQUENCE OF NEGATIVE ACTION:

If the Board does not approve Land Conservation Contract AP16-0004, the Property will remain encumbered by Land Conservation Contract AP20-70 and the proposed structures would not be authorized.

CHILDREN'S IMPACT STATEMENT:

None. This is a proposal for a new Land Conservation Contract.

ATTACHMENTS

Resolution No. 2017/25

Exhibit A- Legal Description

Exhibit B - Williamson Act Contract AP16-0004

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2017/25**

WHEREAS, Jeff and Angie Pedersen, as Trustees of the Jeff and Angie Pedersen 2014 Family Trust, dated December 18, 2014 (Owners) recently purchased a 20-acre parcel located in the Tassajara Valley area, commonly known as Assessor's Parcel Number 006-190-010 ( the "Property"). The Property is currently encumbered under Land Conservation Contract AP 20-70, which was established by the Board of Supervisors on January 20, 1970 between the County and the then-owners Henry and Christine Reinstein. The land is currently used for grazing and there are no structures on the Property. The current Owners have applied to rescind existing Land Conservation Contract AP 20-70, only as to the Property, and simultaneously enter into a new Land Conservation Contract AP16-0004 encumbering the Property.

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WHEREAS, the Williamson Act (Government Code Section 51200 et seq., through Land Conservation Contracts, restricts land uses and structures on property under contract. Under the Williamson Act, property may be encumbered by a Land Conservation Contract by mutual agreement between the County and landowner, provided that the land and land uses complies with the requirements of the Williamson Act and County's Williamson Act program. The Williamson Act provides for a process to rescind and existing Land Conservation Contract and simultaneously enter into a new contract by mutual agreement between the parties, provided the new contract remains consistent with the intent and purpose of the Williamson Act.

WHEREAS, the Property is currently used for grazing, and the Owners intend to use the property for grazing, orchards and row crops, and the new contract would authorize construction of a single family residence, a residential second unit, a solar power array for farm use only, and several agriculturally related outbuildings. The residential structures would be limited to a 2-acre building envelope on the Property.

WHEREAS, construction of a solar power array on contracted lands is not addressed in the County's Williamson Act Program but may be approved if consistent with the compatibility principles found in Government Code Section 51238.1.

WHEREAS, the proposed solar power array is intended for farm use only, will be limited in scale, will not significantly displace or impair agricultural operations, will directly promote agricultural production by serving as a power source, and is otherwise a use compatible with the agricultural use of the Property.

WHEREAS, the new structures would be incidental to the primary agricultural use on the Property, would not conflict with ongoing and proposed agricultural uses, and thus are consistent with the intent and purposed of the Williamson Act and the County's Williamson Act Program.

WHEREAS, Government Code Section 51222 declares that it is in the public interest for local officials and landowners to retain agricultural lands which are subject to contracts entered into pursuant to the Williamson Act in parcels large enough to sustain agricultural uses permitted under the contract.

WHEREAS, Staff recommends that the Board of Supervisors find that the Property is large enough to sustain the contracted agricultural uses for the following reasons: the Property has been in continuous agricultural use since at least 1970, including after 2002 when the Property was reconfigured in its current state as a 20-acre parcel; the Owners propose to continue current agricultural uses and practices; the proposed structures will cover a small percentage of the Property and will not conflict with ongoing and proposed agricultural uses.

The making of a Land Conservation Contract under the Williamson Act is categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).

BE IT RESOLVED that the Board of Supervisors:

1. FIND that the proposed actions are consistent with the Williamson Act and the County's Williamson Act Program.
2. FIND that the construction of a solar power array for farm use only is compatible with the agricultural use of the property.
3. FIND that APN 006-190-010 is large enough to sustain the agricultural uses authorized under the proposed contract.
4. FINDS that the proposed actions and adoption of this resolution are categorically exempt from environmental review under the California Environmental Quality Act ( California Code of Regulations, Title 14, Section 15317).
5. ADOPT Resolution no. 2017/25 to (1) RESCIND Land Conservation Contract AP 20-70 as to APN 006-190-010 only; and (2) APPROVE Land Conservation Contract AP16-0004 over APN 006-190-010.
6. AUTHORIZE the Chair of the Board of Supervisors to execute, on behalf of the County, Land Conservation Contract AP16-0004 with Owners Jeff and Angie Pedersen, as Trustees of the Jeff and Angie Pedersen 2014 Family Trust, dated December 14, 2014.
7. DIRECT the Department of Conservation and Development to record Resolution No 2017/25 and Land Conservation Contract AP16-0004 with the County Clerk Recorder and forward a copy to the California Department of Conservation and the County Assessor's Office.
8. DIRECT the Department of Conservation and Development to file a CEQA Notice of Exemption for this project.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: John Osborne, 925-674-7793**

**ATTESTED: March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:**

CONTRA COSTA COUNTY LAND CONSERVATION CONTRACT NO. AP16-0004

EXHIBIT A

PROPERTY DESCRIPTION

Pursuant to Paragraph 2 of the Land Conservation Contract to which this exhibit is attached, the land described below is designated as the subject of said Contract. Said land is described as follows:

Real property in the unincorporated area of the County of Contra Costa, State of California, described as follows:

PORTION OF LOTS 10 AND 11 AS SAID LOTS ARE SHOWN AND SO DESIGNATED ON THE MAP ENTITLED "HOILAND RANCH, CONTRA COSTA COUNTY, CALIFORNIA, FEBRUARY 1918," FILED MARCH 4, 1918 IN LIBER 16 OF MAPS AT PAGES 347, 348 AND 349, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

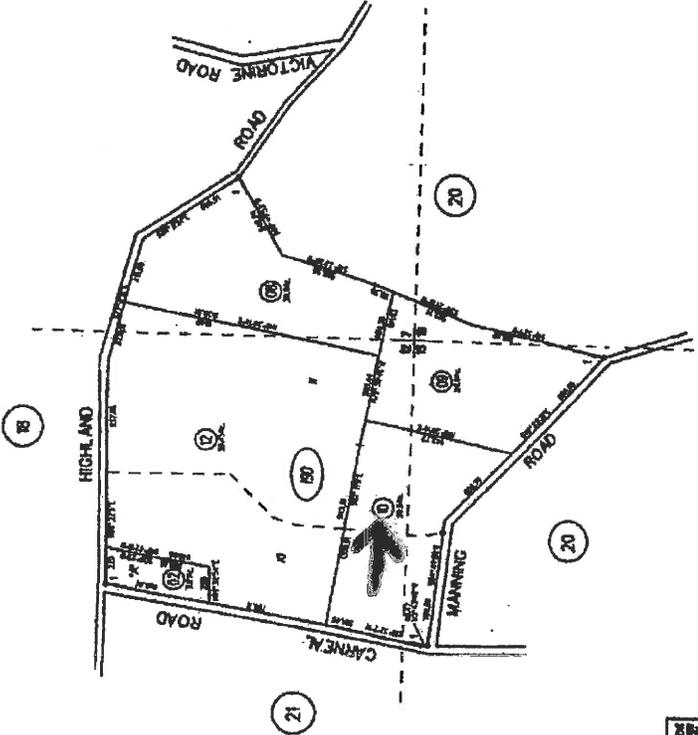
COMMENCING AT A POINT DESCRIBED AS "HL-38" OF THAT CERTAIN "PRECISE ALIGNMENT OF HIGHLAND ROAD NUMBER 6311" DATED FEBRUARY 3, 1977 FILED IN THE CONTRA COSTA COUNTY PUBLIC WORKS, SAID POINT BEING THE EASTERLY TERMINUS OF SOUTH 55° 14' 00" EAST 290.14 AS DESCRIBED IN SAID PRECISE ALIGNMENT; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 89° 24' 23" WEST 2,609.74 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND; THENCE FROM SAID POINT OF BEGINNING SOUTH 10° 29' 14" WEST 942.77 FEET TO A POINT ON THE NORTHERN RIGHT OF WAY LINE OF MANNING ROAD; THENCE ALONG SAID NORTHERN RIGHT OF WAY LINE THE FOLLOWING TWO (2) COURSES: 1) NORTH 46° 23' 31" WEST 600.79 FEET AND 2) NORTH 84° 47' 36" WEST 789.60 FEET TO A POINT ON THE EASTERN RIGHT OF WAY LINE OF CARNEAL ROAD; THENCE ALONG SAID EASTERN RIGHT OF WAY LINE THE FOLLOWING TWO (2) COURSES: 1) NORTH 3° 43' 46" WEST 46.47 FEET AND 2) NORTH 10° 37' 07" EAST 581.46 FEET TO A POINT ON THE WESTERLY TERMINUS OF A LINE NORTH 82° 11' 09" WEST FROM SAID POINT OF BEGINNING; THENCE SOUTH 82° 11' 09" EAST 1300.91 FEET TO THE POINT OF BEGINNING.

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE FILE #ZC-496, RECORDED OCTOBER 22, 2002, AS INSTRUMENT NO. 2002-385016-00, OF OFFICIAL RECORDS

APN: 006-190-010



HOLLAND RANCH  
 FOR SECS 12 & 13 T2S R1E M.D.B. & M.  
 FOR SECS 7 & 8 T2S R2E M.D.B. & M.  
 1-34P.M.38A-40 1-28-74



(18)  
 (20)  
 (22)

MAR 9 2012  
 ASSESSOR'S MAP  
 BOOK 8 PAGE 19  
 CONCHA COSTA COUNTY, CALIF.

THIS MAP WAS PREPARED FOR GENERAL INFORMATION ONLY. IT IS NOT A LEGAL INSTRUMENT. THE INFORMATION CONTAINED HEREIN IS NOT TO BE USED FOR ANY PURPOSE THAT MAY IMPOSE A LIABILITY ON THE COUNTY OF CONCHA COSTA.

ATTACHMENT B

LAND CONSERVATION CONTRACT NO. AP16-0004  
ASSESSOR PARCEL NO. 006-190-010

1. Parties. BY THIS CONTRACT, made and entered into \_\_\_\_\_, Jeff Pedersen and Angie Pedersen, Trustees of the Jeff and Angie Pedersen 2014 Family Trust, dated December 18, 2014, hereinafter referred to as "Owners," and the County of Contra Costa, a political subdivision of the State of California, hereinafter referred to as "County," do mutually agree and promise as follows:

2. Property Description. Owners possess certain real property located within the County, which property is presently devoted to agricultural and compatible uses. The "Property" is described in Exhibit A, attached hereto and made a part of this contract.

3. Purpose. Both Owners and County desire to limit the use of said Property to agricultural uses and to compatible uses specified in this agreement in order to discourage premature and unnecessary conversion of such lands from agricultural uses, recognizing that such land has definite public value as open space and that the preservation of such land in agricultural production constitutes an important physical, social, aesthetics and economic asset to County to maintain the agricultural economy of County and the State of California.

4. Intent of Parties: Enforceable Restriction. Both Owners and County intend that the term, conditions and restrictions of this Contract be in accordance with the California Land Conservation Act of 1965, as amended, so as to be an enforceable restriction under the provisions of Division 1, Part 2, Chapter 3, Article 1.5 of the California Revenue and Taxation Code (Rev. & Tax Code § 421 et. seq.).

5. Intent of Parties: Effect on Property Value. It is the intent of the County and Owners that this Contract is conditioned upon the continued existence of legislation implementing Article XIII, § 8 of the California Constitution so the effect of the terms, conditions and restrictions of the Contract on property values for taxation purposes is substantially as favorable to Owners as the legislation existing on the last renewal date.

6. Governing Statutes and Ordinances. This Contract is made and entered into pursuant to the California Land Conservation Act of 1965 (Chapter 7 of Part 1 of Division 1 of Title 5 of the California Government Code commencing with Section 51200). This Contract further is made pursuant to and subject to Contra Costa County Ordinance Code, Chapter 84-42 and Chapters 810-2 through 810-4, and Resolutions of the Contra Costa County Board of Supervisors Numbers 68-635 and 69-763.

7. Land Use Restrictions. During the term of this Contract or any renewals thereof, the above described land shall not be used for any purpose, other than the production of food and fiber and compatible uses as listed in Contra Costa County Ordinance Code Chapter 84-42, which is hereby incorporated by reference as if fully set forth herein; provided, however, that such additional

agricultural or compatible uses as are set forth in Exhibit B, which is attached hereto and is hereby incorporated by reference, shall also be permitted subject to the terms and conditions set forth herein. In case of conflict or inconsistency between the uses allowed in this Contract and those specified in said zoning ordinance, the provisions of the Contract as set forth in Exhibit B shall prevail.

8. Modification of Restrictions. The Board of Supervisors of County may from time to time and during the term of this Contract or any extensions thereof, by amendment to Contra Costa County Ordinance Code Chapter 84-42, add to those uses listed in said ordinance. Such additional uses shall be limited to commercial agriculture and compatible uses and be subject to the density restrictions of Government Code § 51220.5. Said board shall not eliminate, without written consent of the Owners, their heirs, successors or assigns, a compatible use during the term of this Contract or any renewals thereof.

9. Term and Renewal. This Contract shall be effective commencing on the last day of \_\_\_\_\_, and shall remain in effect for a period of ten (10) years therefrom.

This Contract shall be automatically renewed and its terms extended for a period of one (1) year on the last day of \_\_\_\_\_ of each succeeding year during the term hereof, unless notice of non-renewal is given in the manner provided by section 51245 of the Government Code. At all times during the continuance of this Contract, as from time to time renewed, there shall be a ten (10) year term of restriction unless notice of non-renewal is given in the manner provided by Section 51245 of the Government Code. Under no circumstances shall a notice of renewal be required of either party to effectuate the automatic renewal of this paragraph.

10. Cancellation. (a) Except as provided in Section 11, the provisions of this Contract whereby Owners agree to restrict the use of the land described in Paragraph 2 may be canceled as to all or a portion of said land by mutual agreement of the County and Owners after a public hearing has been held in the manner provided by Section 51284 of the Government Code and upon a finding by the Board of Supervisors that such cancellation is not inconsistent with the purposes of the Land Conservation Act, or in the public interest, pursuant to Government Code Section 51282. It is understood by the parties that the existence of an opportunity for another use of said land shall not be sufficient reason for cancellation of the land use restrictions imposed herein and that the uneconomic character of the existing use will be considered only if there is no other reasonable or comparable agricultural use to which the land may be put.

(b) Upon cancellation of said portions of this Contract, Owners shall pay to the County Treasurer, as deferred taxes, a cancellation fee in an amount equal to the greater of twelve and one-half (12 ½%) percent or the current fee provided by state law of the cancellation value of the property being released from the terms of this Contract. Said cancellation value shall be determined in accordance with the provisions of Government Code Section 51283 (a) and (b). Under no circumstances shall the payment of said cancellation fee be waived, deferred, or made subject to any contingency whatever.

(c) Final cancellation shall be effectuated in accordance with the provisions of Government Code Section 51283.4.

11. Cancellation Upon Substitution of New Restrictions. This Contract may be canceled by mutual agreement of County and Owners without payment of deferred taxes or public hearing if it is replaced by an enforceable restriction authorized by Article XIII, § 8 of the California Constitution.

12. Eminent Domain Proceedings. (a) In accordance with the provisions of Government Code Section 51295, incorporated by reference herein, upon the filing of any action in eminent domain for the condemnation of the fee title of the land or any portion thereof subject to this Contract or upon acquisition of such land in lieu of eminent domain by public agency for a public improvement, the provisions of this Contract shall be null and void as to the land so condemned or acquired.

(b) If, subsequent to the filing of an action in eminent domain, the proposed condemnation is abandoned as to all or a portion of the land subject to the Contract, the restrictions on land use set forth in this Contract shall, without further agreement of the parties herein, be reinstated and the terms of this contract shall be in full force and effect, subject to the cancellation provisions of Government Code Section 51295.

13. Remedies for Breach of Contract. (a) The County may pursue all remedies allowed by law or in equity to enforce this contract and remedy any breach of this contract, including the remedies specified in Government Code Sections 51250 and 51251.

(b) The enforcement provisions of the Contra Costa zoning ordinance shall also apply if the land which is the subject of this contract is used for purposes other than those provided in Ordinance Code 84-42 or this Contract.

14. Effect of Division of Property. Owners agree that division of the Property described in Exhibit A into two (2) or more parcels, whether by sale, gift, by operation of law or by any other means, upon a finding by the Board of Supervisors that said division is detrimental to the ultimate preservation of said property for exclusive agricultural use, be construed by the County as notice of non-renewal by the property owner as provided in Section 9 of this Contract.

15. New Contracts Upon Division. In the event the property that is subject to this contract is divided, the owner of any subdivided parcel may exercise, independent of any owner of any other subdivided parcel, any of the rights of Owners under this Contract. Upon division of the Property a Contract identical to the Contract then covering the original parcel shall be executed by Owners on each parcel created by the division at the time of the division. Any agency making an order of division or the County which has jurisdiction shall require, as a condition of the approval of the division, the execution of the Contracts provided for in this section, provided, however, that failure of Owners to execute Contracts upon division shall not affect the obligations of the heirs, successors and assigns of Owners as established in Section 16.

16. Contract to Run with Land. The within Contract shall run with the land described herein, and upon division, to all parcels created therefrom; and it shall be binding upon, and inure to the benefit of, the heirs, successors, and assigns of the Owners.

17. Consideration. Owners shall not receive any payment from County in consideration of the obligations imposed hereunder, it being recognized and agreed that the consideration for the execution of the within Contract is the substantial public benefit to be derived therefrom and the advantage which will accrue to Owners as a result of the effect on the method of determining the assessed value of land described herein and any reduction therein due to the imposition of the limitations on its use contained herein.

18. Income and Expense Information. The Owners shall annually furnish the County Assessor with such information as the Assessor may require to determine the valuation of the Owners' land.

ATTEST: COUNTY OF CONTRA COSTA

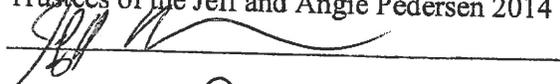
By: \_\_\_\_\_  
Chair, Board of Supervisors

DAVID TWA, County Administrator  
and Clerk of the Board of Supervisors

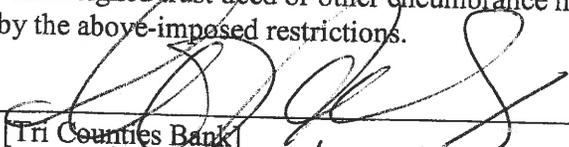
By: \_\_\_\_\_  
Deputy Clerk

OWNERS

Jeff Pedersen and Angie Pedersen, Trustees of the Jeff and Angie Pedersen, or their successor (s), as Trustees of the Jeff and Angie Pedersen 2014 Family Trust, dated December 18, 2014

  
\_\_\_\_\_  
  
\_\_\_\_\_

We the undersigned trust deed or other encumbrance holder do hereby agree to and agree to be bound by the above-imposed restrictions.

Name  Title VP, Manager Home Mortgage  
[Tri Counties Bank] Cindy A. Nichols

Approved as to Form:

Sharon L. Anderson, County Counsel

By:   
Deputy County Counsel

NOTE: All lien holder signatures and encumbrance holder signatures must be notarized as this is a recorded document.

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Alameda

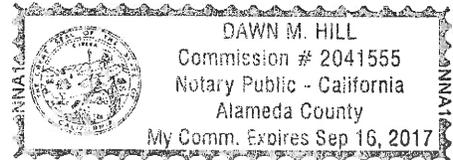
On Dec. 06, 2016 before me, Dawn M. Hill, notary public  
(insert name and title of the officer)

personally appeared Jeff Pedersen and Anorje Pedersen  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Dawn M Hill (Seal)



"A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document."

Acknowledgment for Individual

State of California

County of ~~SUTTER~~ Butte

On 12/2/16 before me, D Scroggins Notary Public, personally appeared Cindy A Nichols, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

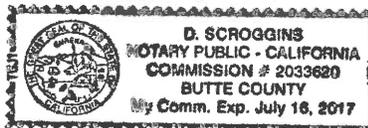
WITNESS my hand and official seal.

*D Scroggins*

Notary Public

Print Name: D Scroggins

My commission expires: 7-16-2017



CONTRA COSTA COUNTY LAND CONSERVATION CONTRACT NO. AP16-0004

EXHIBIT A

PROPERTY DESCRIPTION

Pursuant to Paragraph 2 of the Land Conservation Contract to which this exhibit is attached, the land described below is designated as the subject of said Contract. Said land is described as follows:

Real property in the unincorporated area of the County of Contra Costa, State of California, described as follows:

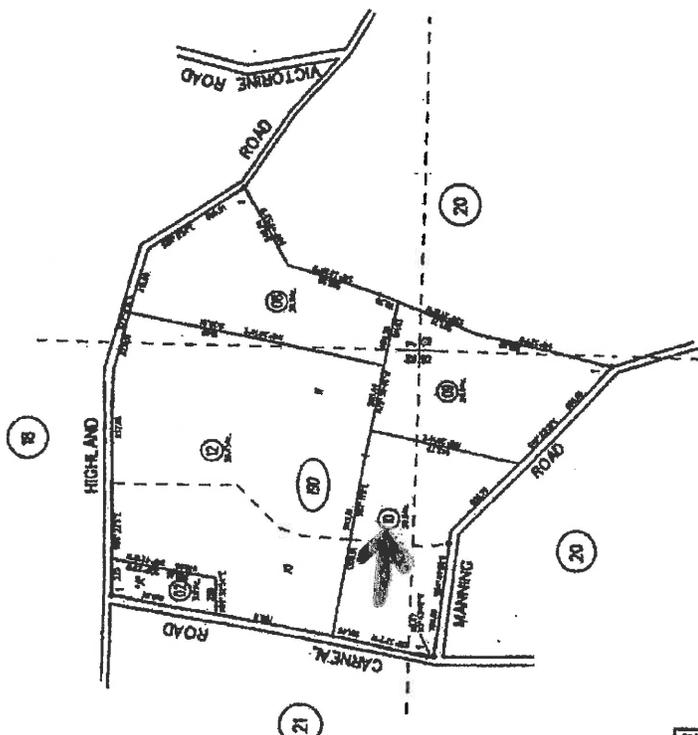
PORTION OF LOTS 10 AND 11 AS SAID LOTS ARE SHOWN AND SO DESIGNATED ON THE MAP ENTITLED "HOILAND RANCH, CONTRA COSTA COUNTY, CALIFORNIA, FEBRUARY 1918," FILED MARCH 4, 1918 IN LIBER 16 OF MAPS AT PAGES 347, 348 AND 349, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT DESCRIBED AS "HL-38" OF THAT CERTAIN "PRECISE ALIGNMENT OF HIGHLAND ROAD NUMBER 6311" DATED FEBRUARY 3, 1977 FILED IN THE CONTRA COSTA COUNTY PUBLIC WORKS, SAID POINT BEING THE EASTERLY TERMINUS OF SOUTH 55° 14' 00" EAST 290.14 AS DESCRIBED IN SAID PRECISE ALIGNMENT; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 89° 24' 23" WEST 2,609.74 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND; THENCE FROM SAID POINT OF BEGINNING SOUTH 10° 29' 14" WEST 942.77 FEET TO A POINT ON THE NORTHERN RIGHT OF WAY LINE OF MANNING ROAD; THENCE ALONG SAID NORTHERN RIGHT OF WAY LINE THE FOLLOWING TWO (2) COURSES: 1) NORTH 46° 23' 31" WEST 600.79 FEET AND 2) NORTH 84° 47' 36" WEST 789.60 FEET TO A POINT ON THE EASTERN RIGHT OF WAY LINE OF CARNEAL ROAD; THENCE ALONG SAID EASTERN RIGHT OF WAY LINE THE FOLLOWING TWO (2) COURSES: 1) NORTH 3° 43' 46" WEST 46.47 FEET AND 2) NORTH 10° 37' 07" EAST 581.46 FEET TO A POINT ON THE WESTERLY TERMINUS OF A LINE NORTH 82° 11' 09" WEST FROM SAID POINT OF BEGINNING; THENCE SOUTH 82° 11' 09" EAST 1300.91 FEET TO THE POINT OF BEGINNING.

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE FILE #ZC-496, RECORDED OCTOBER 22, 2002, AS INSTRUMENT NO. 2002-385016-00, OF OFFICIAL RECORDS

APN: 006-190-010

HOLLAND RANCH 04-2-34  
 POR. SECS 12 & 13 T2S R2E M. D. B. & M.  
 POR. SECS 7 & 18 T2S R2E M. D. B. & M.  
 S. 34P.M. 39440 1-28-79



MAP 9-202  
 80  
 80  
 ASSESSOR'S MAP  
 BOOK 6 PAGE 19  
 CONTRA COSTA COUNTY, CALIF.

THIS MAP WAS PREPARED FOR THE ASSessor OF CONTRA COSTA COUNTY, CALIF. BY THE COUNTY ENGINEER AND THE COUNTY SURVEYOR. THE ASSessor'S MAP IS A PUBLIC RECORD AND IS SUBJECT TO THE PUBLIC RECORD ACT.

LAND CONSERVATION CONTRACT NO. AP16-0004  
ASSESSOR PARCEL NO. 006-190-010

EXHIBIT B

ALLOWABLE LAND USES

Pursuant to the provisions of Section 84-42.402 (2) of the Contra Costa County Ordinance Code and Paragraph 7 of the Land Conservation Contract, of which this exhibit is made a part, the land uses and structures described below are authorized without a land use permit subject to the terms and conditions set forth below. Said uses and structures shall be in conformance to those authorized by Section 84-42.402 (1) and Section 84-42.404 but shall be subject to Section 84-42.602 through Section 84-42.1402 of Chapter 84-42 of the County Ordinance Code.

1. Existing Non-conforming Structures

The following non-conforming structures are permitted, subject to the provisions of County Ordinance Code Chapter 82-8:

*None.*

2. Existing Conforming Structures

*None.*

3. Proposed Structures

*Single-family residence, Residential Second Unit, 2 animal barns, 2 farm equipment barns, solar power array for farm use only, sport court for personal use, swimming pool, gazebo.*

4. Existing Land Use

*Grazing*

5. Proposed Land Use

*Grazing, orchard, vegetable farming*



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: Fiscal Year 2016-2017 Tax Administration Report for Community Facilities District No. 2007-1. Project No. 7517-6W7249

---

**RECOMMENDATION(S):**

ACCEPT the Fiscal Year 2016-2017 Community Facilities District Tax Administration Report on County of Contra Costa Community Facilities District No. 2007-1 (Stormwater Management Facilities), as required by Sections 50075.3 and 53411 of the California Government Code, as recommended by the Public Works Director, Countywide.

**FISCAL IMPACT:**

This report relates to special taxes approved by voters and payment for authorized services by said special taxes. Community Facilities District (CFD) No. 2007-1 funds its own administration, including preparation of Annual CFD Tax Administration Reports.

**BACKGROUND:**

On August 14, 2007, the County of Contra Costa Board of Supervisors established CFD No. 2007-1. In a landowner election held the same day, the sole owner of property within the CFD voted to authorize the levy of a Mello-Roos special tax on property within CFD No. 2007-1. At CFD formation, the CFD boundary included two parcels in the Bay Point area of Contra Costa County (County). The future potential annexation area of CFD No. 2007-1 includes all parcels in the unincorporated area of the County that will be developed or redeveloped. In Fiscal Year 2015-2016, three additional development projects had completed annexation into CFD No. 2007-1 for a total of 18 properties that are now a part of this CFD. It is anticipated that subsequent development projects within the unincorporated areas of the County will continue to annex into CFD No. 2007-1.

The purpose of the CFD is to generate special tax revenue to fund specified stormwater management facilities services provided by the County to the property owners within CFD 2007-1. The County began to provide authorized

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: John Steere, (925)  
313-2281

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Mike Carlson, Deputy Public Works Director, Warren Lai, Engineering Services, Wanda Quever, Finance, Cece Sellgren, Flood Control, John Steere, Flood Control, Catherine Windham, Flood Control

CFD services during Fiscal Year 2009-2010.

California Government Code Sections 50075.3 and 53411 require that specified information be provided to the Board of Supervisors on an annual basis. The reporting requirements include information on Mello-Roos CFD Special Taxes collected and the status of any project required or authorized to be funded by the special taxes. The attached CFD Tax Administration Report fulfills the requirement of the Government Code. Information provided in the CFD Tax Administration Report in compliance with regulatory reporting requirements is summarized below:

BACKGROUND: (CONT'D)

Section 50075.3

*Item (a): Identify amount of special taxes that have been collected and expended.*

*Response to Item (a):* The fiscal year 2015-2016 special tax levy was \$15,901. The total levy has been used to pay Authorized Tier 1 Services as well as administrative costs for the CFD.

*Item (b): Identify the status of any project required or authorized to be funded by the special taxes.*

*Response to Item (b):* The services authorized to be funded from special taxes include stormwater facilities management services that are further described in Section VI of the CFD Tax Administration Report. These services are ongoing.

Section 53411

*Item (a): Identify the amount of bonds that have been collected and expended.*

*Item (b): Identify the status of any projects required or authorized to be funded from bond proceeds.*

*Response to Items (a) and (b):* Section 53411 is not applicable to CFD No. 2007-1, which did not authorize the sale of any bonds or any projects to be funded from bond proceeds.

CONSEQUENCE OF NEGATIVE ACTION:

The County may be out of compliance with California Government Code Sections 50075.3 and 53411.

ATTACHMENTS

CFD Report



GOODWIN CONSULTING GROUP

**COUNTY OF CONTRA COSTA  
COMMUNITY FACILITIES DISTRICT NO. 2007-1  
(STORMWATER MANAGEMENT FACILITIES)**

**CFD TAX ADMINISTRATION REPORT  
FISCAL YEAR 2016-17**

**January 11, 2017**

***Community Facilities District No. 2007-1  
CFD Tax Administration Report***

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## ***EXECUTIVE SUMMARY***

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The following summary provides a brief overview of the main points from this report regarding the County of Contra Costa Community Facilities District No. 2007-1 (Stormwater Management Facilities) (“CFD No. 2007-1” or the “CFD”):

### **Fiscal Year 2016-17 Special Tax Levy**

<b>Number of Taxed Parcels</b>	<b>Total Special Tax Levy</b>
57	\$18,249

For further detail regarding the special tax levy, or special tax rates, please refer to Section IV of this report.

### **Development Status for Fiscal Year 2016-17**

<b>Type of Property</b>	<b>Parcels</b>
Agricultural Property	1 parcel
Single Family Property	49 parcels
Multi-Family Property	0 parcels
Other Property	7 parcels

For more information regarding the status of development in CFD No. 2007-1, please see Section V of this report.

### **Delinquency Summary**

<b>Delinquent Amount for FY 2015-16 (as of September 20, 2016)</b>	<b>Total Levy for FY 2015-16</b>	<b>Delinquency Rate</b>
\$122	\$15,901	0.77%

For additional delinquency information, please see Section VII of this report.

## ***I. INTRODUCTION***

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### **Community Facilities District No. 2007-1**

On August 14, 2007, the County of Contra Costa (the “County”) Board of Supervisors established CFD No. 2007-1. In a landowner election held on the same day, the sole owner of property within the CFD voted to authorize the levy of a Mello-Roos special tax on property within CFD No. 2007-1. Special tax revenue will fund stormwater management facilities services for the property owners of CFD No. 2007-1 as well as for property owners of territories to be annexed to the CFD in the future.

At CFD formation, the CFD boundary included only two parcels located in the north-central part of the County. The future annexation area of CFD No. 2007-1 includes all parcels in the unincorporated portion of the County. It is anticipated that new development in the unincorporated areas of the County will annex into CFD No. 2007-1.

### **The Mello-Roos Community Facilities Act of 1982**

The California State Legislature (the “Legislature”) approved the Mello-Roos Community Facilities Act of 1982 that provides for the levy of a special tax within a defined geographic area (i.e., a community facilities district), if such a levy is approved by two-thirds of the qualified electors in the area. Community facilities districts can generate funding for a broad range of facilities and eligible services. These services include police protection services, fire protection and suppression services, library services, recreation program services, maintenance of parks, parkways and open space, flood and storm protection services, and road maintenance and street lighting services. Special taxes can be allocated to property in any reasonable manner other than on an ad valorem basis.

## ***II. PURPOSE OF REPORT***

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This CFD Tax Administration Report (the “Report”) presents findings from research and financial analysis performed by Goodwin Consulting Group, Inc. to determine the fiscal year 2016-17 special tax levy for CFD No. 2007-1. The Report is intended to provide information to interested parties regarding the current financial obligations of the CFD and special taxes levied in fiscal year 2016-17. In addition, the Report provides all of the information that must be filed with the County Board of Supervisors pursuant to the requirements of Senate Bill 165.

The remainder of the Report is organized as follows:

- **Section III** identifies the financial obligations of the CFD for fiscal year 2016-17.
- **Section IV** provides a summary of the special tax categories and the methodology that is used to apportion the special tax among parcels in the CFD.
- **Section V** provides an update of the development activity occurring within the CFD, including new building permit activity.
- **Section VI** provides information regarding services authorized to be funded by CFD special taxes.
- **Section VII** provides information regarding special tax delinquencies in the CFD.
- **Section VIII** provides a summary of the reporting requirements set forth in Senate Bill 165, the Local Agency Special Tax and Bond Accountability Act, and the information needed for the County to respond to these requirements.
- **Section IX** provides information on requirements set forth in Assembly Bill 1666.

### ***III. SPECIAL TAX REQUIREMENT***

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Pursuant to the Rate and Method of Apportionment of Special Tax (the “RMA”), which was adopted as an exhibit to the Resolution of Formation of CFD No. 2007-1, special taxes will be levied to pay for the Tier 1 Special Tax Requirement and Tier 2 Special Tax Requirement. The Tier 1 Special Tax Requirement means the amount for each separate Tax Zone in CFD No. 2007-1 necessary in each fiscal year to (i) pay for Authorized Tier 1 Services, (ii) pay administrative expenses, (iii) cure any delinquencies in the payment of Tier 1 special taxes levied in prior fiscal years or (based on delinquencies in the payment of Tier 1 special taxes which have already taken place) are expected to occur in the current fiscal year, and (iv) to create or replenish reserve funds. The Tier 2 Special Tax Requirement means the amount for any permanent stormwater management facility (“PSWMF”) Service Area within a Tax Zone in CFD No. 2007-1 necessary in each fiscal year to (i) pay for Authorized Tier 2 Services, (ii) pay administrative expenses that have not been included in the Tier 1 Special Tax Requirement, (iii) cure any delinquencies in the payment of Tier 2 special taxes levied in prior fiscal years or (based on delinquencies in the payment of Tier 2 special taxes which have already taken place) are expected to occur in the current fiscal year, and (iv) to create or replenish reserve funds.

For fiscal year 2016-17, the Tier 2 Special Tax Requirement is \$0. The fiscal year 2016-17 Tier 1 Special Tax Requirement for Tax Zone 1 is \$18,249, as shown in the table below.

**Community Facilities District No. 2007-1  
Tier 1 Special Tax Requirement for Fiscal Year 2016-17  
Tax Zone 1**

<b>Authorized Tier 1 Services /1</b>	<b>\$15,148</b>
<b>Reserve Fund</b>	<b>\$3,102</b>
<b>Fiscal Year 2016-17 Tier 1 Special Tax Requirement /2</b>	<b>\$18,249</b>

/1 Includes costs associated with the administration of the CFD.

/2 Total may not sum due to rounding.

## ***IV. SPECIAL TAX LEVY***

---

Special taxes within CFD No. 2007-1 are levied pursuant to the methodology set forth in the RMA. The RMA establishes various special tax categories against which the special tax can be levied, the maximum special tax rates, and the methodology by which the special tax is applied. (*Capitalized terms are defined in the RMA in Appendix C of this Report.*)

### **Special Tax Categories**

The RMA establishes tax categories based on a parcel's current development status. Developed Property is defined as any parcel of taxable property within CFD No. 2007-1 for which (i) a building permit for new construction or substantial redevelopment of a residential or non-residential structure was issued prior to June 1 of the preceding fiscal year, or (ii) land use entitlement(s) involving the creation or redevelopment of impervious surface is granted and exercised where no building permit is required. There are several different types of Developed Property in CFD No. 2007-1; they are further defined as follows:

- **Agricultural Property** means all parcels of Developed Property for which a building permit was issued for construction of a structure located on land that is designated for agricultural use pursuant to the County's General Plan.
- **Single Family Property** is defined as parcels of Developed Property for which a building permit was issued for construction of a single family residential unit that does not share a common wall with another unit, except for attached residential second units established pursuant to Section 82-24 of the Zoning Ordinance Code. A parcel of Single Family Property with an attached residential second unit established pursuant to Section 82-24 will be taxed as one parcel of Single Family Property. Parcels of Agricultural Property and parcels where single family residential use is not the primary use are not considered Single Family Property.
- **Multi-Family Property** is defined as parcels of Developed Property for which a building permit was issued for construction of a residential structure that (i) is located within a mobile home park, or (ii) consists of two or more residential units that share common walls, including duplex, triplex and fourplex units, townhomes, condominiums and apartment units. Multi-Family Property excludes residential second units established pursuant to Section 82-24 of the Zoning Ordinance Code.
- **Other Property** means parcels of Developed Property that are not Agricultural Property, Single Family Property, or Multi-Family Property.

## Maximum Special Tax Rates

Each Tax Zone has its own set of maximum special tax rates applicable to each category of property in CFD No. 2007-1. As of the date of this Report, there is only one Tax Zone in the CFD. The maximum special tax rates applicable to each category of property in CFD No. 2007-1 are set forth in Section C of the RMA. The following table identifies the maximum special taxes that can be levied on property in Tax Zone 1 of CFD No. 2007-1 for fiscal year 2016-17.

### Community Facilities District No. 2007-1 Fiscal Year 2016-17 Maximum Special Tax Rates Tax Zone 1

#### Agricultural Property, Single Family Property, and Multi-Family Property

Type of Property	Square Footage (Sq.Ft.)	Fiscal Year 2016-17		
		Maximum Tier 1 Special Tax	Maximum Tier 2 Special Tax	Total Maximum Special Taxes
Agricultural Property	N/A	<i>Per Parcel</i>		
		\$753.68	\$12,529.16	\$13,282.84
Single Family Property	Less than 5,000 Parcel Sq.Ft. 5,000 to 5,999 Parcel Sq.Ft. 6,000 to 6,999 Parcel Sq.Ft. 7,000 to 7,999 Parcel Sq.Ft. 8,000 to 9,999 Parcel Sq.Ft. 10,000 to 13,999 Parcel Sq.Ft. 14,000 to 19,999 Parcel Sq.Ft. 20,000 to 29,999 Parcel Sq.Ft. 30,000 to 39,999 Parcel Sq.Ft. Greater than or Equal to 40,000 Parcel Sq.Ft.	<i>Per Parcel</i>		
		\$467.42	\$7,770.18	\$8,237.60
		\$475.30	\$7,901.42	\$8,376.72
		\$483.88	\$8,043.84	\$8,527.72
		\$491.80	\$8,175.82	\$8,667.62
		\$503.02	\$8,362.24	\$8,865.26
		\$526.76	\$8,756.72	\$9,283.48
		\$565.02	\$9,392.80	\$9,957.82
		\$622.40	\$10,346.52	\$10,968.92
		\$690.36	\$11,476.24	\$12,166.60
Multi-Family Property	Less than 2,500 Unit Sq.Ft. 2,500 to 2,999 Unit Sq.Ft. 3,000 to 3,999 Unit Sq.Ft. 4,000 to 4,999 Unit Sq.Ft. 5,000 to 5,999 Unit Sq.Ft. 6,000 to 6,999 Unit Sq.Ft. 7,000 to 7,999 Unit Sq.Ft. Greater than or Equal to 8,000 Unit Sq.Ft.	<i>Per Unit</i>		
		\$357.50	\$5,943.22	\$6,300.72
		\$360.50	\$5,993.20	\$6,353.70
		\$373.08	\$6,201.98	\$6,575.06
		\$388.92	\$6,465.22	\$6,854.14
		\$405.38	\$6,738.88	\$7,144.26
		\$421.88	\$7,013.30	\$7,435.18
		\$437.72	\$7,276.52	\$7,714.24
\$445.66	\$7,408.52	\$7,854.18		

**Community Facilities District No. 2007-1  
Fiscal Year 2016-17 Maximum Special Tax Rates  
Tax Zone 1**

**Other Property**

<b>Fiscal Year 2016-17</b>					
<b>Maximum Tier 1 Special Tax</b>		<b>Maximum Tier 2 Special Tax</b>		<b>Total Maximum Special Taxes*</b>	
<b>Base Maximum Tier 1 Special Tax (per Parcel)</b>	<b>Incremental Maximum Tier 1 Special Tax (per Impervious Square Foot)</b>	<b>Base Maximum Tier 2 Special Tax (per Parcel)</b>	<b>Incremental Maximum Tier 2 Special Tax (per Impervious Square Foot)</b>	<b>Base Maximum Special Taxes (per Parcel)</b>	<b>Incremental Maximum Special Taxes (per Impervious Square Foot)</b>
\$367.38	\$0.03	\$7,481.19	\$0.16	\$7,848.57	\$0.19

\* Totals may not sum due to rounding.

**Apportionment of Special Taxes**

The amount of special tax levied on each parcel in the CFD each fiscal year will be determined by application of Section D of the RMA. Pursuant to this section, the Tier 1 Special Tax Requirement will be allocated as follows:

For each Tax Zone, the Tier 1 special tax will be levied until the amount of the levy equals the Tier 1 Special Tax Requirement. The first step requires the Tier 1 special taxes to be levied proportionately on each parcel of Developed Property that is not Taxable Public Property up to 100% of Maximum Tier 1 Special Tax for that Tax Zone, until the amount levied is equal to the Tier 1 Special Tax Requirement for the Tax Zone. If additional revenue is needed after the first step is completed, then the Tier 1 special tax will be levied proportionately on each parcel of Taxable Public Property up to 100% of the Maximum Tier 1 Special Tax that had applied to the parcel prior to the parcel becoming Taxable Public Property, until the amount levied is equal to the Tier 1 Special Tax Requirement for the Tax Zone. The Tier 1 special tax shall be collected in the same manner and at the same time as ordinary ad valorem taxes, provided, however, that the County may bill directly, collect at a different time or in a different manner.

Also pursuant to Section D of the RMA, the Tier 2 Special Tax Requirement shall be allocated as follows:

For each PSWMF Service Area in a Tax Zone, the Tier 2 special tax, if applicable, will be levied until the amount of the levy equals the Tier 2 Special Tax Requirement. The first step requires the Tier 2 special taxes to be levied proportionately on each parcel of Developed Property that is not Taxable Public Property up to 100% of Maximum Tier 2 Special Tax for that Tax Zone, until the amount levied is equal to the Tier 2 Special Tax Requirement for the PSWMF Service Area.

If additional revenue is needed after the first step is completed, then the Tier 2 special tax will be levied proportionately on each parcel of Taxable Public Property up to 100% of the Maximum Tier 2 Special Tax that had applied to the parcel prior to the parcel becoming Taxable Public Property, until the amount levied is equal to the Tier 2 Special Tax Requirement for the PSWMF Service Area. The Tier 2 special tax shall be billed directly to the property owner(s) within a PSWMF Service Area on an as needed basis.

Application of the Maximum Tier 1 Special Tax rate to all the parcels of Developed Property for fiscal year 2016-17 will generate Tier 1 special tax revenue of \$42,271. However, since the Tier 1 Special Tax Requirement for fiscal year 2016-17 is only \$18,249, Developed Property will not be taxed at the maximum tax rate. Only the amount needed to generate the Tier 1 Special Tax Requirement of \$18,249 will be levied, which is approximately 43.17% of the maximum. Since the tax on Developed Property fully funds the Tier 1 Special Tax Requirement for fiscal year 2016-17, no tax shall be levied on Taxable Public Property. Since the Tier 2 Special Tax Requirement for fiscal year 2016-17 is \$0, no Tier 2 special taxes shall be levied. A summary of the maximum and actual special taxes levied in fiscal year 2016-17 is presented in Appendix A.

## ***V. DEVELOPMENT STATUS***

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As of May 31, 2016, 57 building permits have been issued within CFD No. 2007-1. Of these 57 permits, 49 have been issued on parcels of Single Family Property, one has been issued on a parcel of Agricultural Property, and seven have been issued on parcels of Other Property.

Based on the current status of development in CFD No. 2007-1, the following table summarizes the allocation of parcels to special tax categories defined in the RMA:

**Community Facilities District No. 2007-1  
Allocation to Special Tax Categories  
Fiscal Year 2016-17**

<b>Type of Property</b>	<b>Number of Parcels</b>
Agricultural Property	1
Single Family Property	49
Multi-Family Property	0
Other Property	7

## ***VI. AUTHORIZED SERVICES***

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The Resolution of Formation adopted on August 14, 2007, authorizes the funding of the following services within CFD No. 2007-1:

### **Services**

The services to be funded, in whole or in part, by the CFD include all direct and incidental costs related to County oversight and enforcement of the obligations of property owners and homeowners' associations for the monitoring, inspection, reporting, operation, maintenance, repair, reconstruction, and replacement of PSWMFs for property included in the CFD:

- Tier 1. Periodic monitoring, inspection and reporting of PSWMFs, including but not limited to site visits, completion of inspection forms and records, review of property owner self-inspection and other records; provision of certification letters and/or maintenance recommendations; management of data and records related to operation and maintenance of PSWMFs; preparation and submission of National Pollutant Discharge Elimination System and other governmental reports and CFD required reports; and the accumulation of administrative and liability reserves.
  
- Tier 2. Code enforcement, nuisance abatement, and other activities related to the operation and maintenance of PSWMFs, including but not limited to additional site visits, letters and notices to property owners and others; hearings; lien recordation and enforcement; attorney's fees and other legal expenses; periodic maintenance activities, such as mulching, removing trash and invasive vegetation, filling soil, mowing, and trimming vegetation; repair, reconstruction, and replacement work; and the accumulation of administrative and liability reserves.

In addition to the specific services described under Tier 1 and Tier 2, the CFD may fund any other costs, expenses, or liabilities in connection with the monitoring, inspection, reporting, operation, maintenance, repair, reconstruction, and replacement of PSWMFs.

The CFD may fund any of the following related to the services described above: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities, paying the salaries and benefits of personnel (including but not limited to inspection and maintenance workers and other personnel), and for payment of other related expenses (including but not limited to employee benefit expenses and an allocation of general overhead expenses). Any services to be funded by the CFD must be in addition to those provided in the territory of the CFD before the date of creation of the CFD, and may not supplant services already available within that territory when the CFD is created. It is expected that the services will be provided by the County, either with its own employees or by contract with third parties, or by the Contra Costa County Flood Control and Water Conservation District, or any combination thereof.

## **Administrative Expenses**

The direct and indirect expenses incurred by the County in connection with the establishment and administration of the CFD (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the County related to the CFD or the collection of special taxes, an allocable share of the salaries of County staff directly related thereto and a proportionate amount of the County's general administrative overhead related thereto, any amounts paid by the County from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the County in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the County in any way related to the CFD.

## **Other**

The incidental expenses that may be financed by the CFD include: (i) all costs associated with the establishment and administration of the CFD, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the CFD, (ii) any other expenses incidental to the provision of the services eligible to be funded by the CFD, and (iii) any amounts necessary to maintain a reserve required by the County for the payment of the costs of the services.

## ***VII. DELINQUENCIES***

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As of September 20, 2016, the Contra Costa County Auditor's Office reports the following delinquency amounts for CFD No. 2007-1:

**Community Facilities District No. 2007-1  
Delinquencies as of September 20, 2016**

<b>Fiscal Year</b>	<b>Parcels Delinquent</b>	<b>Delinquent Amount</b>	<b>CFD Tax Levied</b>	<b>Percent Delinquent</b>
2015-16	1	\$122	\$15,901	0.77%

## **VIII. SENATE BILL 165 REPORTING REQUIREMENTS**

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On September 18, 2000, former Governor Gray Davis approved Senate Bill 165 which enacted the Local Agency Special Tax and Bond Accountability Act. In approving the bill, the Legislature pointed out that local agencies need to demonstrate to the voters that special taxes and bond proceeds are being spent on the facilities and services for which they were intended. To further this objective, the Legislature added Sections 50075.3 and 53411 to the California Government Code setting forth annual reporting requirements relative to special taxes collected and bonds issued by a local public agency. A response to each of the reporting requirements in SB 165 is provided below. Pursuant to Sections 50075.3 and 53411, the chief fiscal officer of the County will, by January 1, 2002, and at least once a year thereafter, file a report with the Board of Supervisors (which may be this CFD Tax Administration Report) setting forth the following information.

### **Section 50075.3**

*Item (a): Identify amount of special taxes that have been collected and expended.*

The fiscal year 2015-16 special tax levy was \$15,901. Since the CFD is on the County Teeter Plan, the full amount of the tax levy was remitted to the CFD. The total levy was used to pay Authorized Tier 1 Services as well as administrative costs for the CFD.

*Item (b): Identify the status of any project required or authorized to be funded by the special taxes.*

The services authorized to be funded from special taxes include stormwater facilities management services and are further described in Section VI of this Report. These services are ongoing.

### **Section 53411**

*Item (a): Identify the amount of bonds that have been collected and expended.*

*Item (b): Identify the status of any projects required or authorized to be funded from bond proceeds.*

*Response to Items (a) and (b):* Section 53411 is not applicable to CFD No. 2007-1, which did not authorize the sale of any bonds or any projects to be funded from bond proceeds.

## ***IX. ASSEMBLY BILL 1666 REQUIREMENTS***

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On July 25, 2016, Governor Jerry Brown signed Assembly Bill No. 1666, adding Section 53343.2 to the California Government Code (“GC”). The bill enhances the transparency of community facilities districts by requiring that certain reports be accessible on a local agency’s web site. Pursuant to Section 53343.2, a local agency that has a web site shall, within seven months after the last day of each fiscal year of the district, display prominently on its web site the following information:

Item (a): A copy of an annual report, if requested, pursuant to GC Section 53343.1. The report required by Section 53343.1 includes CFD budgetary information for the prior fiscal year and is only prepared by a community facilities district at the request of a person who resides in or owns property in the community facilities district. If the annual report has not been requested to be prepared, then a posting to the web site would not be necessary.

Item (b): A copy of the report provided to the California Debt and Investment Advisory Commission (“CDIAC”) pursuant to GC Section 53359.5. Under Section 53359.5, local agencies must provide CDIAC with the following: (i) notice of proposed sale of bonds; (ii) annual reports on the fiscal status of bonded districts; and (iii) notice of any failure to pay debt service on bonds, or of any draw on a reserve fund to pay debt service on bonds.

Item (c): A copy of the report provided to the State Controller’s Office pursuant to GC Section 12463.2. This section refers to the parcel tax portion of a local agency’s Financial Transactions Report that is prepared for the State Controller’s Office annually. Note that school districts are not subject to the reporting required by GC Section 12463.2.

## **APPENDIX A**

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### ***Summary of Fiscal Year 2016-17 Special Tax Levy***

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**County of Contra Costa**  
**Community Facilities District No. 2007-1**  
**(Stormwater Management Facilities)**  
**Special Tax Levy Summary for FY 2016-17**

**Tax Zone 1**

Type of Property	FY 2016-17 Maximum Special Taxes				FY 2016-17 Actual Special Taxes				Parcels/ Units	Impervious Sq. Ft.	FY 2016-17 Total Special Tax
	Tier 1	Tier 2	Incremental Tier 1	Incremental Tier 2	Tier 1	Tier 2	Incremental Tier 1	Incremental Tier 2			
<b>Agricultural Property</b>	<i>(per parcel)</i>				<i>(per parcel)</i>				1 parcels	n/a	\$325.38
	\$753.68	\$12,529.16	n/a	n/a	\$325.38	\$0.00	n/a	n/a			
<b>Single Family Property</b>	<i>(per parcel)</i>				<i>(per parcel)</i>						
Less than 5,000 Parcel Sq.Ft.	\$467.42	\$7,770.18	n/a	n/a	\$201.80	\$0.00	n/a	n/a	9 parcels	n/a	\$1,816.20
5,000 to 5,999 Parcel Sq.Ft.	\$475.30	\$7,901.42	n/a	n/a	\$205.20	\$0.00	n/a	n/a	2 parcels	n/a	\$410.40
6,000 to 6,999 Parcel Sq.Ft.	\$483.88	\$8,043.84	n/a	n/a	\$208.90	\$0.00	n/a	n/a	3 parcels	n/a	\$626.70
7,000 to 7,999 Parcel Sq.Ft.	\$491.80	\$8,175.82	n/a	n/a	\$212.32	\$0.00	n/a	n/a	5 parcels	n/a	\$1,061.60
8,000 to 9,999 Parcel Sq.Ft.	\$503.02	\$8,362.24	n/a	n/a	\$217.16	\$0.00	n/a	n/a	3 parcels	n/a	\$651.48
10,000 to 13,999 Parcel Sq.Ft.	\$526.76	\$8,756.72	n/a	n/a	\$227.42	\$0.00	n/a	n/a	3 parcels	n/a	\$682.26
14,000 to 19,999 Parcel Sq.Ft.	\$565.02	\$9,392.80	n/a	n/a	\$243.94	\$0.00	n/a	n/a	7 parcels	n/a	\$1,707.58
20,000 to 29,999 Parcel Sq.Ft.	\$622.40	\$10,346.52	n/a	n/a	\$268.70	\$0.00	n/a	n/a	9 parcels	n/a	\$2,687.00
30,000 to 39,999 Parcel Sq.Ft.	\$690.36	\$11,476.24	n/a	n/a	\$298.04	\$0.00	n/a	n/a	2 parcels	n/a	\$596.08
Greater than or Equal to 40,000 Parcel Sq.Ft.	\$753.68	\$12,529.16	n/a	n/a	\$325.38	\$0.00	n/a	n/a	6 parcels	n/a	\$1,952.28
<b>Multi-Family Property</b>	<i>(per unit)</i>				<i>(per unit)</i>						
Less than 2,500 Unit Sq.Ft.	\$357.50	\$5,943.22	n/a	n/a	\$154.34	\$0.00	n/a	n/a	0 units	n/a	\$0.00
2,500 to 2,999 Unit Sq.Ft.	\$360.50	\$5,993.20	n/a	n/a	\$155.64	\$0.00	n/a	n/a	0 units	n/a	\$0.00
3,000 to 3,999 Unit Sq.Ft.	\$373.08	\$6,201.98	n/a	n/a	\$161.06	\$0.00	n/a	n/a	0 units	n/a	\$0.00
4,000 to 4,999 Unit Sq.Ft.	\$388.92	\$6,465.22	n/a	n/a	\$167.90	\$0.00	n/a	n/a	0 units	n/a	\$0.00
5,000 to 5,999 Unit Sq.Ft.	\$405.38	\$6,738.88	n/a	n/a	\$175.02	\$0.00	n/a	n/a	0 units	n/a	\$0.00
6,000 to 6,999 Unit Sq.Ft.	\$421.88	\$7,013.30	n/a	n/a	\$182.14	\$0.00	n/a	n/a	0 units	n/a	\$0.00
7,000 to 7,999 Unit Sq.Ft.	\$437.72	\$7,276.52	n/a	n/a	\$188.98	\$0.00	n/a	n/a	0 units	n/a	\$0.00
Greater than or Equal to 8,000 Unit Sq.Ft.	\$445.66	\$7,408.52	n/a	n/a	\$192.40	\$0.00	n/a	n/a	0 units	n/a	\$0.00
<b>Other Property</b>	<i>(per parcel)</i>		<i>(per Impervious Square Foot)</i>		<i>(per parcel)</i>		<i>(per Impervious Square Foot)</i>		7 parcels	329,882	\$5,732.48
	\$367.38	\$7,481.19	\$0.03	\$0.16	\$158.60	\$0.00	\$0.01	\$0.00			
<b>Total FY 2016-17 Special Tax Levy</b>											<b>\$18,249.44</b>

## **APPENDIX B**

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*Fiscal Year 2016-17 Special Tax Levy  
for Individual Assessor's Parcels*

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**County of Contra Costa**  
**Community Facilities District No. 2007-1**  
**(Stormwater Management Facilities)**  
**Special Tax Levy for Fiscal Year 2016-17**

Assessor's Parcel Number	Tax Zone	Development Status	Type of Property	Parcel Square Footage	Impervious Square Footage	FY 2016-17	FY 2016-17	FY 2016-17
						Tier 1 Actual Special Tax	Tier 2 Actual Special Tax	Total Actual Special Tax
095-060-026-2	1	Developed	Single Family	4,393		\$201.80	\$0.00	\$201.80
095-060-027-0	1	Developed	Single Family	3,740		\$201.80	\$0.00	\$201.80
095-060-028-8	1	Developed	Single Family	3,742		\$201.80	\$0.00	\$201.80
095-060-029-6	1	Developed	Single Family	4,393		\$201.80	\$0.00	\$201.80
095-060-030-4	1	Developed	Single Family	5,351		\$205.20	\$0.00	\$205.20
095-060-031-2	1	Developed	Single Family	3,157		\$201.80	\$0.00	\$201.80
095-060-032-0	1	Developed	Single Family	3,162		\$201.80	\$0.00	\$201.80
095-060-033-8	1	Developed	Single Family	3,454		\$201.80	\$0.00	\$201.80
095-060-034-6	1	Developed	Single Family	4,426		\$201.80	\$0.00	\$201.80
096-031-022-5	1	Developed	Other	N/A	53,431	\$774.96	\$0.00	\$774.96
098-180-027-9	1	Undeveloped	Single Family	N/A		\$0.00	\$0.00	\$0.00
098-180-030-3	1	Undeveloped	Single Family	N/A		\$0.00	\$0.00	\$0.00
099-210-023-0	1	Developed	Other	N/A	19,026	\$378.08	\$0.00	\$378.08
116-100-051-6	1	Developed	Single Family	14,985		\$243.94	\$0.00	\$243.94
116-100-052-4	1	Developed	Single Family	21,649		\$268.70	\$0.00	\$268.70
116-100-053-2	1	Developed	Single Family	24,611		\$268.70	\$0.00	\$268.70
116-100-054-0	1	Developed	Single Family	17,947		\$243.94	\$0.00	\$243.94
116-100-055-7	1	Developed	Single Family	18,034		\$243.94	\$0.00	\$243.94
116-100-056-5	1	Developed	Single Family	16,553		\$243.94	\$0.00	\$243.94
116-100-057-3	1	Developed	Single Family	17,380		\$243.94	\$0.00	\$243.94
116-100-058-1	1	Developed	Single Family	31,537		\$298.04	\$0.00	\$298.04
148-480-014-7	1	Developed	Other	N/A	125,987	\$1,611.90	\$0.00	\$1,611.90
159-040-094-9	1	Developed	Other	N/A	27,925	\$480.74	\$0.00	\$480.74
166-010-042-9	1	Developed	Single Family	18,330		\$243.94	\$0.00	\$243.94
166-010-043-7	1	Developed	Single Family	14,280		\$243.94	\$0.00	\$243.94
166-010-044-5	1	Undeveloped	Single Family	22,825		\$0.00	\$0.00	\$0.00
166-010-045-2	1	Developed	Single Family	37,000		\$298.04	\$0.00	\$298.04
166-010-046-0	1	Undeveloped	Single Family	30,400		\$0.00	\$0.00	\$0.00
166-010-047-8	1	Developed	Single Family	50,200		\$325.38	\$0.00	\$325.38
166-010-048-6	1	Developed	Single Family	24,700		\$268.70	\$0.00	\$268.70
166-010-049-4	1	Developed	Single Family	22,170		\$268.70	\$0.00	\$268.70
166-010-050-2	1	Undeveloped	Single Family	39,200		\$0.00	\$0.00	\$0.00
180-131-001-0	1	Undeveloped	Single Family	36,024		\$0.00	\$0.00	\$0.00
184-100-034-0	1	Developed	Single Family	6,217		\$208.90	\$0.00	\$208.90
184-100-035-7	1	Developed	Single Family	4,343		\$201.80	\$0.00	\$201.80
184-100-036-5	1	Developed	Single Family	6,971		\$208.90	\$0.00	\$208.90
184-100-037-3	1	Developed	Single Family	9,129		\$217.16	\$0.00	\$217.16
184-100-038-1	1	Developed	Single Family	7,349		\$212.32	\$0.00	\$212.32
184-100-039-9	1	Developed	Single Family	13,573		\$227.42	\$0.00	\$227.42
184-100-040-7	1	Developed	Single Family	13,993		\$227.42	\$0.00	\$227.42
184-100-041-5	1	Developed	Single Family	11,496		\$227.42	\$0.00	\$227.42
184-100-042-3	1	Developed	Single Family	7,187		\$212.32	\$0.00	\$212.32
184-100-043-1	1	Developed	Single Family	7,864		\$212.32	\$0.00	\$212.32
184-100-044-9	1	Developed	Single Family	6,787		\$208.90	\$0.00	\$208.90
184-100-045-6	1	Developed	Single Family	8,090		\$217.16	\$0.00	\$217.16
184-100-046-4	1	Developed	Single Family	8,061		\$217.16	\$0.00	\$217.16
184-100-047-2	1	Developed	Single Family	7,514		\$212.32	\$0.00	\$212.32
184-100-048-0	1	Developed	Single Family	5,083		\$205.20	\$0.00	\$205.20
184-100-049-8	1	Developed	Single Family	7,578		\$212.32	\$0.00	\$212.32
184-311-004-8	1	Undeveloped	Single Family	33,500		\$0.00	\$0.00	\$0.00
184-450-038-7	1	Developed	Other	N/A	28,533	\$487.74	\$0.00	\$487.74 /1
187-180-018-9	1	Developed	Single Family	59,067		\$537.40	\$0.00	\$537.40
187-231-034-5	1	Developed	Single Family	24,350		\$268.70	\$0.00	\$268.70
187-231-035-2	1	Developed	Single Family	20,909		\$268.70	\$0.00	\$268.70
192-240-024-5	1	Developed	Single Family	41,469		\$325.38	\$0.00	\$325.38

**County of Contra Costa**  
**Community Facilities District No. 2007-1**  
**(Stormwater Management Facilities)**  
**Special Tax Levy for Fiscal Year 2016-17**

Assessor's Parcel Number	Tax Zone	Development Status	Type of Property	Parcel Square Footage	Impervious Square Footage	FY 2016-17	FY 2016-17	FY 2016-17
						Tier 1 Actual Special Tax	Tier 2 Actual Special Tax	Total Actual Special Tax
192-240-025-2	1	Undeveloped	Single Family	66,342		\$0.00	\$0.00	\$0.00
195-351-044-1	1	Developed	Single Family	41,251		\$325.38	\$0.00	\$325.38
195-351-045-8	1	Developed	Single Family	56,149		\$325.38	\$0.00	\$325.38
198-081-021-0	1	Developed	Single Family	21,780		\$268.70	\$0.00	\$268.70
198-081-022-8	1	Developed	Single Family	21,780		\$268.70	\$0.00	\$268.70
198-100-005-0	1	Developed	Single Family	40,075		\$325.38	\$0.00	\$325.38
198-100-006-8	1	Undeveloped	Single Family	42,253		\$0.00	\$0.00	\$0.00
198-100-009-2	1	Developed	Single Family	78,626		\$325.38	\$0.00	\$325.38
198-100-010-0	1	Undeveloped	Single Family	87,294		\$0.00	\$0.00	\$0.00
223-042-007-3	1	Developed	Agricultural	N/A		\$325.38	\$0.00	\$325.38
380-010-026-9	1	Developed	Other	N/A	74,980	\$1,023.52	\$0.00	\$1,023.52 /2
420-080-025-0	1	Developed	Other	N/A	70,820	\$975.54	\$0.00	\$975.54 /3

<b>Total Special Tax Levy for FY 2016-17</b>	<b>\$18,249.44</b>
--	--------------------

/1 Project spans over three parcels; the Incremental Special Tax per Impervious Square Foot for APNs 184-450-039-5 and 184-450-040-3 is levied on APN 184-450-038-7.

/2 Project spans over two parcels; the Incremental Special Tax per Impervious Square Foot for APN 380-010-023-6 is levied on APN 380-010-026-9.

/3 Project spans over three parcels; the Incremental Special Tax per Impervious Square Foot for APNs 419-180-020-2 and 420-080-004-5 is levied on APN 420-080-025-0.

Goodwin Consulting Group, Inc.

## **APPENDIX C**

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### ***Rate and Method of Apportionment of Special Tax***

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**COUNTY OF CONTRA COSTA  
COMMUNITY FACILITIES DISTRICT NO. 2007-1  
(STORMWATER FACILITY MAINTENANCE)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

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Special Taxes applicable to each Assessor's Parcel in Community Facilities District No. 2007-1 (Stormwater Facility Maintenance) [herein "CFD No. 2007-1" or "CFD"] shall be levied and collected according to the tax liability determined by the Board of Supervisors of the County of Contra Costa, acting in its capacity as the legislative body of CFD No. 2007-1, through the application of the appropriate Special Taxes, as described below. All of the property in CFD No. 2007-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2007-1 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Division 2, of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the direct and indirect expenses incurred by the CFD or the County in connection with the establishment and administration of CFD No. 2007-1 (including, but not limited to, the levy and collection of the Special Taxes) including the fees and expenses of attorneys, any fees of the County or the CFD related to CFD No. 2007-1 or the collection of Special Taxes, an allocable share of the salaries of County or CFD staff directly related thereto and a proportionate amount of the County's and the CFD's general administrative overhead related thereto, any amounts paid by the County or the CFD from their respective general funds with respect to CFD No. 2007-1 or the services authorized to be financed by CFD No. 2007-1, and expenses incurred by the County or the CFD in undertaking action to foreclose on properties for which the payment of Special Taxes is delinquent, any amounts necessary to maintain a reserve required by CFD No. 2007-1 for the payment of services and all other costs and expenses of the County or the CFD in any way related to CFD No. 2007-1.

**"Administrator"** means the person or firm designated by the Board of Supervisors to administer the Special Taxes according to this RMA.

**"Agricultural Property"** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a structure located on land that is designated for agricultural use pursuant to the County's General Plan.

**“Assessor’s Parcel”** means a lot or parcel shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

**“Authorized Services”** means, collectively, the Authorized Tier 1 Services and Authorized Tier 2 Services.

**“Authorized Tier 1 Services”** means the public services identified as Tier 1 services that are authorized to be funded by CFD No. 2007-1, as set forth in the CFD formation documents adopted by the Board of Supervisors.

**“Authorized Tier 2 Services”** means the public services identified as Tier 2 services that are authorized to be funded by CFD No. 2007-1, as set forth in the CFD formation documents adopted by the Board of Supervisors.

**“Board of Supervisors”** means the Board of Supervisors of the County of Contra Costa, acting as the legislative body of CFD No. 2007-1.

**“County”** means the County of Contra Costa.

**“Developed Property”** means, in any Fiscal Year, all Parcels of Taxable Property for which (i) a building permit for new construction or substantial redevelopment of a residential or non-residential structure was issued prior to June 1 of the preceding Fiscal Year, or (ii) land use entitlement(s) involving the creation or redevelopment of impervious surface is granted and exercised where no building permit is required. . Developed Property shall not include Parcels on which a structure(s) exists at the time CFD No. 2007-1 was formed unless additional building permits are issued for additional development or substantial redevelopment on the Parcel or, for future annexations, at the time that Parcel(s) is annexed to CFD No. 2007-1.

**“Fiscal Year”** means the period starting on July 1 and ending on the following June 30.

**“Impervious Square Foot”** or **“Impervious Square Footage”** means the impervious square footage assigned to a Parcel as determined by the County Public Works Department.

**“Maximum Special Taxes”** means, collectively, the Maximum Tier 1 Special Tax and Maximum Tier 2 Special Tax.

**“Maximum Tier 1 Special Tax”** means the maximum Tier 1 Special Tax that can be levied on Taxable Property in any Fiscal Year determined in accordance with Section C below.

**“Maximum Tier 2 Special Tax”** means the maximum Tier 2 Special Tax that can be levied on Taxable Property in any Fiscal Year determined in accordance with Section C below.

**“Multi-Family Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a residential structure that (i) is located within a mobile home park, or (ii) consists of two or more residential units that share common walls, including duplex, triplex and fourplex units, townhomes, condominiums and apartment

units. Multi-Family Property excludes residential second units established pursuant to Section 82-24 of the Zoning Ordinance Code.

**“Other Property”** means, in any Fiscal Year, all Parcels of Developed Property that are not Agricultural Property, Single Family Property, or Multi-Family Property.

**“Parcel”** see definition of Assessor’s Parcel.

**“Parcel Square Foot”** or **“Parcel Square Footage”** means, for Agricultural Property and Single Family Property, the square footage assigned to a Parcel as determined by the County Public Works Department based on information from the Assessor’s Parcel map.

**“PSWMF”** means any permanent stormwater management facility for treatment and/or flood control, as determined by the County Public Works Department, located within the boundaries of CFD No. 2007-1.

**“PSWMF Service Area”** means an area within a Tax Zone, as determined by the County Public Works Department, that is comprised of one or more Parcels that are served by a specific PSWMF.

**“Public Property”** means any property within the boundaries of CFD No. 2007-1 that is owned or irrevocable offered for dedication to the federal government, State of California, County, or other local governments or public agencies.

**“RMA”** means this Rate and Method of Apportionment of Special Tax.

**“Single Family Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a single family residential unit that does not share a common wall with another unit, except for attached residential second units established pursuant to Section 82-24 of the Zoning Ordinance Code. A Parcel of Single Family Property with an attached residential second unit established pursuant to Section 82-24 will be taxed as one Parcel of Single Family Property pursuant to this RMA. Excepted from classification as Single Family Property are Parcels of Agricultural Property and Parcels for which the single family residential use is not the primary use.

**“Special Taxes”** means, collectively, the Tier 1 Special Tax and Tier 2 Special Tax.

**“Taxable Property”** means all Assessors’ Parcels within the boundaries of CFD No. 2007-1 that are not exempt from the Special Tax pursuant to law or Section E below.

**“Taxable Public Property”** means, in any Fiscal Year, all Assessors’ Parcels in CFD No. 2007-1 that had, in prior Fiscal Years, been taxed as Developed Property and subsequently have come under the ownership of a public agency.

“**Tax Zone**” means one of the mutually exclusive tax zones identified in Attachment 2 of this RMA. Attachment 2 will be updated to include new Tax Zones or new Parcels added to CFD No. 2007-1 as a result of future annexations to the CFD.

“**Tier 1 Special Tax**” means a special tax levied in any Fiscal Year to pay the Tier 1 Special Tax Requirement.

“**Tier 1 Special Tax Requirement**” means the amount for *each separate Tax Zone* in CFD No. 2007-1 necessary in any Fiscal Year to (i) pay for Authorized Tier 1 Services, (ii) pay Administrative Expenses for the Fiscal Year, (iii) cure any delinquencies in the payment of Tier 1 Special Taxes levied in prior Fiscal Years or (based on delinquencies in the payment of Tier 1 Special Taxes which have already taken place) are expected to occur in the current Fiscal Year, and (iv) to create or replenish reserve funds.

“**Tier 2 Special Tax**” means a special tax levied in any Fiscal Year to pay the Tier 2 Special Tax Requirement.

“**Tier 2 Special Tax Requirement**” means, for *any PSWMF Service Area* within a Tax Zone, that amount necessary in any Fiscal Year to (i) pay for Authorized Tier 2 Services, (ii) pay Administrative Expenses that have not been included in the Tier 1 Special Tax Requirement, (iii) cure any delinquencies in the payment of Tier 2 Special Taxes levied in prior Fiscal Years or (based on delinquencies in the payment of Tier 2 Special Taxes which have already taken place) are expected to occur in the current Fiscal Year, and (iv) to create or replenish reserve funds.

“**Unit**” means (i) for Single Family Property, an individual single-family unit, (ii) for Multi-Family Property, an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, apartment structure, or mobile home park.

“**Unit Square Foot**” or “**Unit Square Footage**” means, for Multi-Family Property, the square footage assigned to a Parcel as determined by the County Public Works Department, based on information from the Assessor’s Parcel map, divided by the number of Units on that Parcel.

## **B. DATA COLLECTION FOR ANNUAL TAX LEVY**

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel numbers for all Parcels of Developed Property within CFD No. 2007-1 and shall determine within which Tax Zone each Assessor’s Parcel is located. Upon each annexation of property into CFD No. 2007-1, the Administrator shall update Attachment 2 of this RMA to include each new Parcel that is annexed into an existing Tax Zone or, if a new Tax Zone is created, each new Tax Zone and the Assessor’s Parcel(s) included in the Tax Zone. If a new Tax Zone is created, the Administrator shall update Attachment 1 of this RMA to include the Maximum Special Taxes for that Tax Zone. The Administrator shall also determine: (i) whether each Assessor’s Parcel of Developed Property is Agricultural Property, Single Family Property, Multi-Family Property, or Other Property, (ii) for Parcels of Agricultural Property and Single Family Property, the Parcel Square Footage of each Parcel, (ii) for Parcels of Multi-Family Property, the number of Units, the total

square footage of each Parcel, and the Unit Square Footage of each Unit, and (iii) for Other Property, the Impervious Square Footage of each Parcel. For Multi-Family Property, the number of Units shall be determined by referencing the development plan for the property or other County development records. Finally, the Administrator shall also determine the Tier 1 Special Tax Requirement for each Tax Zone.

The Administrator shall, on an ongoing basis, coordinate with County staff to determine whether a Tier 2 Special Tax levy will be required for any PSWMF Service Area. If such a levy is required, the Administrator shall determine the Tier 2 Special Tax Requirement for the PSWMF Service Area subject to the Tier 2 Special Tax levy. The Administrator shall also determine the current Assessor's Parcel number, the Parcel Square Footage of all Parcels of Agricultural Property and Single Family Property, the Unit Square Footage of all Parcels of Multi-Family Property, and the Impervious Square Footage of all Parcels of Other Property in the PSWMF Service Area subject to the levy.

In any Fiscal Year, if it is determined that (i) a parcel map for a portion of property in CFD No. 2007-1 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

### **C. MAXIMUM SPECIAL TAXES**

The Maximum Special Tax rates for each Tax Zone are shown in Attachment 1 of this RMA. The Maximum Special Taxes for a Parcel of Taxable Property shall be determined by the following:

#### **1. *Agricultural Property or Single Family Property***

The Maximum Special Taxes for a Parcel of Agricultural Property or Single Family Property is the sum of the applicable Maximum Tier 1 Special Tax and the Maximum Tier 2 Special Tax rates shown in Attachment 1 of this RMA for the Tax Zone and the then current Fiscal Year.

#### **2. *Multi-Family Property***

The Maximum Special Taxes for a Parcel of Multi-Family Property is the sum of (i) the number of Units on the Parcel multiplied by the applicable Maximum Tier 1 Special Tax rate for such Parcel, and (ii) the number of Units on the Parcel multiplied by the applicable Maximum Tier 2 Special Tax rate for such Parcel, as shown in Attachment 1 of this RMA for the Tax Zone and the then current Fiscal Year.

### 3. *Other Property*

The Maximum Special Taxes for a Parcel of Other Property is the sum of the Maximum Tier 1 Special Tax and Maximum Tier 2 Special Tax for such Parcel. The Maximum Tier 1 Special Tax for such Parcel is the sum of: (i) the base Maximum Tier 1 Special Tax for the Tax Zone, and (ii) the incremental Maximum Tier 1 Special Tax multiplied by the Parcel's Impervious Square Footage for the Tax Zone, as shown in Attachment 1 of this RMA. The Maximum Tier 2 Special Tax for such Parcel is the sum of: (i) the base Maximum Tier 2 Special Tax for the Tax Zone, and (ii) the incremental Maximum Tier 2 Special Tax multiplied by the Parcel's Impervious Square Footage for the Tax Zone, as shown in Attachment 1 of this RMA.

#### D. METHOD OF LEVY AND MANNER OF COLLECTION OF THE SPECIAL TAXES

The Special Taxes shall be levied and collected according to the methodology outlined below:

##### 1. *Tier 1 Special Tax*

For *each Tax Zone*, the Tier 1 Special Tax shall be levied as follows until the amount of the levy equals the Tier 1 Special Tax Requirement for that Tax Zone.

**Step 1:** The Tier 1 Special Tax shall be levied proportionately on each Parcel of Developed Property that is not Taxable Public Property up to 100% of the Maximum Tier 1 Special Tax for that Tax Zone, as shown in Attachment 1 of this RMA, until the amount levied is equal to the Tier 1 Special Tax Requirement for the Tax Zone.

**Step 2:** If additional revenue is needed after Step 2, the Tier 1 Special Tax shall be levied proportionately on each Parcel of Taxable Public Property up to 100% of the Maximum Tier 1 Special Tax that had applied to the Parcel prior to the Parcel becoming Taxable Public Property, until the amount levied is equal to the Tier 1 Special Tax Requirement for the Tax Zone.

The Tier 1 Special Tax for CFD No. 2007-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the County may bill directly, collect at a different time or in a different manner.

##### 2. *Tier 2 Special Tax*

For *any PSWMF Service Area* in a Tax Zone, the Tier 2 Special Tax, if applicable, shall be levied as follows until the amount of the levy equals the Tier 2 Special Tax Requirement for that PSWMF Service Area.

**Step 1:** The Tier 2 Special Tax shall be levied proportionately on each Parcel of Developed Property that is not Taxable Public Property up to 100% of the

Maximum Tier 2 Special Tax for that Tax Zone, as shown in Attachment 1 of this RMA, until the amount levied is equal to the Tier 2 Special Tax Requirement for the PSWMF Service Area.

**Step 2:** If additional revenue is needed after Step 1, the Tier 2 Special Tax shall be levied proportionately on each Parcel of Taxable Public Property up to 100% of the Maximum Tier 2 Special Tax that had applied to the Parcel prior to the Parcel becoming Taxable Public Property, until the amount levied is equal to the Tier 2 Special Tax Requirement for the PSWMF Service Area.

The Tier 2 Special Tax for CFD No. 2007-1 shall be billed directly to the property owner(s) within a PSWMF Service Area on an as needed basis.

#### **E. LIMITATIONS**

Notwithstanding any other provision of this RMA, no Special Tax shall be levied on Public Property that is not Taxable Public Property or property owned by a homeowner's or property owner's association.

#### **F. INTERPRETATION OF SPECIAL TAX FORMULA**

The County reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the County's discretion. Interpretations may be made by the County by resolution of the Board of Supervisors for purposes of clarifying any vagueness or ambiguity in this RMA.

#### **G. APPEAL OF SPECIAL TAX LEVY**

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than one calendar year after having paid the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and decide the appeal. If the property owner disagrees with the Administrator's decision relative to the appeal, the owner may then file a written appeal with the Board of Supervisors whose subsequent decision shall be binding. If the decision of the Administrator (if the appeal is not filed with the Board of Supervisors) or the Board of Supervisors (if the appeal is filed with the Board of Supervisors) requires the Special Tax to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Tax levies, but an adjustment shall be made to the next Special Tax levy. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any legal action by such owner.

## Attachment 1

### County of Contra Costa Community Facilities District No. 2007-1 (Stormwater Facility Maintenance)

#### Maximum Special Taxes for Tax Zone 1<sup>1</sup> For Agricultural Property, Single Family Property, and Multi-Family Property

Type of Property	Square Footage (Sq.Ft.)	Maximum Special Taxes for FY 2007-08 <sup>2</sup>		
		Maximum Tier 1 Special Tax	Maximum Tier 2 Special Tax	Maximum Special Taxes
Agricultural Property	N/A	\$564.17 per Parcel	\$9,378.63 per Parcel	\$9,942.80 per Parcel
Single Family Property	Less than 5,000 Parcel Sq.Ft.	\$349.88 per Parcel	\$5,816.32 per Parcel	\$6,166.20 per Parcel
	5,000 TO 5,999 Parcel Sq.Ft.	\$355.79 per Parcel	\$5,914.56 per Parcel	\$6,270.35 per Parcel
	6,000 TO 6,999 Parcel Sq.Ft.	\$362.20 per Parcel	\$6,021.17 per Parcel	\$6,383.37 per Parcel
	7,000 TO 7,999 Parcel Sq.Ft.	\$368.14 per Parcel	\$6,119.97 per Parcel	\$6,488.11 per Parcel
	8,000 TO 9,999 Parcel Sq.Ft.	\$376.54 per Parcel	\$6,259.51 per Parcel	\$6,636.05 per Parcel
	10,000 TO 13,999 Parcel Sq.Ft.	\$394.30 per Parcel	\$6,554.79 per Parcel	\$6,949.09 per Parcel
	14,000 TO 19,999 Parcel Sq.Ft.	\$422.94 per Parcel	\$7,030.92 per Parcel	\$7,453.86 per Parcel
	20,000 TO 29,999 Parcel Sq.Ft.	\$465.89 per Parcel	\$7,744.83 per Parcel	\$8,210.72 per Parcel
	30,000 TO 39,999 Parcel Sq.Ft.	\$516.76 per Parcel	\$8,590.48 per Parcel	\$9,107.24 per Parcel
	Greater than or Equal to 40,000 Parcel Sq.Ft.	\$564.17 per Parcel	\$9,378.63 per Parcel	\$9,942.80 per Parcel
Multi-Family Property	Less than 2,500 Unit Sq.Ft.	\$267.61 per Unit	\$4,448.77 per Unit	\$4,716.38 per Unit
	2,500 TO 2,999 Unit Sq.Ft.	\$269.85 per Unit	\$4,486.17 per Unit	\$4,756.02 per Unit
	3,000 TO 3,999 Unit Sq.Ft.	\$279.27 per Unit	\$4,642.46 per Unit	\$4,921.73 per Unit
	4,000 TO 4,999 Unit Sq.Ft.	\$291.12 per Unit	\$4,839.50 per Unit	\$5,130.62 per Unit
	5,000 TO 5,999 Unit Sq.Ft.	\$303.44 per Unit	\$5,044.35 per Unit	\$5,347.79 per Unit
	6,000 TO 6,999 Unit Sq.Ft.	\$315.80 per Unit	\$5,249.76 per Unit	\$5,565.56 per Unit
	7,000 TO 7,999 Unit Sq.Ft.	\$327.65 per Unit	\$5,446.80 per Unit	\$5,774.45 per Unit
		Greater than or Equal to 8,000 Unit Sq.Ft.	\$333.59 per Unit	\$5,545.60 per Unit

<sup>1</sup>Tax Zones that are added to CFD No. 2007-1 as a result of future annexations will have their Maximum Special Taxes determined during the annexation process. This Attachment 1 shall be updated to reflect each new annexation.

<sup>2</sup>Beginning in January 2008, and each January thereafter, the Maximum Special Taxes shown in this Attachment 1 shall be adjusted by applying the greater of (i) the increase, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose Area for All Urban Consumers that had occurred since January of the prior year, or (ii) the increase, if any, in the Engineering News Record's Common Labor Index that had occurred since January of the prior year. Each annual adjustment of the Maximum Special Taxes shall be come effective on the following July 1.

**Attachment 1 Cont.**

**County of Contra Costa  
Community Facilities District No. 2007-1  
(Stormwater Facility Maintenance)**

**Maximum Special Taxes for Tax Zone 1<sup>1</sup>  
For Other Property**

<b>Maximum Special Taxes for FY 2007-08<sup>2</sup></b>					
<b>Maximum Tier 1 Special Tax</b>		<b>Maximum Tier 2 Special Tax</b>		<b>Maximum Special Taxes</b>	
<b>Base Maximum Tier 1 Special Tax (per Parcel)</b>	<b>Incremental Maximum Tier 1 Special Tax (per Impervious Square Foot)</b>	<b>Base Maximum Tier 2 Special Tax (per Parcel)</b>	<b>Incremental Maximum Tier 2 Special Tax (per Impervious Square Foot)</b>	<b>Base Maximum Special Taxes (per Parcel)</b>	<b>Incremental Maximum Special Taxes (per Impervious Square Foot)</b>
\$275.00	\$0.02	\$5,600.00	\$0.12	\$5,875.00	\$0.14

<sup>1</sup>Tax Zones that are added to CFD No. 2007-1 as a result of future annexations will have their Maximum Special Taxes determined during the annexation process. This Attachment 1 shall be updated to reflect each new annexation.

<sup>2</sup>Beginning in January 2008, and each January thereafter, the Maximum Special Taxes shown in this Attachment 1 shall be adjusted by applying the greater of (i) the increase, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose Area for All Urban Consumers that had occurred since January of the prior year, or (ii) the increase, if any, in the Engineering News Record's Common Labor Index that had occurred since January of the prior year. Each annual adjustment of the Maximum Special Taxes shall be come effective on the following July 1.

## Attachment 2

### County of Contra Costa Community Facilities District No. 2007-1 (Stormwater Facility Maintenance)

#### Identification of Tax Zones

Tax Zone	Assessor's Parcels Included in Tax Zone <sup>1</sup>
1	098-180-027 098-180-030

<sup>1</sup>The property identified by the Assessor's Parcel numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. This Attachment 2 shall be updated to reflect Parcels that are added to a Tax Zone or Tax Zones that are added to CFD No. 2007-1 as a result of future annexions.

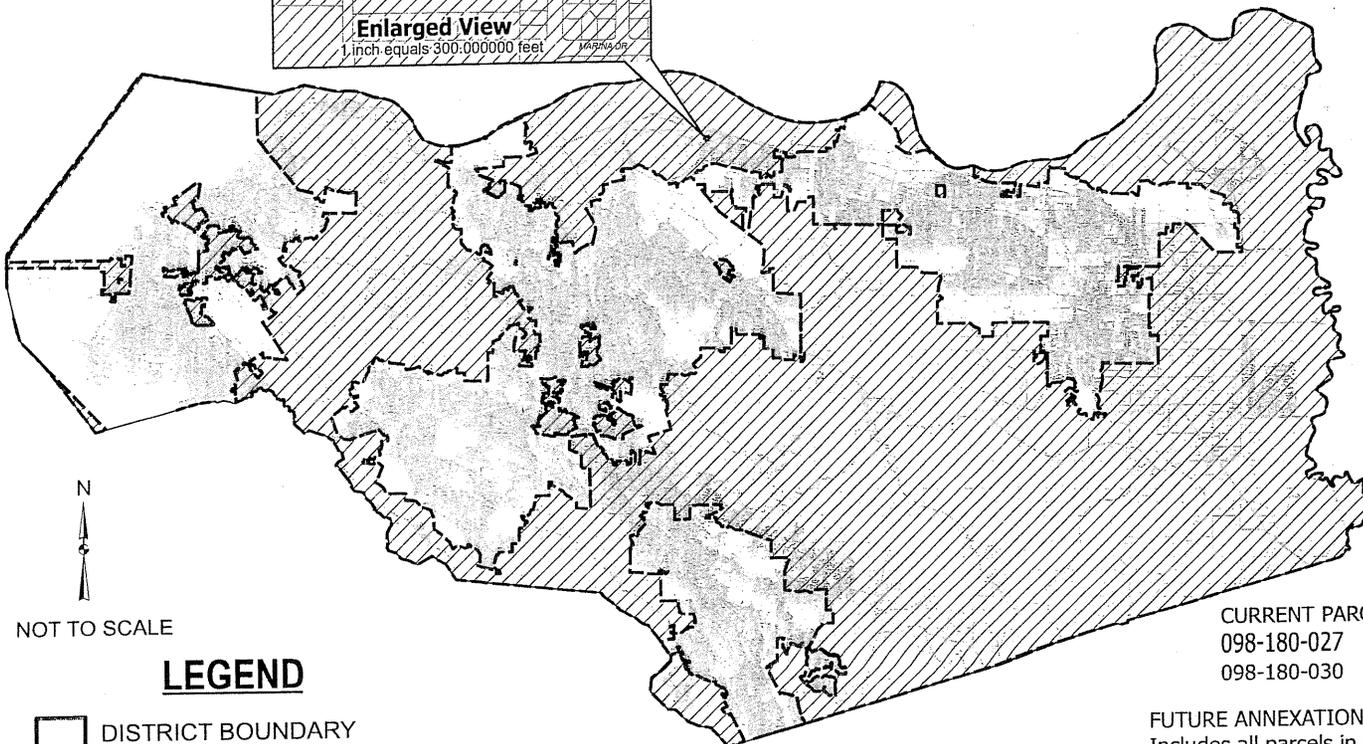
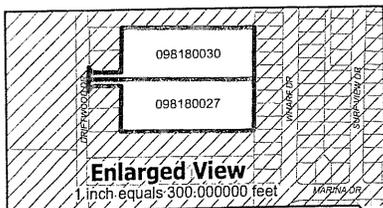
**APPENDIX D**

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*Boundary Map of  
Community Facilities District No. 2007-1*

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# PROPOSED BOUNDARY MAP CONTRA COSTA COUNTY COMMUNITY FACILITIES DISTRICT NO. 2007-1 (STORMWATER MANAGEMENT FACILITIES) COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA



NOT TO SCALE

## LEGEND

-  DISTRICT BOUNDARY
-  FUTURE ANNEXATION AREA

CURRENT PARCEL NUMBERS IN DISTRICT BOUNDARY  
098-180-027  
098-180-030

FUTURE ANNEXATION AREA  
Includes all parcels in the unincorporated portion of Contra Costa County  
except for the parcels currently within the district boundary

Filed in the office of the Clerk of the Board of  
Supervisors of the County of Contra Costa, this  
\_\_\_\_ day of \_\_\_\_\_, 2007.

By: \_\_\_\_\_  
Clerk of the Board of  
Supervisors,  
County of Contra Costa

I hereby certify that the within map showing  
proposed boundaries of the County of Contra  
Costa Community Facilities District No. 2007-1  
(Stormwater Management Facilities), County  
of Contra Costa, State of California, was  
approved by the Board of Supervisors of the  
County of Contra Costa at a meeting thereof  
held on the \_\_\_\_ day of \_\_\_\_\_,  
2007, by its Resolution No. \_\_\_\_\_.

By: \_\_\_\_\_  
Clerk of the Board of  
Supervisors,  
County of Contra Costa

Filed this \_\_\_\_ day of \_\_\_\_\_, 2007,  
at the hour of \_\_\_\_ o'clock \_\_\_\_ m., in Book  
\_\_\_\_ of Maps of Assessment and Community  
Facilities Districts at Page \_\_\_\_ in the office of  
the County Recorder in the County of Contra  
Costa, State of California.

By: \_\_\_\_\_  
County Recorder,  
County of Contra Costa

**APPENDIX E**

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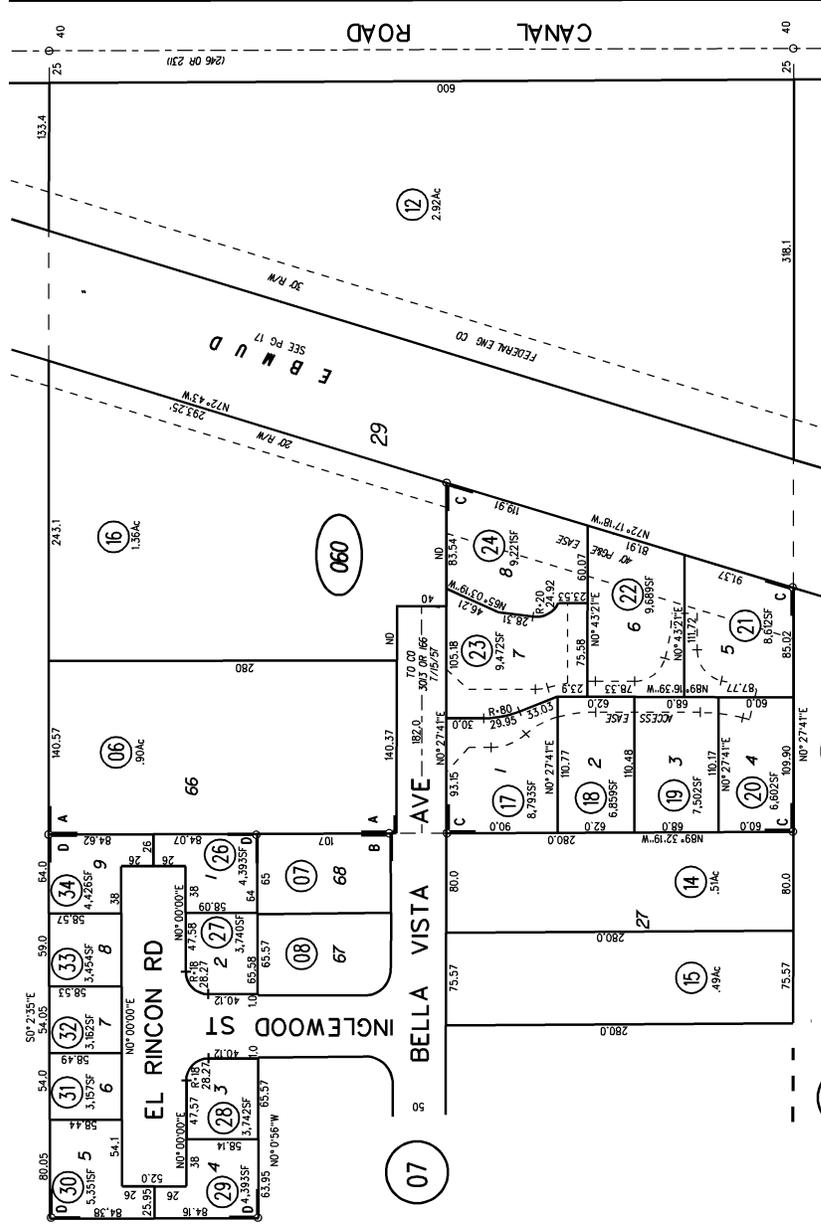
*Assessor's Parcel Maps for  
Fiscal Year 2016-17*

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- A- BELLA VISTA MB 18-450 6/3/1924
- B- AMENDED MAP OF BELLA VISTA MB 31-12 10/7/1946
- C- TRACT 8902 MB 499-23 11/29/2006
- D- TRACT 9189 MB 512-9 (BAY POINT HOMES) 8/10/2010



11



14

TR 9189 9/75/10

060

05

04

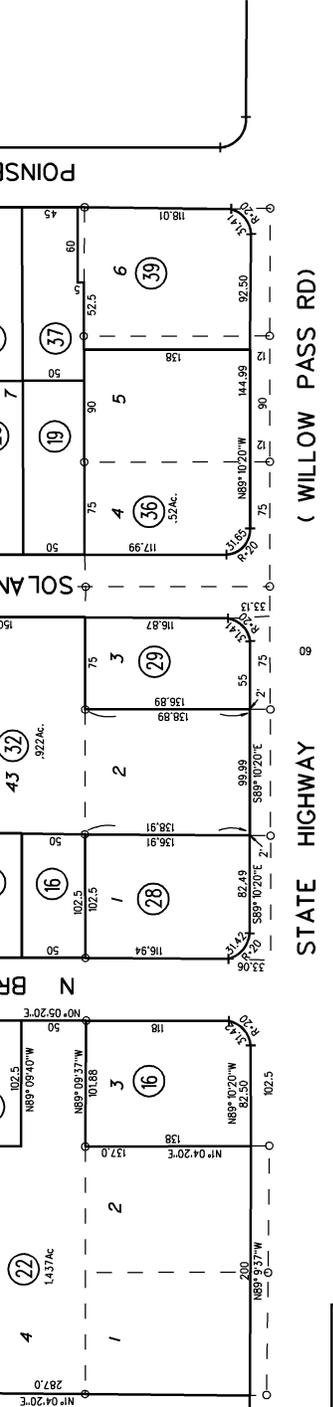
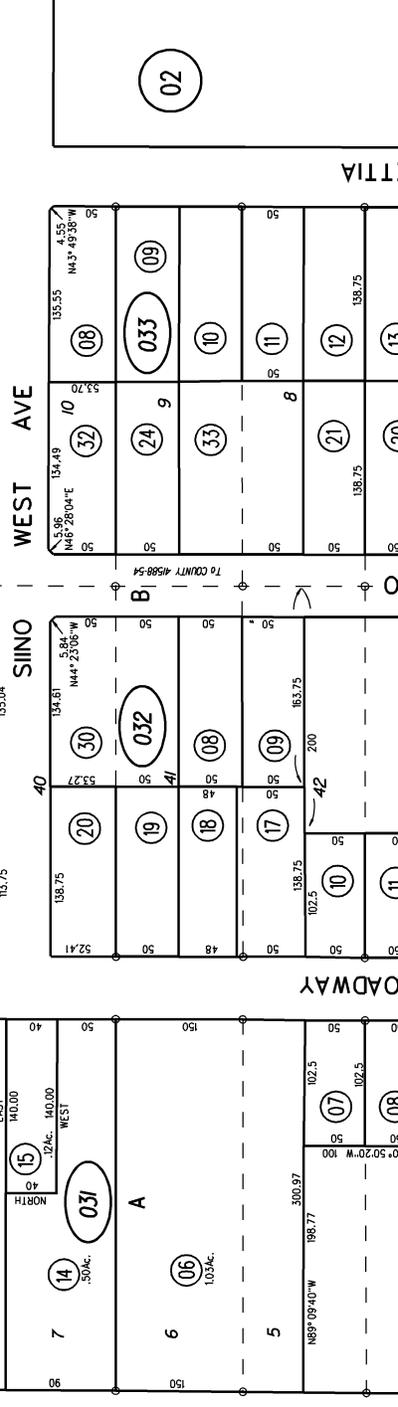
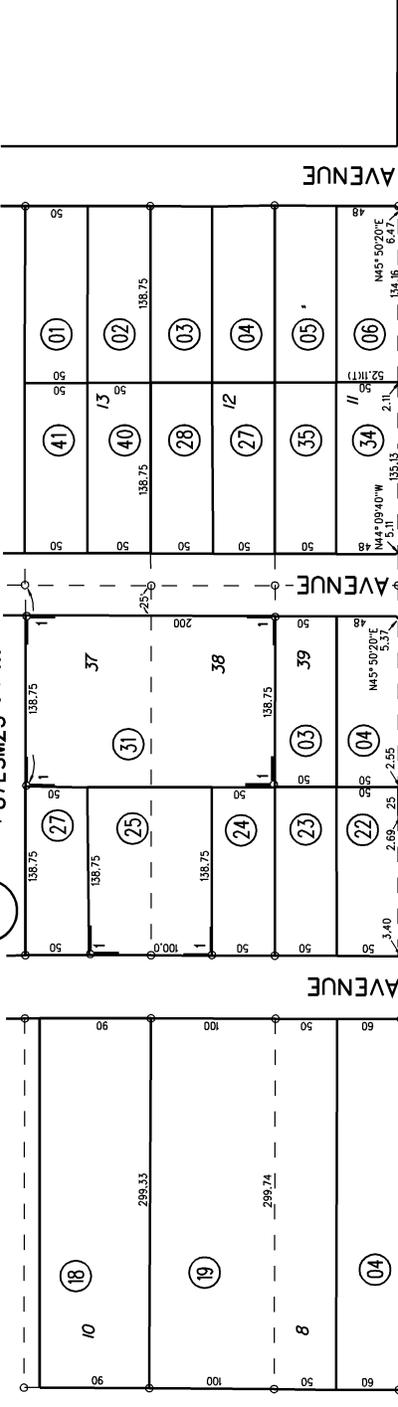
NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



POINSETTA LAND CO WEST PITTSBURG TRACT UNIT No 1 MB 19-506 6/8/1926

1-87LSM25 5/4/1988

04



STATE HIGHWAY 88 (WILLOW PASS RD)

P B / 98

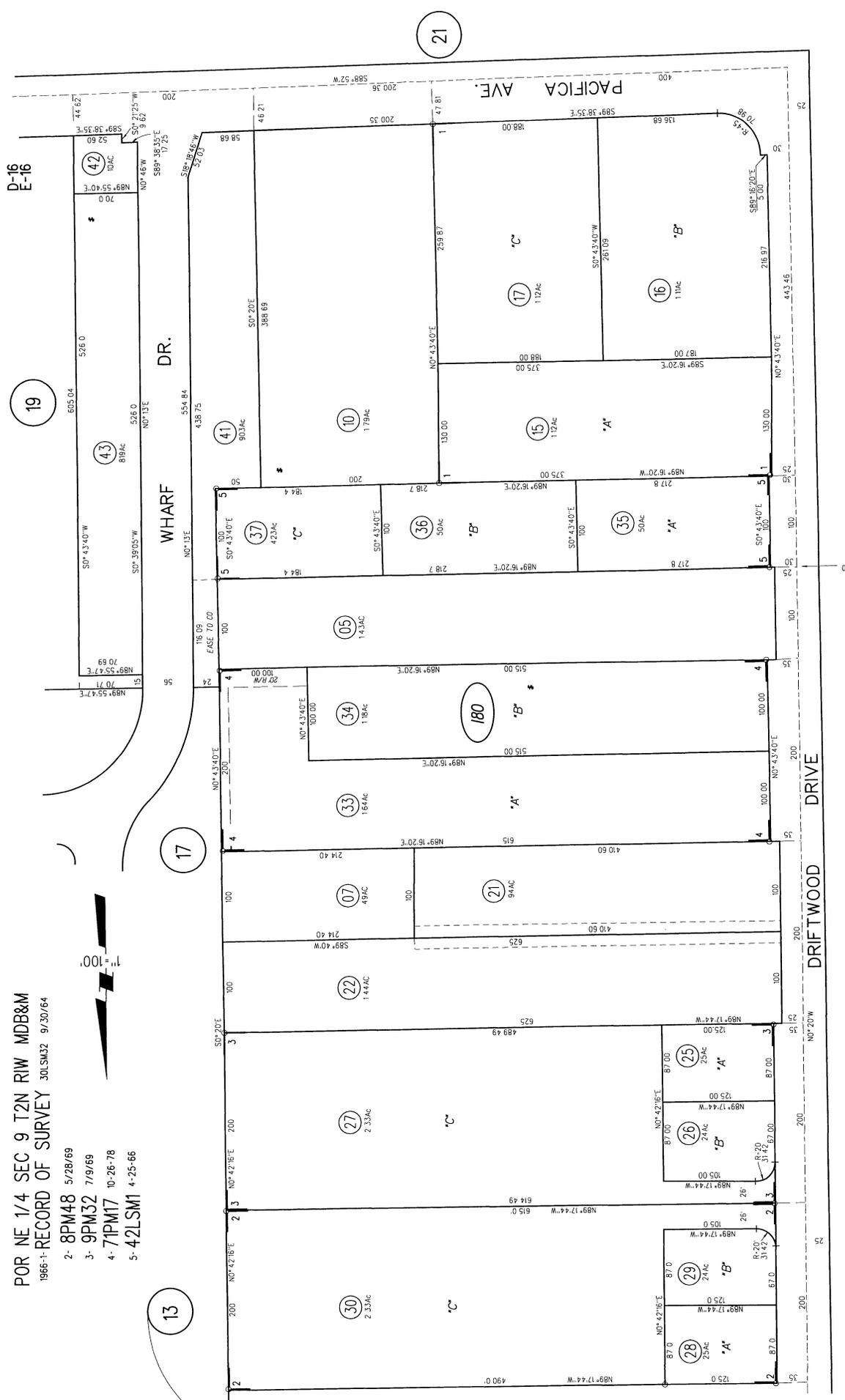
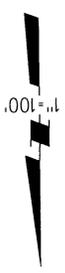
NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREON. THE INFORMATION MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

031 032 033

22 1/18/11 6/7/05

POR NE 1/4 SEC 9 T2N RIW MDB&M  
 1966-1-RECORD OF SURVEY 30L3M32 9/30/64

- 2- 8PM48 5/28/69
- 3- 9PM32 7/9/69
- 4- 7PM17 10-26-78
- 5- 4ZLSM1 4-25-66



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

BK  
 99

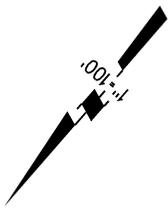
180

43  
 4/17/06

FM 103-12  
 ASSESSOR'S MAP  
 BOOK 98 PAGE 18  
 CONTRA COSTA COUNTY, CALIF.



AYERS RANCH SUBN MB 7-170 7/2/1912  
 1-152PM11 4/9/1991  
 A-2015- TRACT 8769 MB 517-30 (LAUREL PLACE) 8/20/13  
 2-153PM50 8/21/1991



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO WARRANTY IS MADE FOR UNDEVELOPED OR UNIMPROVED LAND. THE BOUNDARIES SHOWN ARE BASED ON THE BEST AVAILABLE RECORDS AND FIELD SURVEY. THE MAP DOES NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

75-1  
 ASSESSOR'S MAP  
 BOOK 116 PAGE 10  
 CONTRA COSTA COUNTY, CALIF.

TR  
 8769  
 10/23/13

100

11

12

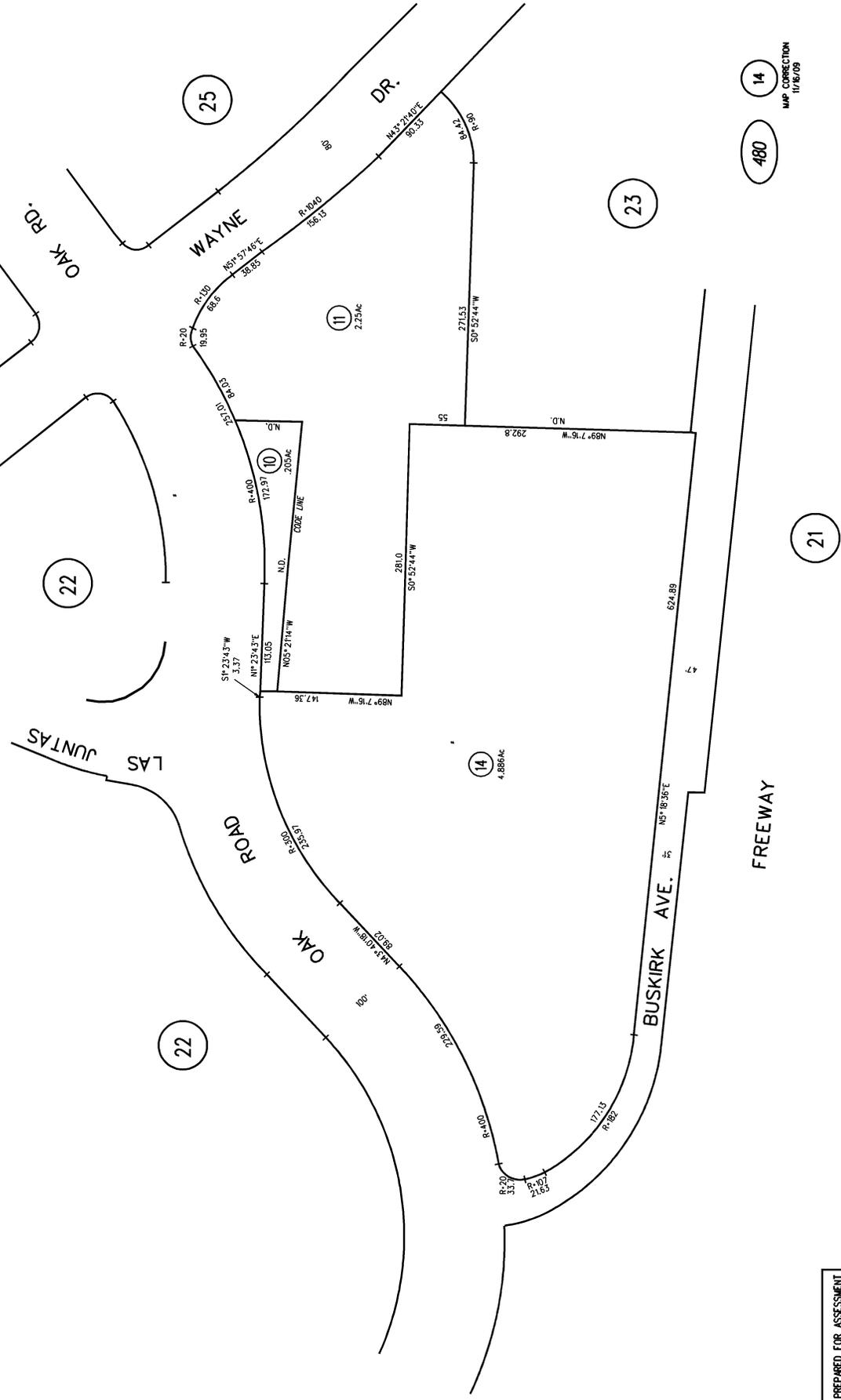
08

09

100

07

PORS. TR2027 & TR2147, LAS JUNTAS ESTATES, RANCHO LAS JUNTAS



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELIVERED HEREON. ASSESSOR'S TARGETS MAY BE PLACED IN ANY LOCATION PER CITY OR BUILDING SITE ORDINANCES.

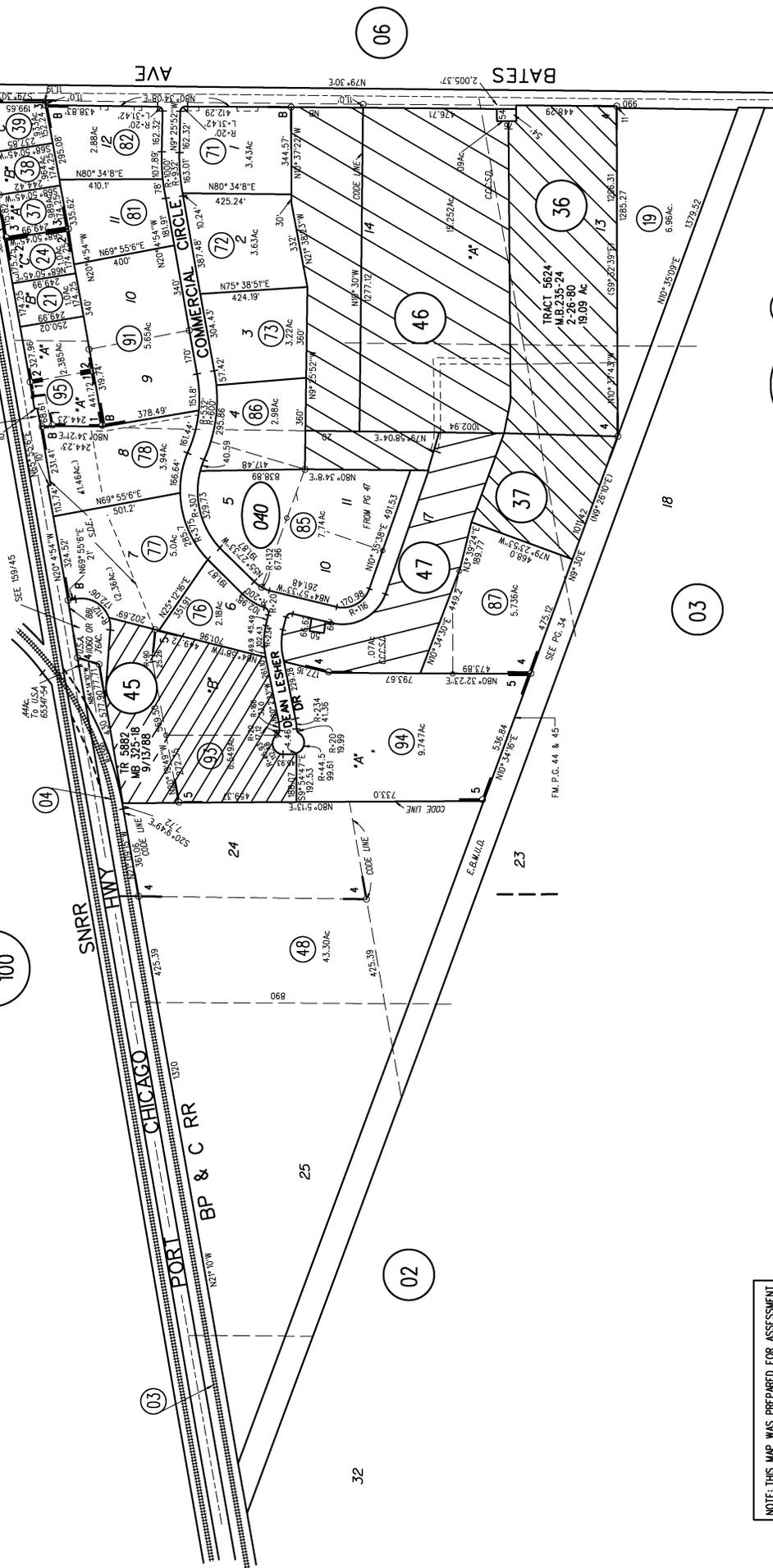
FU 448-202223 72996  
 ASSESSOR'S MAP  
 BOOK 148 PAGE 48  
 CONTRA COSTA COUNTY, CALIF.

480 14  
 MAP CORRECTION  
 1/16/05



- GOVERNMENT RANCH** BK D-87 11/8/1884
- A- TRACT 7320 MB 336-26 (REVERSION TO ACREE) 8/18/1989
  - B- TRACT 7048 MB 353-13 (NORTH POINT BUSINESS PARK) 10/30/1990
- 1- 55LSM8 6/7/772
  - 2- 57LSM9 6/14/174
  - 3- 60LSM34 3/30/716
  - 4- 63LSM46 12/28/777
  - 5- 180PM7 12/18/000

BK  
100

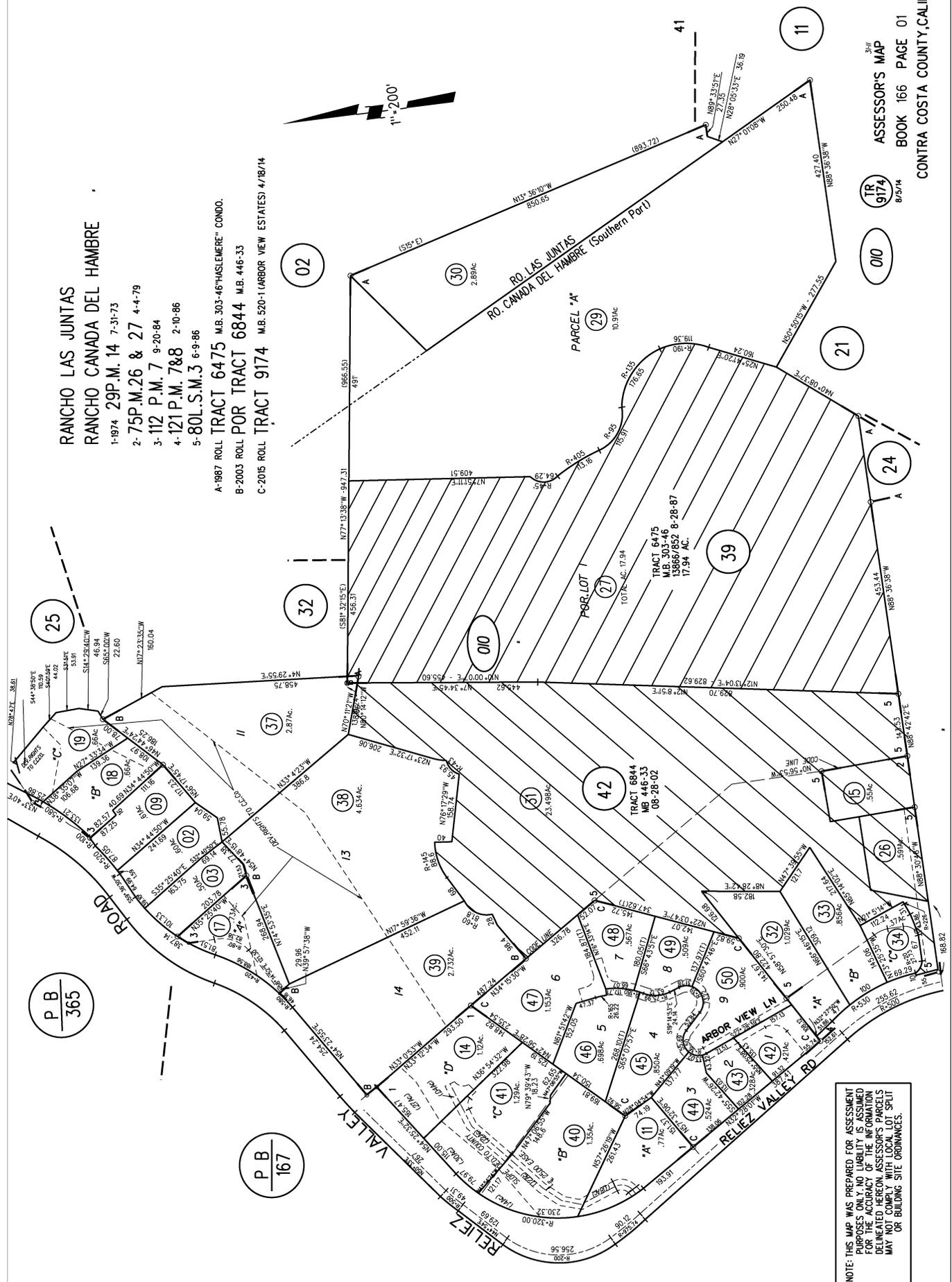


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

**RANCHO LAS JUNTAS**  
**RANCHO CANADA DEL HAMBRE**

- 1-1974 29P.M. 14 7-31-73
- 2-75P.M. 26 & 27 4-4-79
- 3-112 P.M. 7 9-20-84
- 4-121 P.M. 7&8 2-10-86
- 5-80L.S.M. 3 6-9-86

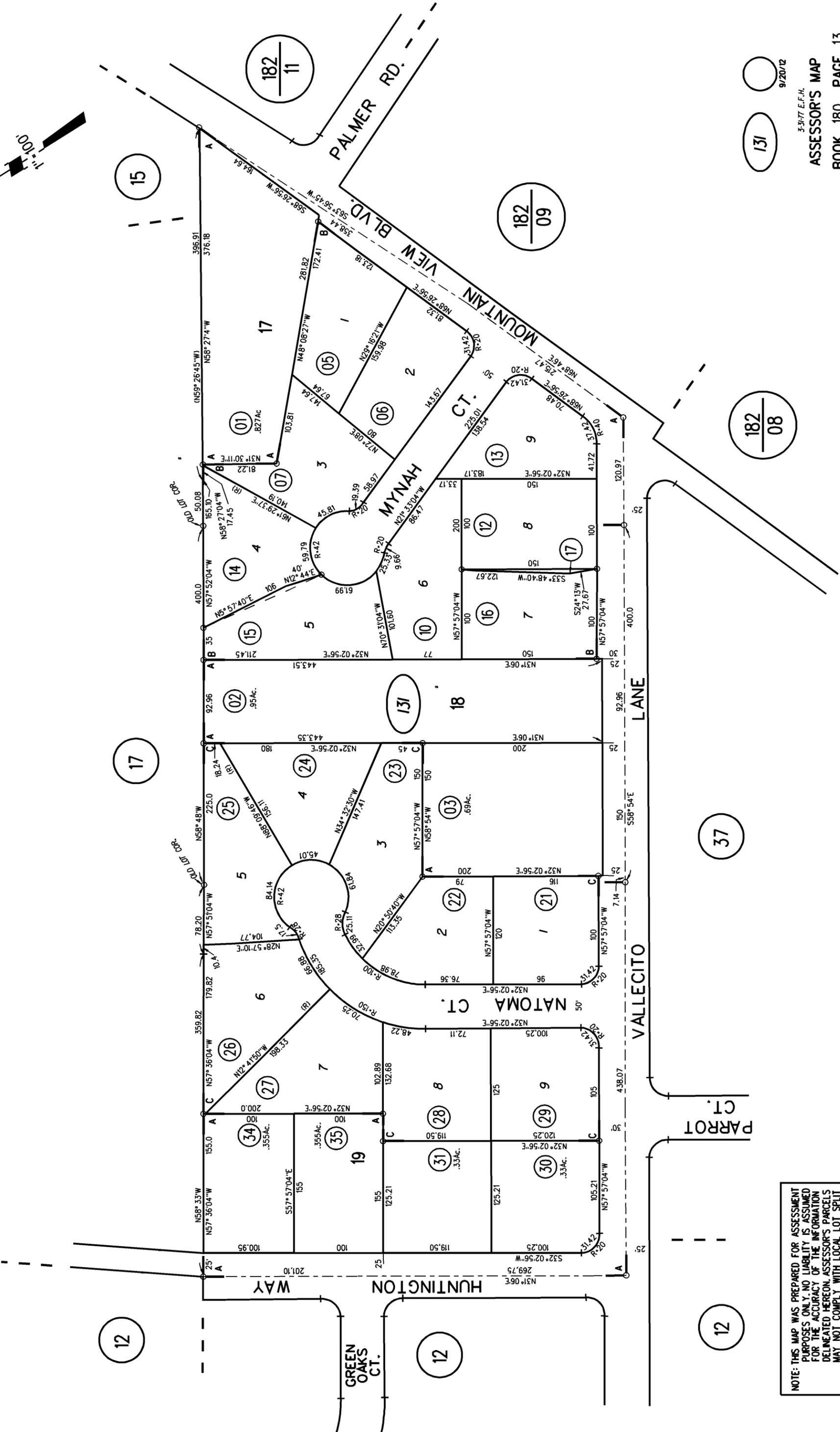
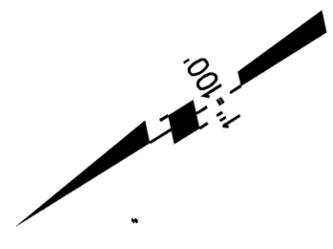
- A-1987 ROLL TRACT 6475 M.B. 303-46 "HASLEMERE" CONDO.
- B-2003 ROLL POR TRACT 6844 M.B. 446-33
- C-2015 ROLL TRACT 9174 M.B. 520-1 (ARBOR VIEW ESTATES) 4/18/14



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

ASSESSOR'S MAP  
 BOOK 166 PAGE 01  
 CONTRA COSTA COUNTY, CALIF.

A- NORRIS ADD'N TO WALNUT HEIGHTS M.B. 7-174  
 B- TRACT 2621 (POLLY ACRES) M.B. 70-13  
 C- TRACT 3121 M.B. 93-46



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

131

182/08

182/09

182/11

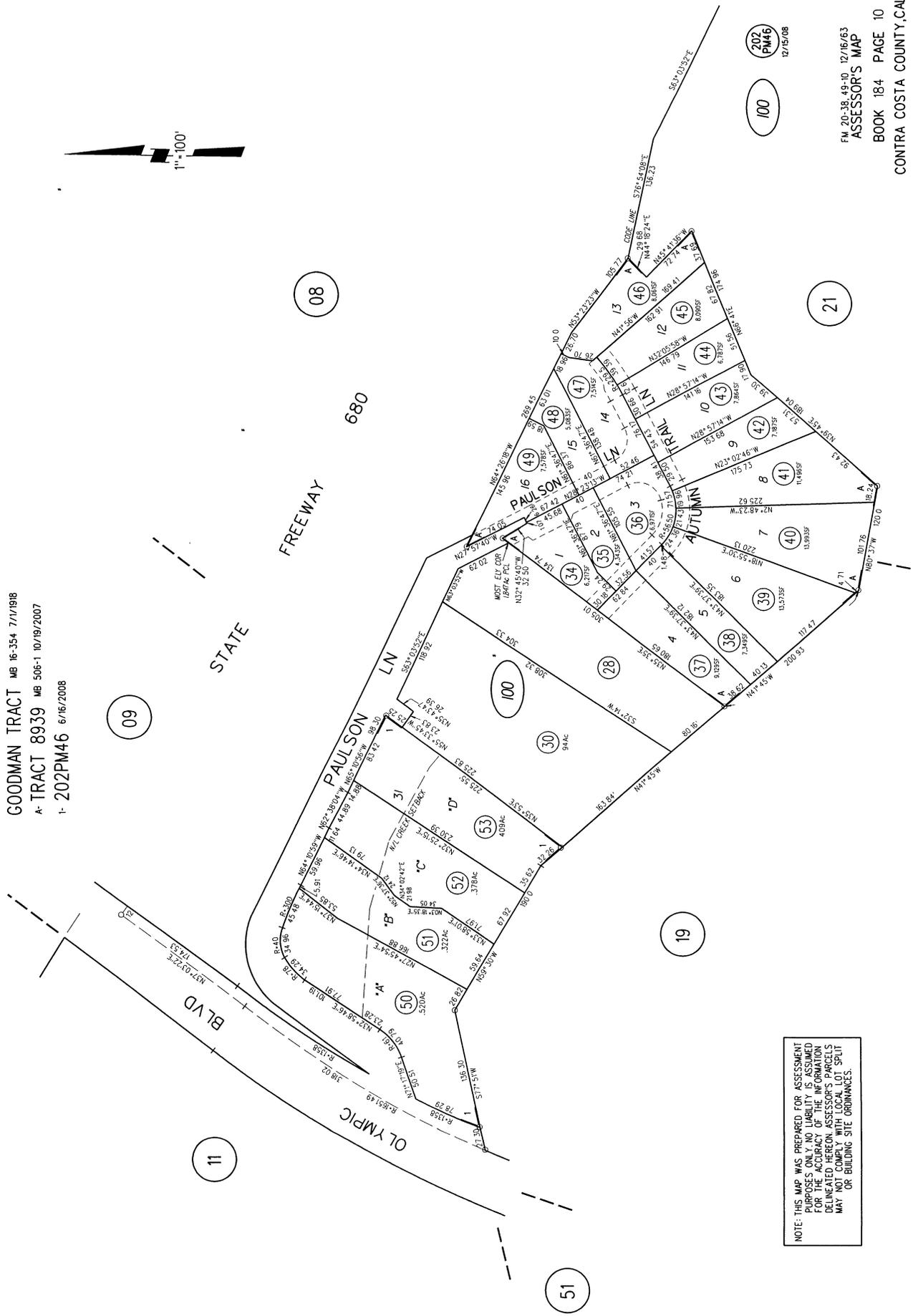
37

17

12

12

GOODMAN TRACT MB 16-354 7/1/1918  
 A- TRACT 8939 MB 506-1 10/19/2007  
 1- 202PM46 6/16/2008

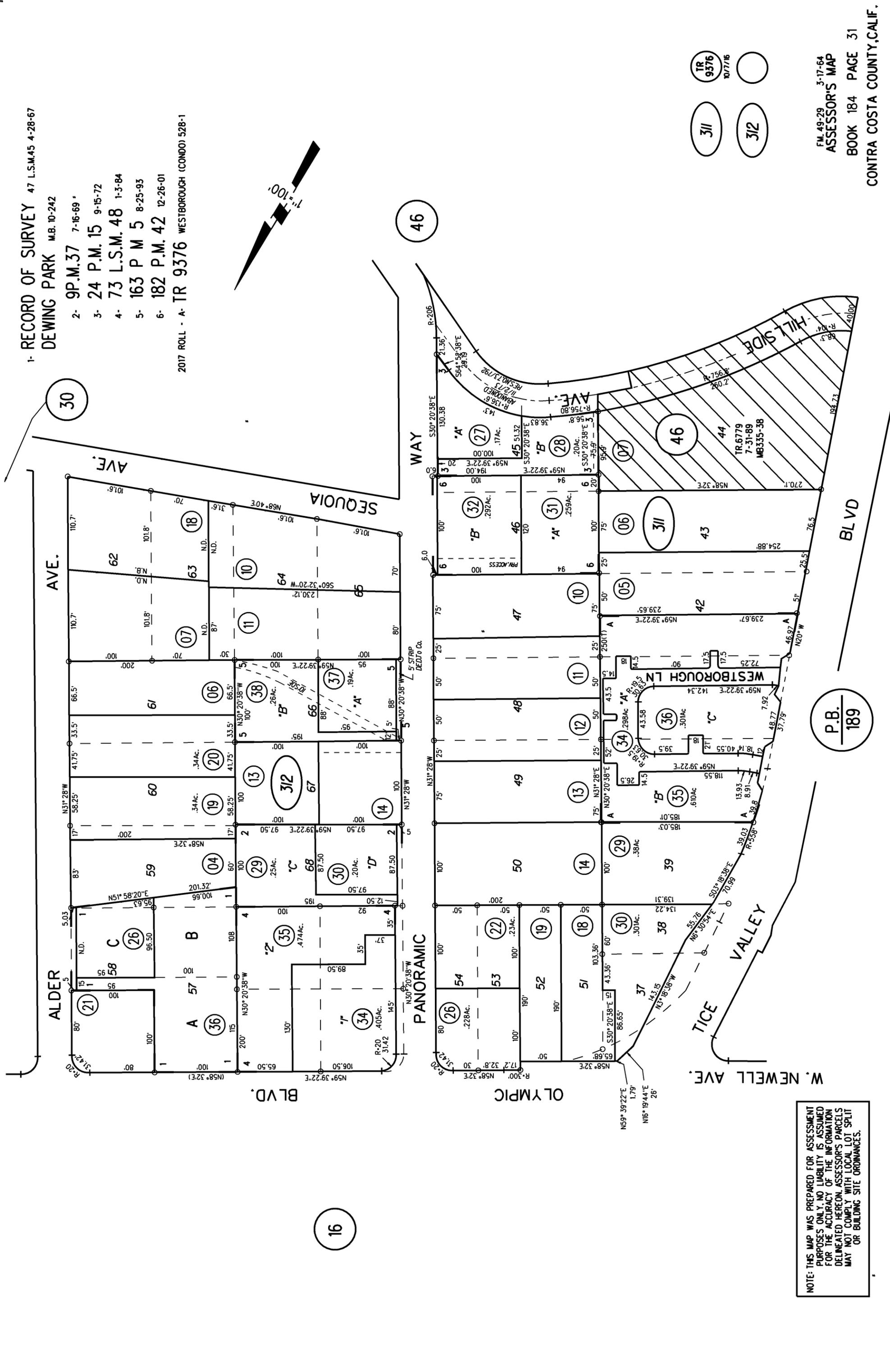
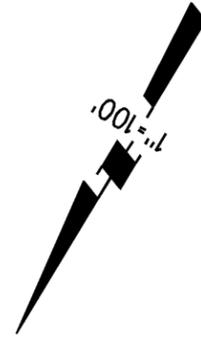


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY AND IS NOT TO BE USED FOR ANY OTHER PURPOSES. THE INFORMATION DELINEATED HEREON, ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

202 PM46  
 12/16/08

FM 20-38-49-10 12/16/63  
 ASSESSOR'S MAP  
 BOOK 184 PAGE 10  
 CONTRA COSTA COUNTY, CALIF.

1- RECORD OF SURVEY 47 L.S.M.45 4-28-67  
 DEWING PARK M.B. 10-242  
 2- 9P.M.37 7-16-69 \*  
 3- 24 P.M. 15 9-15-72  
 4- 73 L.S.M. 48 1-3-84  
 5- 163 P M 5 8-25-93  
 6- 182 P.M. 42 12-26-01  
 2017 ROLL - A- TR 9376 WESTBOROUGH (CONDO) 528-1



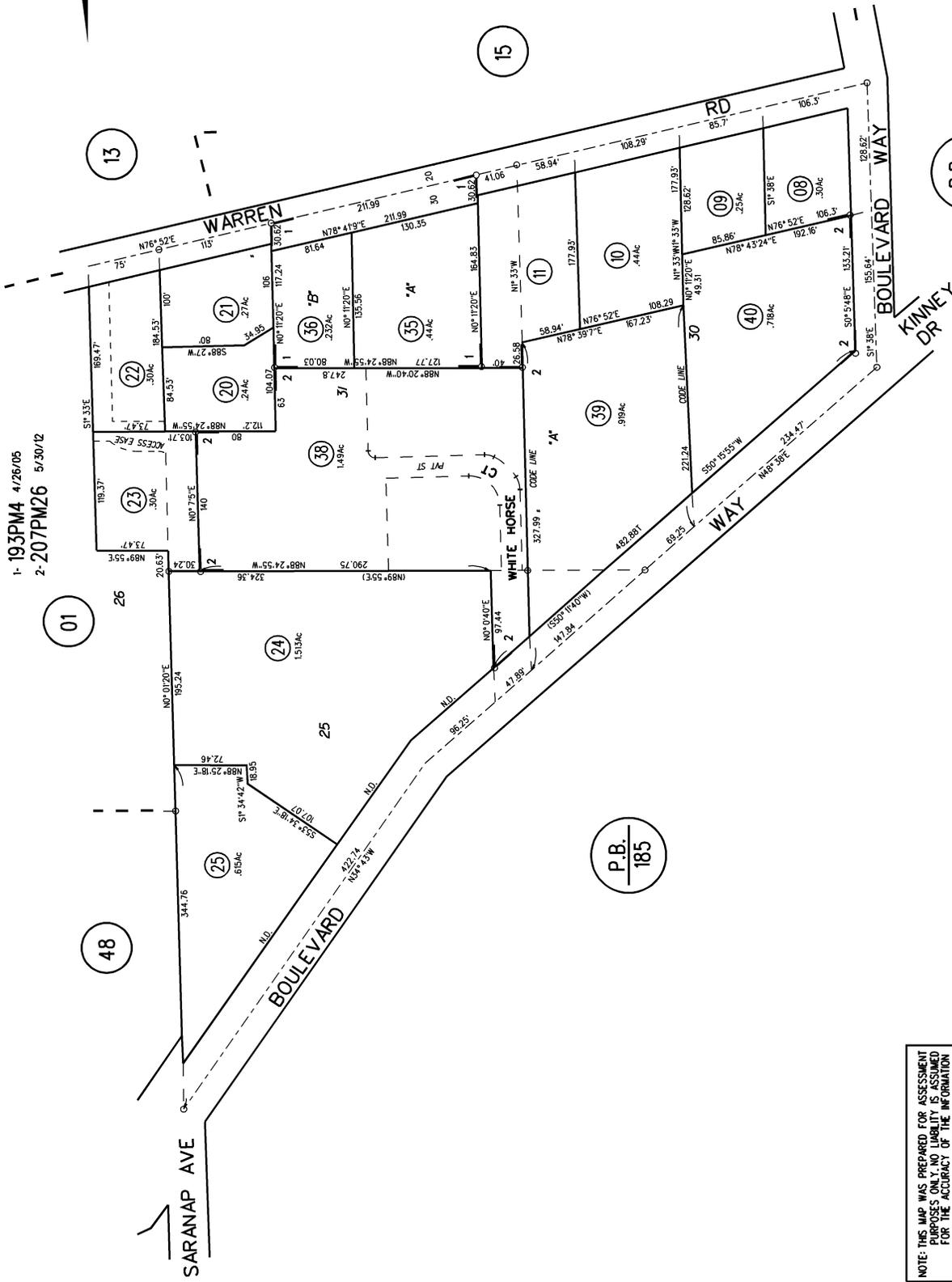
311  
 312  
 TR 9376  
 10/7/16

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

P.B. 189

FLORALAND TRACT MB 10-241

1- 193PM4 4/26/05  
2- 207PM26 5/30/12



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELIVERED HEREON. ASSESSOR'S MAPS MAY NOT CONFORM WITH LOCAL, STATE OR BUILDING SITE ORDINANCES.

P.B.  
185

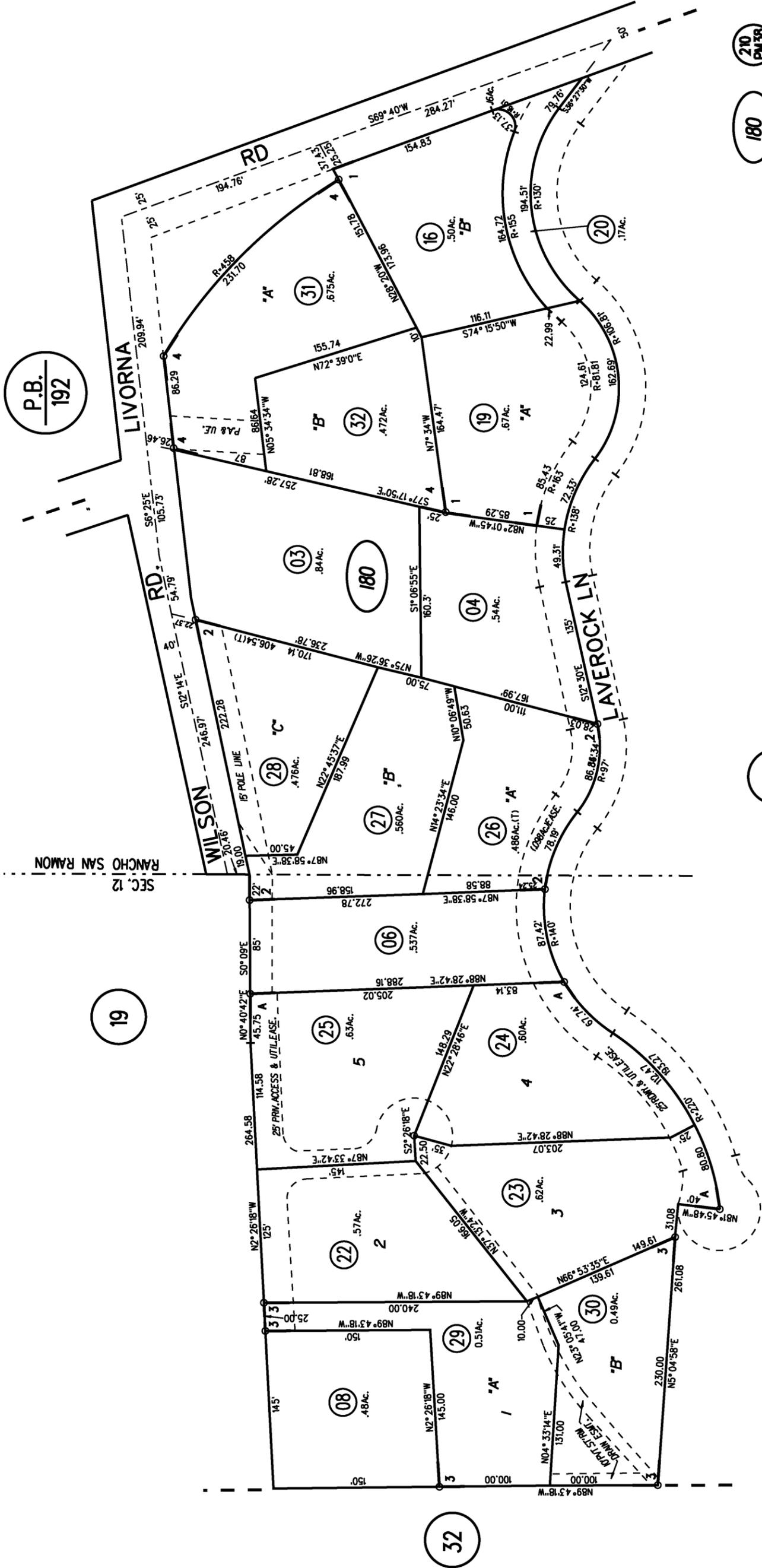
P.B.  
185

207  
PM26  
9/20/12

450

FM 49-2021 1-31-64  
ASSESSOR'S MAP  
BOOK 184 PAGE 45  
CONTRA COSTA COUNTY, CALIF.

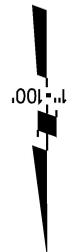
**RANCHO SAN RAMON**  
**N.1/2SEC. 12 T.1S., R.2W., M.D.B.&M.**  
**RECORD OF SURVEY 34 L.S.M.45 6-2-65**  
**TRACT 6859 M.B. 316-30**  
**1- 133 P.M. 17 5-11-88**  
**2- 159 P.M. 38 9-18-92**  
**3- 210 P.M. 38 2-16-16**



180  
 210 P.M. 38  
 8/27/16

33

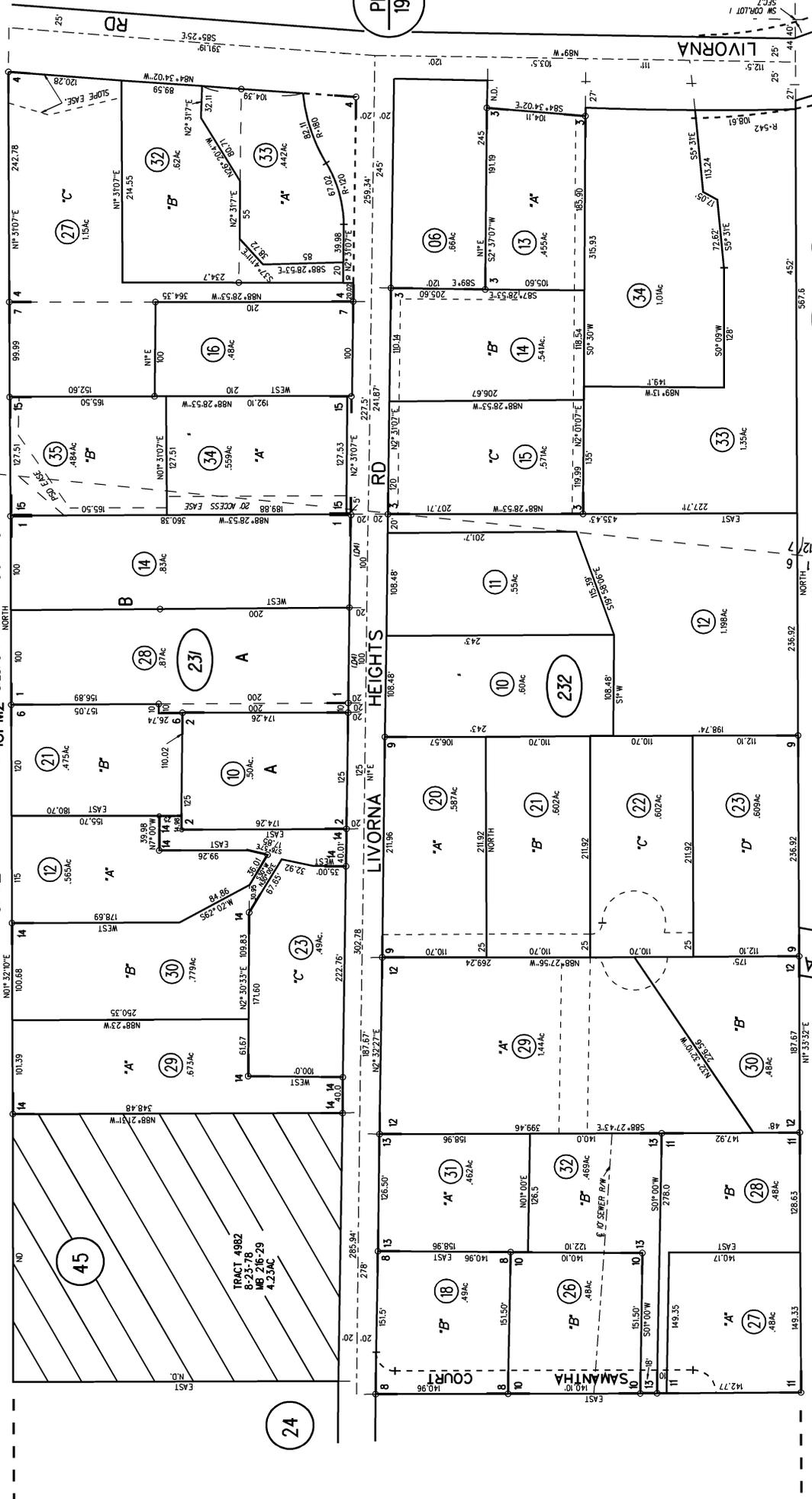
NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



- 9- 44LSM30 8/25/19
- 10- 32PM10 1/25/1974
- 11- 48PM43 10/1/1976
- 12- 59PM3 10/28/1977
- 13- 83PM37 1/8/1980
- 14- 115PM34 4/30/1985
- 15- 205PM48 12/23/2000
- 2- 39LSM28 1/9/1966
- 3- 5PM42 10/1/1968
- 4- 6PM27 12/12/1968
- 6- 3PM22 4/22/1968
- 7- 5PM21 9/11/1968
- 8- 18PM2 8/25/1971

SEC 6 & 7 T1S R1W MDB&M

25



TRACT 4982  
8-23-78  
MB 216-29  
4.23AC

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL ZONE SPLIT MAP OR DOLLING SITE ORDINANCES.

231  
232  
205 PM48 1/31/11

29

30

PB 192

APPALUSA DR

SAMANTHA

LIVORNA

HEIGHTS

**RANCHO SAN RAMON**

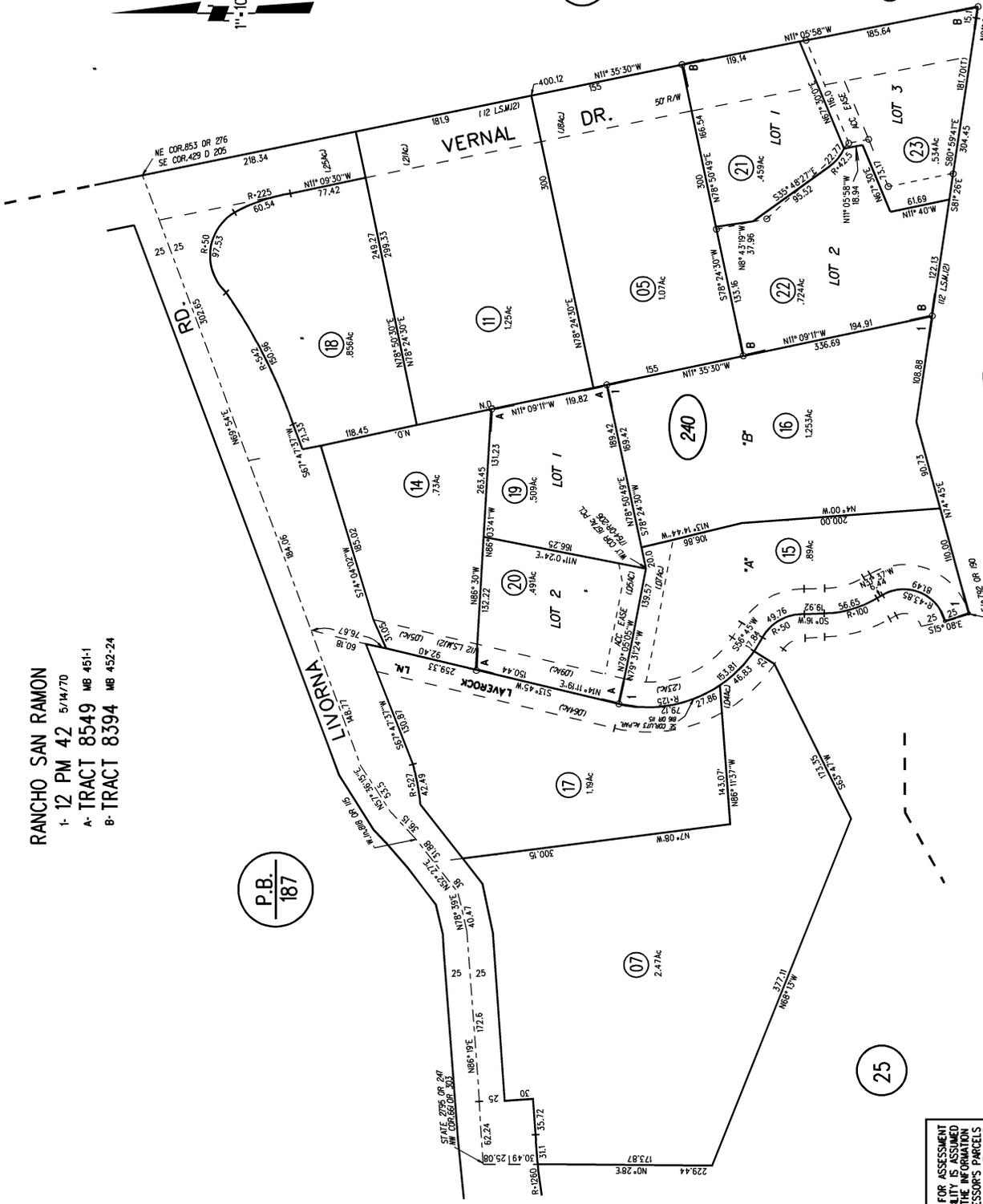
1- 12 PM 42 5/14/70

A- TRACT 8549 MB 451-1

B- TRACT 8394 MB 452-24



P.B.  
187



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY VARY FROM THE ACTUAL PARCELS DUE TO SPLIT OR BUILDING SITE ORDINANCES.

FM 5-12 (8-74)  
ASSESSOR'S MAP

11A  
21-23  
7/17/07

25

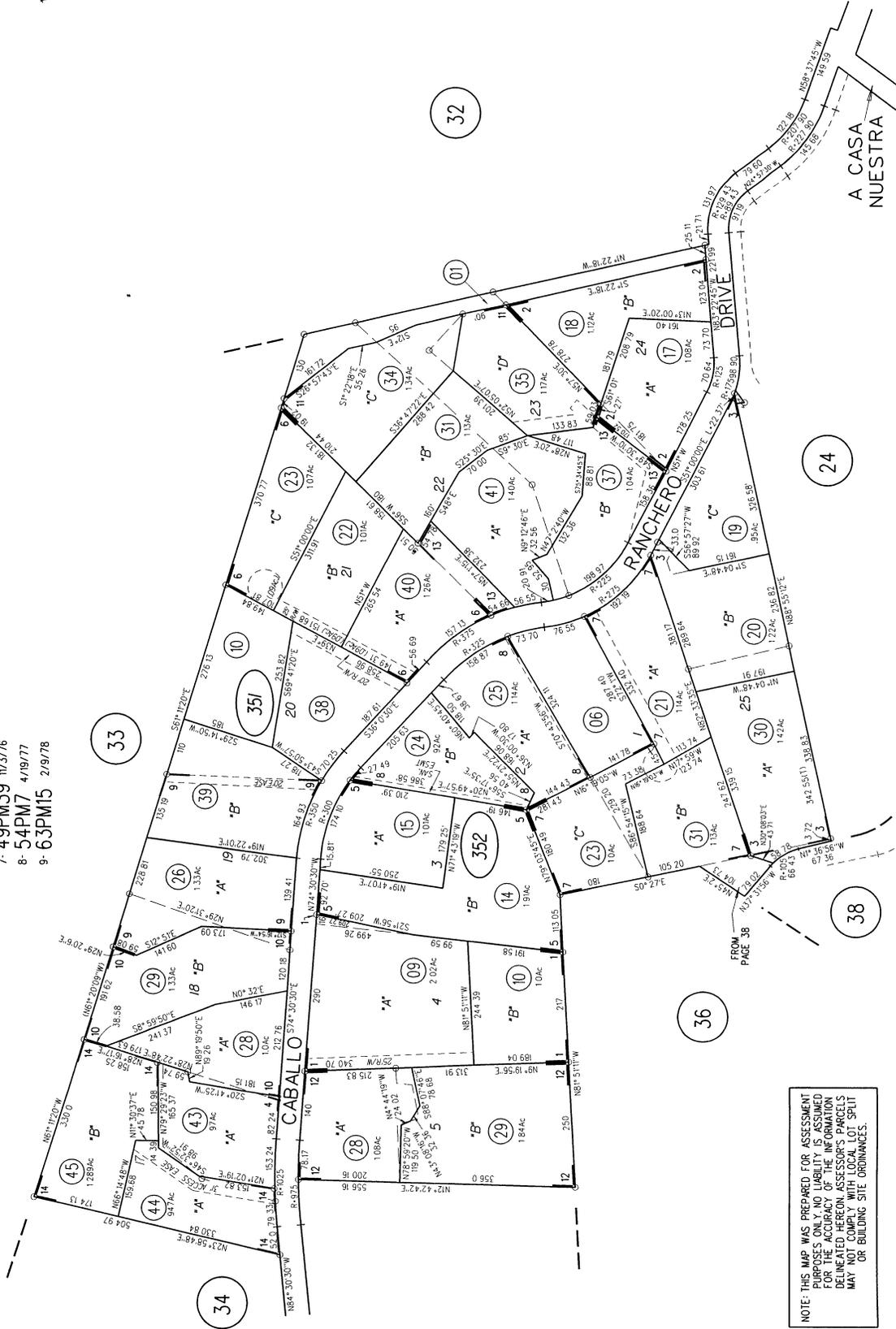
23

240

26

MT DIABLO ESTATE PARK SUBN UNIT NO 3 MB 49-7 12/12/1952

- 1- 20PM8 12/23/71
- 2- 45LSM30 11/17/66
- 3- 20PM46 2/14/72
- 4- 25PM40 12/19/72
- 5- 30PM28 10/10/73
- 6- 34PM5 6/3/74
- 7- 49PM39 11/3/76
- 8- 54PM7 4/19/77
- 9- 63PM15 2/9/78
- 10- 77PM16 5/23/79
- 11- 77PM44 6/15/79
- 12- 90PM25 10/23/80
- 13- 153PM41 8/19/91
- 14- 202PM8 3/18/08



202 PM8 1/29/09 MAP CORRECTION

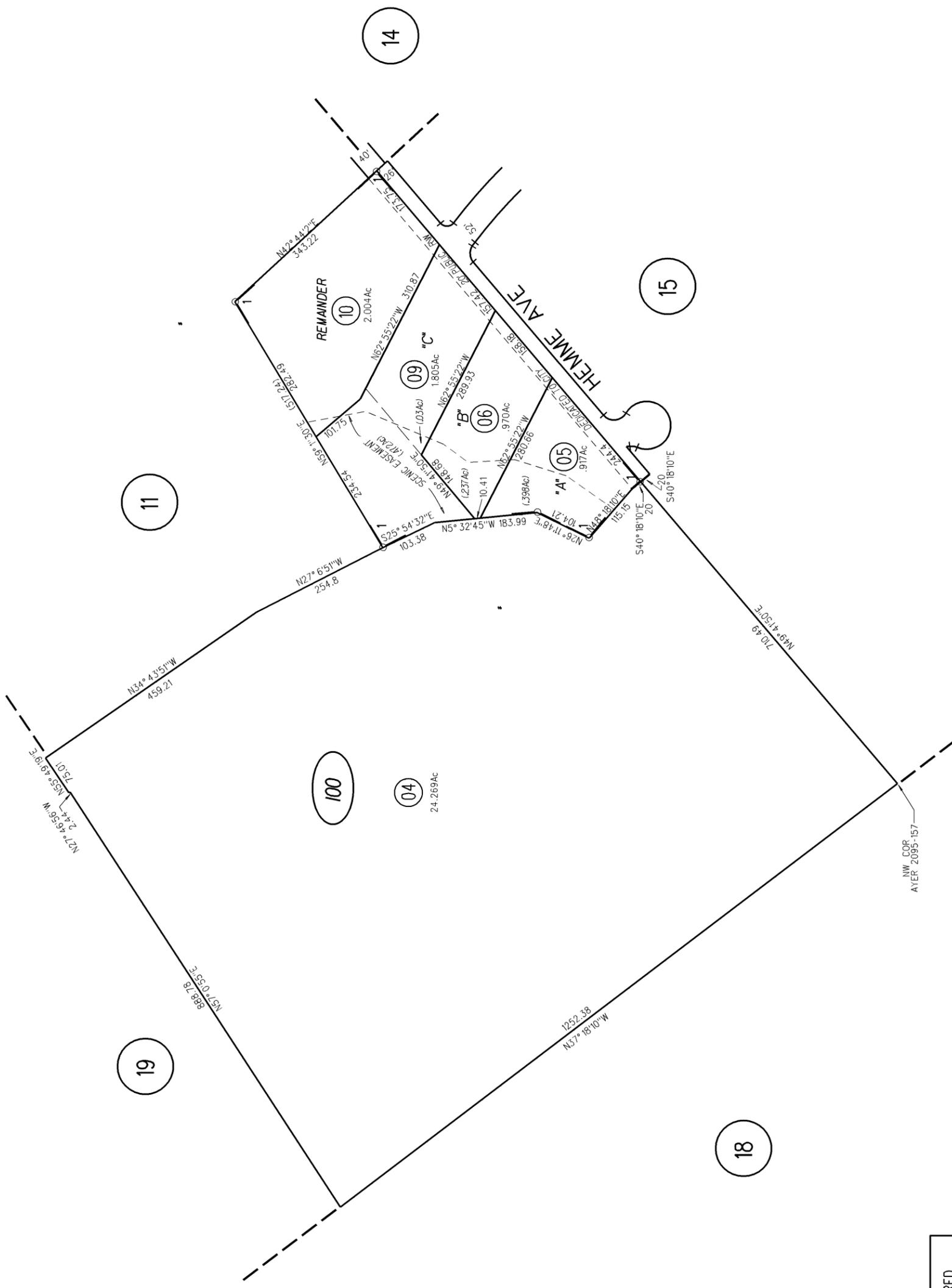
351 352 31 4/14/08

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

556261 6/10/59 ASSESSOR'S MAP BOOK 195 PAGE 35 CONTRA COSTA COUNTY, CALIF.



RO SAN RAMON  
1- 209P.M.43 8-27-15



100

09.10  
1/17/16

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON.

DOUGHERTY RANCH MB C-63

1-1969 24 L. S. M 33 11-6-63

2- 29P.M.48 9-7-73

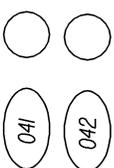
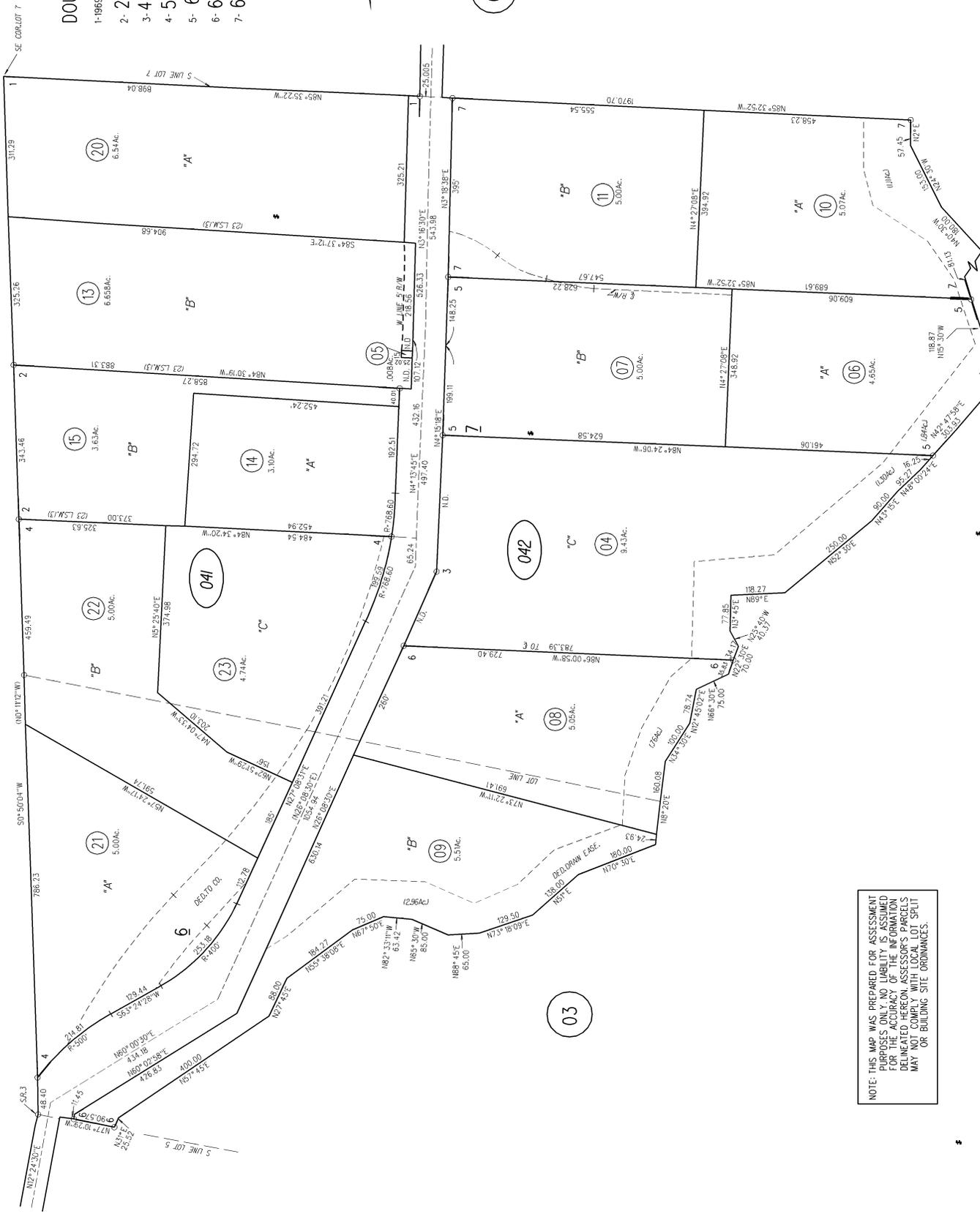
3- 44P.M.44 5-10-76

4- 58P.M.1 9-20-77

5- 61P.M.39 1-15-78

6- 62P.M.38 1-24-78

7- 62P.M.49 1-30-78

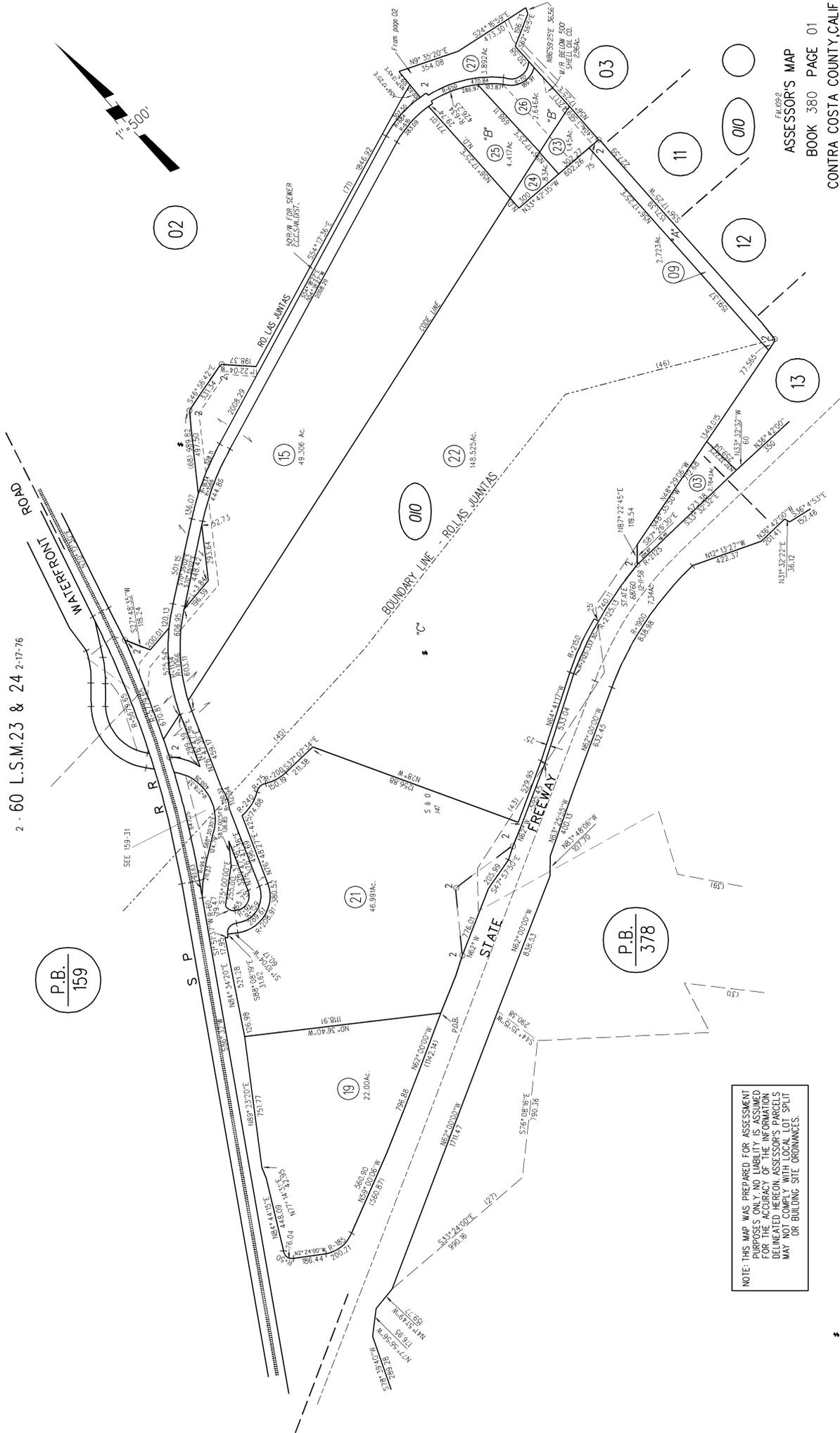
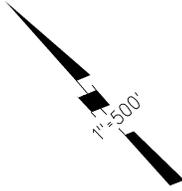


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S.O. SURVEY NO. 147  
POR. RO. LAS JUNTAS  
1 - 57 L.S.M.8 6/13/74  
2 - 60 L.S.M.23 & 24 2-17-76

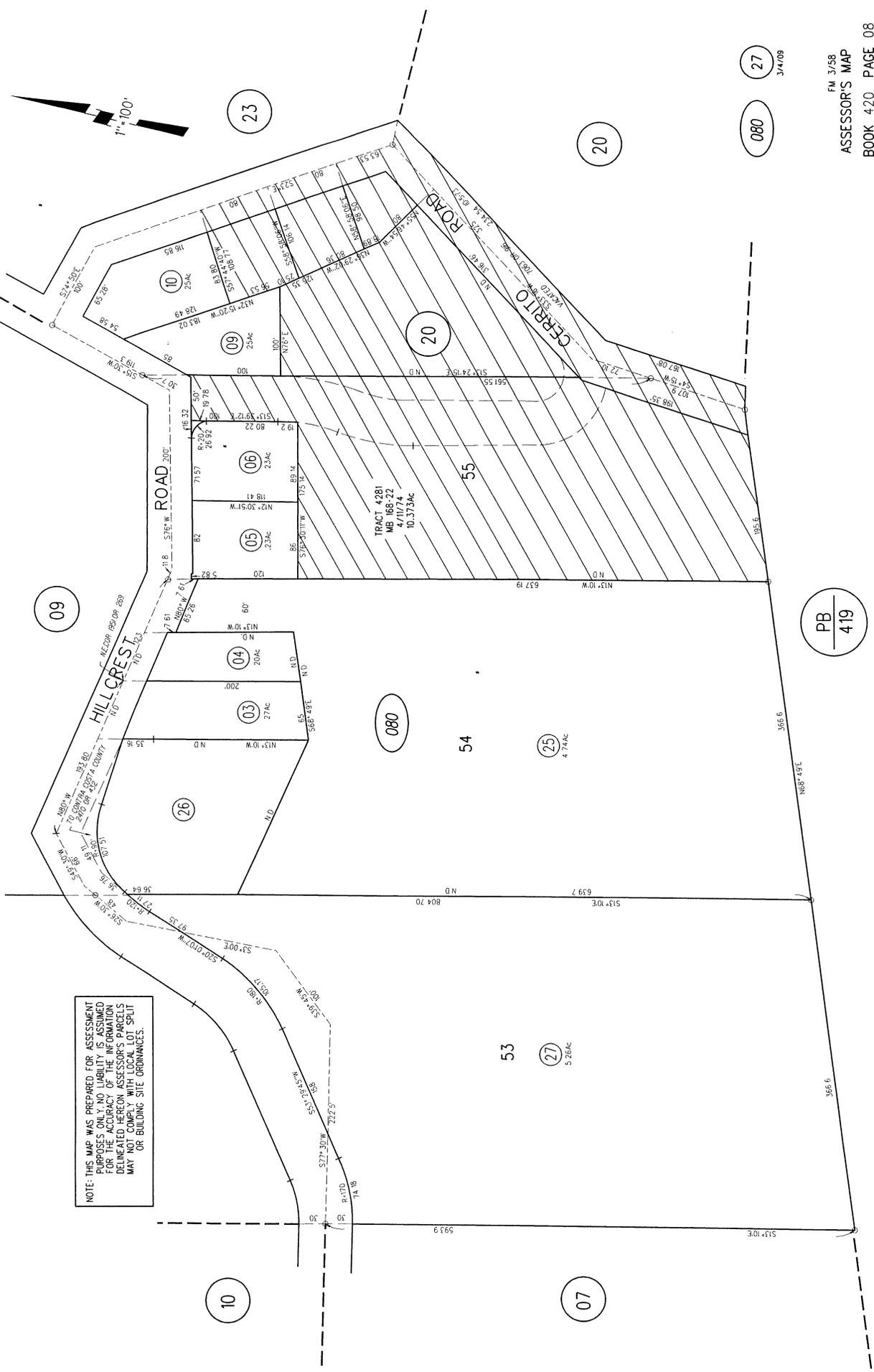
P.B. 159

P.B. 378





NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.





Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 28, 2017

Subject: Proposed Substantial Amendment to the County's FY 2016/17 CDBG Action Plan - Change in Scope to the Ambrose Community Center

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Substantial Amendment to the County's FY 2016/17 Community Development Block Grant (CDBG) Program Action Plan by changing the scope of work for the improvements to the Ambrose Recreation & Park District Community Center located at 3105 Willow Pass Road, Bay Point.

**FISCAL IMPACT:**

CDBG funds are provided to the County on a formula allocation basis through the U.S. Department of Housing and Urban Development (HUD). Catalog of Federal Domestic Assistance #14.218. There is no fiscal impact to the County General Fund, as the allocation is from the federal CDBG program funds.

**BACKGROUND:**

On May 10, 2016, the Board of Supervisors approved the Contra Costa County Action Plan for FY 2016/17 CDBG funds. Originally, Ambrose Recreation & Park District was awarded \$47,385 in CDBG funds under the Infrastructure/Public Facilities (IPF) category to replace the ceiling tiles and paint the interior of the auditorium at the Ambrose Community Center located at 3105 Willow Pass Road in Bay Point. Ambrose Recreation & Park District has requested, and CDBG staff recommends, a change to the project's scope of work to solely be for interior painting of the auditorium and to eliminate the replacement of the ceiling tiles of the auditorium from the project scope. On further review, the Ambrose Recreation and Park District determined the ceiling repair was less extensive than originally anticipated and that they would complete that work with other resources. This shift would enable needed additional interior painting to be performed.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Kristin Sherk (925)  
674-7887

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

The Ambrose Community Center provides a variety of recreation, parks, youth and adult programs, senior nutrition, holiday activities, classes and special events for the Bay Point Community. The auditorium is used for a wide variety of the recreational, cultural, and social activities and is the most utilized space at the Ambrose Community Center.

CONSEQUENCE OF NEGATIVE ACTION:

Not approving the Substantial Amendment will delay and/or prevent the improvements to the Ambrose Recreation & Park District Community Center.

CHILDREN'S IMPACT STATEMENT:

The Ambrose Community Center furthers the Children's Report Card outcome of helping families be safe, stable and nurturing.



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: Issue Request for Proposals (RFP) for Ombudsman Services

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to Issue Request for Proposals (RFP) #1155 for ombudsman services in an amount not to exceed \$175,000 for the period December 1, 2017 through December 31, 2018.

**FISCAL IMPACT:**

\$175,000: 10% County, 48% State, 42% Federal

**BACKGROUND:**

The ombudsman promotes and maintains positive working relationships between multiple parties associated with Children and Families Services including, but not limited to clients, Child Welfare Services, Public Benefits, Aging and Adult Services, Workforce Services, and Community Services & Head Start Programs. The ombudsman will receive and investigate issues and complaints referred by the Employment and Human Services (EHSD) Director, Child and Family Services Bureau Director, EHSD Division Managers, and other entities. Part of the role of the ombudsman is to assist clients in understanding the investigative process and their rights and responsibilities.

**CONSEQUENCE OF NEGATIVE ACTION:**

Ombudsman services would not be available to EHSD clients.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Elaine Burres,  
313-1717

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: March 28, 2017

Subject: In-Home Supportive Services, Public Authority Advisory Committee Stipends

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Auditor-Controller, or designee, to pay In-Home Supportive Services (IHSS) Public Authority Advisory Committee members \$24 per meeting, not to exceed three (3) meetings per month for a total cost of \$5,976 in stipends to defray meeting attendance costs for the period July 1, 2017 through June 30, 2018 as recommended by the Employment and Human Services Director.

**FISCAL IMPACT:**

\$5,976: In-Home Supportive Services funds (50% Federal, 50% State).

**BACKGROUND:**

In-Home Supportive Services Public Authority Advisory Committee members receive \$24-stipends to attend Committee meetings paid through the Auditor-Controller to defray attendance costs to members.

**CONSEQUENCE OF NEGATIVE ACTION:**

Without stipends, meeting costs may be prohibitive to member attendance.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Elaine Burres,  
313-1717

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Unpaid Student Training Agreement #76-545-1 with Diablo Medical Training

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Unpaid Student Training Agreement #76-545-1 with Diablo Medical Training, a corporation, to provide its phlebotomy students supervised field instruction at Contra Costa Regional Medical Center and Contra Costa Health Centers, from May 1, 2017 through April 30, 2020.

**FISCAL IMPACT:**

This is a non-financial agreement.

**BACKGROUND:**

The purpose of this agreement is to provide Diablo Medical Training phlebotomy students with the opportunity to integrate academic knowledge with applied skills at progressively higher levels of performance and responsibility. Supervised fieldwork experience for students is considered to be an integral part of both educational and professional preparation. The Health Services Department can provide the requisite field education, while at the same time, benefiting from the students' services to patients.

On June 14, 2016, the Board of Supervisors

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Anna Roth,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: D Morgan, M Wilhelm

BACKGROUND: (CONT'D)

approved Contract #76-545, with Diablo Medical Training phlebotomy students for the provision of supervised fieldwork instruction experience with Health Services, for the period from May 1, 2016 through April 30, 2017.

Approval of Unpaid Student Training Agreement #76-545-1 will allow Diablo Medical Training students to receive supervised fieldwork instruction experience, at Contra Costa Regional Medical Center and Contra Costa Health Centers through April 30, 2020.

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the students will not receive supervised fieldwork instruction experience at Contra Costa Regional Medical Center and Contra Costa Health Centers.



Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Unpaid Student Training Agreement #26-119-12 with San Jose State University

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Unpaid Student Training Agreement #26-119-12 with San Jose State University, an educational institution to provide supervised field instruction to its dietitian, occupational therapy and speech pathology students at Contra Costa Regional Medical Center and Contra Costa Health Centers, for the period from July 1, 2017 through June 30, 2019.

**FISCAL IMPACT:**

This is a non-financial agreement.

**BACKGROUND:**

The purpose of this agreement is to provide dietitian, occupational therapy and speech pathology students at San Jose State University with the opportunity to integrate academic knowledge with applied skills at progressively higher levels of performance and responsibility. Supervised fieldwork experience for students is considered to be an integral part of both educational and professional preparation. The Health Services Department can provide the requisite field education, while at the same time, benefiting from the students' services to patients.

On May 12, 2015, the Board of Supervisors

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Anna Roth,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: D Morgan, M Wilhelm

BACKGROUND: (CONT'D)

approved Contract #26-119-11 with San Jose State University, for the period from July 1, 2015 through June 30, 2017 for the provision of supervised fieldwork instruction experience with Health Services.

Approval of Unpaid Student Training Agreement #26-119-12, will allow San Jose State University students to receive supervised fieldwork instruction experience, at Contra Costa Regional Medical Center and Contra Costa Health Centers, through June 30, 2019.

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the students will not receive supervised fieldwork instruction experience at Contra Costa Regional Medical Center and Contra Costa Health Centers.



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: Disposal of Surplus Property

---

**RECOMMENDATION(S):**

DECLARE as surplus and AUTHORIZE the Purchasing Agent, or designee, to dispose of fully depreciated vehicles and equipment no longer needed for public use, as recommended by the Public Works Director, Countywide.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

Section 1108-2.212 of the County Ordinance Code authorizes the Purchasing Agent to dispose of any personal property belonging to Contra Costa County and found by the Board of Supervisors not to be required for public use. The property for disposal is either obsolete, worn out, beyond economical repair, or damaged beyond repair.

**CONSEQUENCE OF NEGATIVE ACTION:**

Public Works would not be able to dispose of surplus vehicles and equipment.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Nida Rivera, (925)  
313-2124

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Surplus Vehicles & Equipment





Contra  
Costa  
County

To: Board of Supervisors  
From: William Walker, M.D., Health Services Director  
Date: March 28, 2017

Subject: Interagency Agreement #76-548 with Planned Parenthood Shasta Diablo, Inc. dba Planned Parenthood Northern California

---

**RECOMMENDATION(S):**

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Interagency Agreement #76-548 with Planned Parenthood Shasta Diablo, Inc. dba Planned Parenthood Northern California, a non-profit corporation, to provide training at their site for County’s Family Medicine Residency Program, for the period from July 1, 2016 through July 1, 2021.

**FISCAL IMPACT:**

This is a non-financial agreement.

**BACKGROUND:**

The purpose of this agreement is to provide Planned Parenthood Shasta Diablo, Inc. dba Planned Parenthood Northern California and family medicine residents with the opportunity to integrate academic knowledge with applied skills at progressively higher levels of performance

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Anna Roth,  
370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: D Morgan, M Wilhelm

BACKGROUND: (CONT'D)

and responsibility. Supervised fieldwork experience for residents is considered to be an integral part of both educational and professional preparation. Planned Parenthood Shasta Diablo, Inc. dba Planned Parenthood Northern California can provide the training to County's Family Medicine Residency Program, while at the same time, benefitting from the residents services to patients.

Under Interagency Agreement #76-548, Agency will provide training to residents in the County's Family Medicine Residency Program through July 1, 2017 through July 1, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the residents will not receive supervised fieldwork instruction experience at Planned Parenthood Northern California clinics.



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: REFER TO THE FINANCE COMMITTEE ESTABLISHMENT OF A POLICY FOR REVIEWING MASTER COMPENSATION AGREEMENTS SUBMITTED BY SUCCESSOR AGENCIES TO FORMER RDAS

---

**RECOMMENDATION(S):**

REFER to the Finance Committee the an evaluation of policy options for reviewing Master Compensation Agreements submitted for approval by Successor Agencies of former Redevelopment Agencies throughout the County.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

As part of the 2011 Budget Act, and in order to protect funding for core public services at the local level, the Legislature approved the dissolution of the state's 400 plus Redevelopment Agencies (RDAs). After a period of litigation, RDAs were officially dissolved as of February 1, 2012. As a result of the elimination of the RDAs, property tax revenues are now being used to pay required payments on existing bonds, other obligations, and pass-through payments to local governments. The remaining property tax revenues that exceed the enforceable obligations are now being allocated to cities, counties, special districts, and school and community college districts, thereby providing critical resources to preserve core public services.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Timothy Ewell,  
925-335-1036

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Hon. Robert R. Campbell, Auditor-Controller, Lisa Driscoll, County Finance Director, Eric Gelston, Deputy County Counsel

## **BACKGROUND: (CONT'D)**

To help facilitate the wind-down process at the local level, successor agencies were established to manage redevelopment projects currently underway, make payments on enforceable obligations, and dispose of redevelopment assets and properties. Each Successor Agency has an Oversight Board that supervises its work. The Oversight Board is comprised of representatives of the local agencies that serve the redevelopment project area: the city, county, special districts, and K-14 educational agencies. Oversight Board members have a fiduciary responsibility to holders of enforceable obligations, as well as to the local agencies that would benefit from property tax distributions from the former redevelopment project area.

## **FINDING OF COMPLETION**

Pursuant to Health and Safety Code (HSC) Section 34179.7, the California Department of Finance (DOF) was authorized to issue a finding of completion to a Successor Agency, once the following conditions had been met and verified by December 31, 2015:

- The Successor Agency had paid the full amount as determined during the Due Diligence Reviews and the County Auditor-Controller has reported those payments to DOF, and
- The Successor Agency had paid the full amount as determined during the July True-Up process, or
- The Successor Agency had paid the full amount upon a final judicial determination of the amounts due and confirmation that those amounts have been paid by the County Auditor-Controller, or
- The Successor Agency had entered into a written installment payment plan with DOF for the payments owed from above.

Upon receiving the finding of completion, a Successor Agency is allowed to do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC Section 34191.4 (b) (1) Loan repayments will be governed by criteria in HSC section 34191.4 9 (a) (2).
- Utilize proceeds derived from bonds issued prior to Jan. 1, 2011 in a manner consistent with the original bond covenants per HSC Section 34191.4 (c)
- However, if on a payment plan, and a Successor Agency fails to fully make one or more payments agreed to in the written installment plan, the benefits above may be revoked.

## **LONG RANGE PROPERTY MANAGEMENT PLAN**

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from DOF, a Successor Agency is required to submit for approval to its Oversight Board and DOF a Long-Range Property Management Plan (LRPMP) that addresses the disposition and use of the real properties of the former redevelopment agency. If DOF had not approved a plan by January 1, 2016, then the Successor Agency was to have disposed of their property pursuant to 34177 (e).

## **COMPENSATION AGREEMENTS**

Some LRPMPs prepared by successor agencies include a provision providing that certain real property of the former redevelopment agency would be retained and used for future development purposes pursuant to HSC 34179.5(c)(5)(C). As part of that, LRPMPs submitted by successor agencies have contemplated the use of "compensation agreements" between an individual successor agency and affected taxing entities (ATEs), the terms of which are not subject to approval by DOF, pursuant to HSC 34180(f)(1).

Specifically, HSC 34180(f)(1) states that:

If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

The County has received multiple requests to enter into compensation agreements from successor agencies and is likely to receive additional requests in the future. Today's action refers the issue of establishing policy guidelines for evaluating whether or not to enter into compensation agreements with successor agencies and under what terms. This will ensure that the County, including ATEs governed by the Board of Supervisors, receive appropriate financial compensation, consistent with the spirit of RDA dissolution.

CONSEQUENCE OF NEGATIVE ACTION:

This issue will not be referred to the Finance Committee.

CHILDREN'S IMPACT STATEMENT:

No impact.



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 28, 2017

Subject: Authorization to sign and file applications with California Emergency Management

---

**RECOMMENDATION(S):**

APPROVE Resolution No. 2017/115 designating Public Works Department positions authorized to sign applications and file with the California Emergency Management Agency for obtaining federal financial assistance, Countywide.

**FISCAL IMPACT:**

There is no fiscal impact.

**BACKGROUND:**

California Emergency Management Agency (Cal EMA) requires a new Designation of Applicant's Agent Resolution for Non-State Agencies every 3 years. The resolution designates Public Works positions that are authorized to sign the Cal EMA forms to receive reimbursement for Contra Costa County related disasters.

**CONSEQUENCE OF NEGATIVE ACTION:**

The County will not be reimbursed by Cal EMA for disaster related expenses.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Wanda Quever (925)  
313-2372

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CHILDREN'S IMPACT STATEMENT:

Not Applicable.

ATTACHMENTS

Resolution No. 2017/115

Cal EMA Form 130

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 03/28/2017 by the following vote:

**AYE:**   
**NO:**   
**ABSENT:**   
**ABSTAIN:**   
**RECUSE:**



**Resolution No. 2017/115**

IN THE MATTER OF: Designation of Applicant's agent resolution for non-State Agencies.

BE IT RESOLVED by the Board of Supervisors for the County of Contra Costa that 1) Public Works Director or 2) Deputy Public Works Director or 3) Public Works Chief of Administrative Services are hereby authorized to execute for and on behalf of the County of Contra Costa, a public entity established under the laws of the State of California, this application and to file it with the California Emergency Management Agency for the purpose of obtaining certain federal financial assistance under the California Disaster Assistance Act.

NOW, THEREFORE, BE IT RESOLVED that the County of Contra Costa, a public entity established under the laws of the State of California, hereby authorizes its agent(s) to provide to the California Emergency Management Agency for all matters pertaining to such state disaster assistance the assurances and agreements required.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: March 28, 2017**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

**Contact: Wanda Quever (925) 313-2372**

By: , Deputy

**cc:**

**DESIGNATION OF APPLICANT'S AGENT RESOLUTION  
FOR NON-STATE AGENCIES**

BE IT RESOLVED BY THE \_\_\_\_\_ OF THE \_\_\_\_\_  
(Governing Body) (Name of Applicant)

THAT \_\_\_\_\_, OR  
(Title of Authorized Agent)

\_\_\_\_\_, OR  
(Title of Authorized Agent)

\_\_\_\_\_  
(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the \_\_\_\_\_, a public entity  
(Name of Applicant)

established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the \_\_\_\_\_, a public entity established under the laws of the State of California,  
(Name of Applicant)

hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

**Please check the appropriate box below:**

This is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.

This is a disaster specific resolution and is effective for only disaster number(s) \_\_\_\_\_

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
(Name and Title of Governing Body Representative)

\_\_\_\_\_  
(Name and Title of Governing Body Representative)

\_\_\_\_\_  
(Name and Title of Governing Body Representative)

**CERTIFICATION**

I, \_\_\_\_\_, duly appointed and \_\_\_\_\_ of  
(Name) (Title)

\_\_\_\_\_, do hereby certify that the above is a true and correct copy of a  
(Name of Applicant)

Resolution passed and approved by the \_\_\_\_\_ of the \_\_\_\_\_  
(Governing Body) (Name of Applicant)

on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

**Cal OES Form 130 Instructions**

**A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted Resolution is older than three (3) years from the last date of approval, is invalid or has not been submitted.**

When completing the Cal OES Form 130, Applicants should fill in the blanks on page 1. The blanks are to be filled in as follows:

**Resolution Section:**

**Governing Body:** This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

**Name of Applicant:** The public entity established under the laws of the State of California. Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

**Authorized Agent:** These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the Governor's Office of Emergency Services regarding grants applied for by the Applicant. There are two ways of completing this section:

1. **Titles Only:** If the Governing Body so chooses, the titles of the Authorized Agents would be entered here, not their names. This allows the document to remain valid (for 3 years) if an Authorized Agent leaves the position and is replaced by another individual in the same title. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency and does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

**Governing Body Representative:** These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents, and a minimum of two or more approving board members need to be listed.

**Certification Section:**

**Name and Title:** This is the individual that was in attendance and recorded the Resolution creation and approval.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member (if a person holds two positions such as City Manager and Secretary to the Board and the City Manager is to be listed as an Authorized Agent, then the same person holding the Secretary position would sign the document as Secretary to the Board (not City Manager) to eliminate "Self Certification.")



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: Continue Extension of Emergency Declaration Regarding Homelessness

---

**RECOMMENDATION(S):**

CONTINUE the emergency action originally taken by the Board of Supervisors on November 16, 1999 regarding the issue of homelessness in Contra Costa County.

**FISCAL IMPACT:**

None.

**BACKGROUND:**

On November 16, 1999, the Board of Supervisors declared a local emergency, pursuant to the provisions of Government Code Section 8630 on homelessness in Contra Costa County.

Government Code Section 8630 requires that, for a body that meets weekly, the need to continue the emergency declaration be reviewed at least every 14 days until the local emergency is terminated. In no event is the review to take place more than 21 days after the previous review. On March 7, 2017 the Board of Supervisors reviewed and approved the emergency declaration.

With the continuing high number of homeless individuals and insufficient funding available to assist in sheltering all homeless individuals and families, it is appropriate for the Board to continue the declaration of a local emergency regarding homelessness.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact:

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: CONTINUATION OF LOCAL EMERGENCIES ARISING OUT OF JANUARY/FEBRUARY 2017 STORM DAMAGE

---

**RECOMMENDATION(S):**

CONTINUE the emergency actions originally taken by the Board of Supervisors effective January 19 and February 14, 2017 regarding the hazardous conditions caused by a series of severe rainstorms in Contra Costa County.

**FISCAL IMPACT:**

This action is necessary to maintain eligibility for Contra Costa County and its cities to receive disaster relief funds to cover costs of the emergency response and damage repairs needed as a result of the significant storm events in early January 2017 that continued into February. The initial damage estimates for the County from the January 6 -10, 2017 storms are estimated at \$9.5 million; additional damage from the February storms has not yet been estimated. The County does not currently have funds designated for the response and repair of the storm damages and has, therefore, applied for relief funds.

**BACKGROUND:**

Conditions of extreme peril to the safety of persons and property have arisen within the County, caused by a series of severe rainstorms that began in January 2017 and have continued into February, and have led to widespread flooding, mudslides, sinkholes and damage to public buildings, flood control facilities and roadways, including the collapse of a portion of Alhambra Valley Road at Pinole Creek, caused by a massive sinkhole. Due to the continued rains and saturated soil conditions, a portion of Morgan Territory Road, approximately one mile south of Marsh Creek Road in unincorporated Contra Costa County, began showing signs of sliding during the week of February 20. The movement caused a break in the existing water line and the slide has continued, cracking the road surface to the point that the road is no longer passable. Residents to the south of the slide location are now required to travel south to Livermore

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Julie DiMaggio Enea  
(925) 335-1077

, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

>

as their only access option. To address the emergency situation, the Board of Supervisors is exploring alternate access routes while Morgan Territory Road remains closed. The repair work to Morgan Territory Road will require removal of debris, excavation, installation of a structural retaining wall system, backfill, construction of embankment, new pavement, and pavement striping.

These conditions are or are likely to be beyond the control of the services, personnel, equipment and facilities of the County. The initial damage estimate encompasses the County's response and cleanup of various sites throughout the county and estimated costs to repair damages from the storm. The estimate includes road infrastructure, flood control infrastructure, public building facilities and park and recreation facilities. The majority of the damage occurred on or along rural county roads. The largest and most significant damage occurred on Alhambra Valley Road at Pinole Creek, and on Morgan Territory Road in Clayton, where there were washouts of the roads. Flood control infrastructure also experienced storm related damage. Public building and park facilities suffered minimal impact from the storm. A slideshow illustrating the storm damage can be accessed at this link: [January 2017 Storm Damage Slideshow](#) .

The effects of the storms continue to be dynamic. Since the Board's original emergency declaration of January 19, Public Works Department crews have been responding to isolated mudslides, localized flooding, downed trees and drainage issues throughout the county, along with intermittent road closures including Marsh Creek Road, Morgan Territory Road, and a partial closure at Alhambra Valley Road at Ferndale Road. There have additionally been isolated issues related to County buildings/facilities including 50 Douglas Drive, 12000 Marsh Creek Rd (Detention Facility) and the County Hospital. Public Works crews continue to respond to items as they are reported. On March 7, 2017, the Board of Supervisors declared a local emergency and authorized the Public Works Director to proceed in the most expeditious manner with the Morgan Territory Road slide repair project.

Government Code Section 8630 requires that, for a body that meets weekly, the need to continue the emergency declaration be reviewed at least every 30 days until the local emergency is terminated, which shall occur at the earliest possible date that conditions warrant. Since the conditions that warranted proclamations of an emergency persist, it is appropriate for the Board to continue the local emergency actions regarding the hazardous conditions caused by storm damage.

## CONSEQUENCE OF NEGATIVE ACTION:

Pursuant to Resolution No. 2017/404, the proclamation of local emergencies by the Board of Supervisors on January 19 and February 14, 2017 (Resolutions No. 2017/404 and 2017/65) cannot remain in effect more than 30 days unless they are reviewed and continued by the Board of Supervisors.



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 28, 2017

Subject: FY 2016/17 CERTIFICATION OF PROPOSITION 172 PUBLIC SAFETY SALES TAX MAINTENANCE OF EFFORT

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Administrator, or designee, to execute the Maintenance of Effort Certification Form for Fiscal Year 2016/17 as required by Chapter 886, Statutes of 1994 to receive Proposition 172 (public safety sales tax increment) funds, and to submit the Certificate to the County Auditor-Controller.

**FISCAL IMPACT:**

This Certificate of Maintenance of Effort is required by State statute as implemented by guidelines issued by the California State Controller. Failure to submit the required certification form would result in the loss of more than \$80.8 million in State Proposition 172 funds for the current fiscal year.

**BACKGROUND:**

This ½ cent sales tax was authorized in 1994 as a result of the 1993/94 state budget process. Proposition 172 (Senate Bill 509) designated that the ½ cent sales tax be deposited to newly-created state and local public safety trust funds and allocated to local agencies to fund public safety activities such as police, sheriff, fire, district attorney, county corrections, and ocean lifeguards. Court operations were explicitly excluded.

To prevent supplantation of local revenues that would have otherwise been allocated to public safety functions with Proposition 172 sales tax, the Legislature enacted Assembly Bill 2788 as Chapter 886, Statutes of 1994. AB 2733 requires a local agency to commit at least the same resources as were committed in FY 1992/93 (minus certain exclusions), adjusted each year by any growth in its Proposition 172 revenue, as maintenance of effort (MOE) in order to qualify to receive Proposition 172 (Public Safety Sales Tax).

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD  
COMMITTEE

Action of Board On: **03/28/2017**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 28, 2017

Contact: Timothy Ewell, (925)  
335-1036

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

**BACKGROUND: (CONT'D)**

>AB 2733 does not specifically define what is meant by “public safety services” and allows each county to make its own computation. In implementing the MOE section of Assembly Bill 2788 on May 16, 1995, as indicated in the Certification Form, it was most advantageous for this County to define public safety as follows: District Attorney (Department 0242), Probation (Departments (0308, 0309, 0310), Public Defender (Department 0243), Sheriff-Coroner (Departments 0255, 0277, 0300, and 0359), and Inmate Medical Care (Department 0301). It should be noted that the definition of “public safety services” for computation of the MOE obligation does not in any way detract from the Board’s authority to designate those funds to whatever public safety department or service it chooses.

The Board of Supervisors, in 1993, directed that all public safety sales tax proceeds will be allocated to the District Attorney and Sheriff departments. Due to the downturn in the California economy, public safety sales taxes received by Contra Costa County has gradually declined since FY 2005/06, by more than 10% over that five-year period. For the 2016/17 fiscal year, it is estimated that Proposition 172 funds will provide \$66.7 million to fund operations in the Sheriff’s Office and \$14.1 million to fund operations in the District Attorney’s Office.

2005/06 Actual	\$69,281,424
2006/07 Actual	\$67,318,904
2007/08 Actual	\$65,314,410
2008/09 Actual	\$57,641,994
2009/10 Actual	\$55,379,148
2010/11 Actual	\$60,388,430
2011/12 Actual	\$63,922,867
2012/13 Actual	\$67,178,163
2013/14 Actual	\$72,053,360
2014/15 Actual	\$74,736,241
2015/16 Actual	\$74,141,898
2016/17 Budgeted	\$80,750,580

We have determined that for FY 2016/17, the adopted budget for the County-defined public safety services exceeded the County’s MOE obligation by more than \$170.3 million. In computing the MOE, we followed the Public Safety MOE Requirement Uniform Guidelines for California Counties and Cities approved by the State Association of County Auditors. By authorizing the County Administrator to execute and submit the MOE Certification Form to the County Auditor-Controller, the Board will assure that the County will receive its full allotment of Proposition 172 funds for the current year.

- Attachment A: FY 2016/17 Prop. 172 Maintenance of Effort Certification Form
- Attachment B: FY 2016/17 Prop. 172 Maintenance of Effort Calculation Worksheet (Form A)
- Attachment C: FY 2016/17 Prop. 172 Maintenance of Effort Base Year Calculation (Form C)

**CONSEQUENCE OF NEGATIVE ACTION:**

Failure to file the required certification will jeopardize the County's eligibility to receive public safety sales tax revenue.

**CHILDREN'S IMPACT STATEMENT:**

No impact.

**ATTACHMENTS**

- Attachment A: FY 2016/17 Prop. 172 Maintenance of Effort Certification Form

Attachment B: FY 2016/17 Prop. 172 Maintenance of Effort Calculation Worksheet (Form A)

Attachment C: FY 2016/17 Prop. 172 Maintenance of Effort Base Year Calculation (Form C)

Auditor-Controller  
CONTRA COSTA COUNTY  
AB2788 (Chapter 866/94)  
Maintenance of Effort Certification Form

Name of County: Contra Costa

Fiscal Year of Certification: 2016/17

AB2788 Maintenance of Effort (MOE) Calculation:

Line 1: Total Public Safety Adopted Budget (Amount of Line 4.1 from Form A)	<u>296,166,713.00</u>
Line 2: Public Safety MOE (Amount of Line 3.2 from Form A)	<u>125,855,616.41</u>
Line 3: Difference (Amount of Line 1 minus Line 2) Over/(Under) AB2788 MOE Requirements	<u>170,311,096.59</u>

(\*Enter this amount below.)

Certification Statement:

I hereby certify that the County of Contra Costa is over  
/under (please circle one) the AB2788 Maintenance of Effort requirements  
concerning the use of Proposition 172 revenues in the amount of  
\* 170,311,096.59 . Forms A and C are submitted in support of this  
calculation. Detailed records concerning this calculation are available  
upon request and will be retained.

Signature of County Official: 

Date Signed: 3/22/17

Form A: AB2788 MOE Calculation Worksheet

Contra Costa  
2016/17

Step #1: Public Safety Services as Previously Defined

In 1994/95, the County established their definition of public safety services consistent with Government Code Section 30052. Listed below are all departments included in this definition.

<b>District Attorney</b>	<b>Health Detention-Inmates</b>	<b>Probation</b>
<b>Public Defender</b>	<b>Sheriff (including Coroner)</b>	

Step #2: Growth Adjusted Base Year

The County determined the AB2788 base year amount in 1994/95 on Form B by using the 1992/93 adopted budget for all defined public safety departments.

Line 2.1: Total Base Year Forward (Adjusted AB2788 Base Amount from Prior Year Form A, Line 3.2)	<u>125,266,802.28</u>
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Step #3: New Base Amount for Local Agency

AB2788 includes a growth factor provision equal to the previous years' growth in Proposition 172 revenues. The Auditor-Controller's Office will provide cities and counties with this amount. If appropriate, this amount should be added to the AB2788 Base Year.

Line 3.1: Growth Amount	<u>588,814.13</u>
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Line 3.2: Total Base Amount for Local Agency (Total of lines 2.1 and 3.1)	<u>125,855,616.41</u>
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Step #4: Determine AB2788 Public Safety Budget for Certification Year

The County should determine the AB2788 Public Safety Budget for the Certification year. The same departments and adjustments that were included in the AB2788 base year calculation have been entered on Form C. Please complete Form C to provide the following:

Line 4.1: Total AB2788 Public Safety Budget	<u>296,166,713.00</u>
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Step #5: AB2788 Maintenance of Effort (MOE) Calculation

Please complete the AB2788 Certification Form using the above information. The calculation would be as follows:

Line 1 of the Certification Form	Take the amount of Line 4.1, Form A
Line 2 of the Certification Form	Less the amount of Line 3.2, Form A
Line 3 of the Certification Form	Equals the amount over/(under) AB2788 MOE requirement.

**CONTRA COSTA COUNTY**

Please complete the following Form to calculate the AB2788 MOE base year. Describe all AB2788 adjustments in the space provided below.

Public Safety Department	Certification Year Adopted Budget	AB 2788 Adjustments										Adjusted AB2788 Certification Year	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
District Attorney (0242)	39,575,607		10,000	5,720,574	200,000		289,265		875,000				32,480,768
Probation (0308)	32,949,404			7,919,911						151,580			24,877,913
Probation (0309)	28,241,349			5,720,000									22,521,349
Probation (0310)	13,038,535							4,700,000					8,338,535
Public Defender (0243)	22,691,420	4,000		2,002,537									20,684,883
Sheriff (0255)	119,351,103	3,062,923	150,000	1,336,211			16,520,667						98,281,302
Sheriff Contract Services (0277)	18,588,054	34,000				18,554,054							0
Sheriff Detention (0300)	79,727,511	4,775,251		12,123,351						280,115			62,548,794
Sheriff-Coroner (0359)	2,866,885												2,866,885
Hlth Detention Inmates (0301)	23,566,313	29											23,566,284
<b>Total</b>	<b>380,596,181</b>	<b>7,876,203</b>	<b>160,000</b>	<b>34,822,584</b>	<b>200,000</b>	<b>18,554,054</b>	<b>16,809,932</b>	<b>4,700,000</b>	<b>875,000</b>	<b>431,695</b>	<b>0</b>	<b>0</b>	<b>296,166,713</b>

Enter amount on  
Form A, Line 4.1

AB2788 MOE Adjustments:

Comments:

- (1) Fixed Assets, Lease Purchases & Debt Service
- (2) POST
- (3) Grants
- (4) Transfers/Recording Fees for Real Estate Fraud
- (5) Court Security, Hospital Security, EHS Security
- (6) Contracts with Other Jurisdictions
- (7) State Aid & Fed Aid Placement
- (8) Narcotics, Environmental, Fraud Forfeitures/Damages
- (9) STC Reimbursement

Completed By: Timothy M. Ewell, Senior Deputy County Administrator

Phone: (925) 335-1036

Date: 3/22/2017