

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 11/07/2017 by the following vote:

AYE: ☒ 5
NO: ☐
ABSENT: ☐
ABSTAIN: ☐
RECUSE: ☐

John Gioia
Candace Andersen
Diane Burgis
Karen Mitchoff
Federal D. Glover



Resolution No. 2017/384

**A RESOLUTION OF APPLICATION
BY THE COUNTY COSTA COUNTY BOARD OF SUPERVISORS
REQUESTING THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
TO INITIATE PROCEEDINGS FOR THE
DISSOLUTION OF THE LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT**

RESOLVED by the Board of Supervisors of the County of Contra Costa that:

- A. The Board of Supervisors of the County of Contra Costa (the "County") desires to initiate proceedings pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code for the dissolution of the Los Medanos Community Healthcare District (the "District").
- B. The District's boundaries encompass the Pittsburg/Bay Point area as well as unincorporated portions of Clayton, Clyde, Antioch and Concord. A map of the District is attached as Exhibit A and incorporated by reference.
- C. The principal reasons for the proposed dissolution of the District are as follows:
 1. The District was formed in 1945 to operate the Los Medanos Community Hospital, but the District has not been a direct provider of healthcare services since declaring bankruptcy in 1994. Instead, the District provides financial support to third parties that provide programs and activities related to health, wellness and disease prevention. In fiscal year 2016, approximately 25% of the District's revenue was provided to third parties; the balance of the District's revenue was used to pay for program administration, general administration and operating expenses.
 2. The County is the primary provider of healthcare services to low-income persons residing in Contra Costa County, including within the District's boundaries. The County operates a robust indigent healthcare delivery system comprised of a hospital and a satellite health clinic system. A 130,900-square-foot County health clinic known as the Pittsburg Health Center (the "Health Center") is located within the District's boundaries at 2311 Loveridge Road, Pittsburg, California. The Health Center is the former Los Medanos Community Hospital. The services provided by the County at the Health Center include, but are not limited to, family health services, women's health services, primary health care, pediatrics, neurology, cancer treatment, immunizations, ophthalmology, mental health services, health care for the homeless and dental services.
 3. The District owns the real property where the Health Center is located. The County leases the property from the District under a 20-year lease that expires July 31, 2018. Under the terms of the lease, the County has paid rent in the amount of \$100,000 per year since August 1, 1998. Pursuant to a settlement agreement between the District and the State Office of Health Planning and Development (the "State") dated September 10, 1998, all of the rent payments made by the County are paid to the State.
 4. In keeping with the County's commitment to providing quality healthcare services in safe, modern facilities, the County has made significant capital improvements to the Health Center during the term of the lease. Since 1998, the County has paid in excess of \$24 million for capital improvements to the Health Center.
- D. The County requests that the dissolution of the District be taken pursuant to Government Code section 56654, which authorizes the legislative body of an affected local agency to propose a change of organization by adopting a resolution of application.
- E. The County further requests that, under the Contra Costa Local Agency Formation Commission's conditioning powers

under Government Code section 56886, the dissolution of the District be subject to the following terms and conditions: All of the assets, rights and responsibilities of the District are to be transferred to the County as the successor to the District.

NOW, THEREFORE, BE IT RESOLVED that this Resolution of Application is hereby approved and adopted by the Board of Supervisors of the County of Contra Costa. The Contra Costa Local Agency Formation Commission is hereby requested to take proceedings for the dissolution of the Los Medanos Community Healthcare District, according to the terms and conditions stated above and in the manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

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: Timothy Ewell, (925) 335-1036

ATTESTED: November 7, 2017

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

By: June McHuen, Deputy

cc: Lou Ann Texeira, Contra Costa LAFCO, Hon. Robert R. Campbell, Auditor-Controller

