Board of Directors

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Knightsen Town Community Services District P.O. Box 763 Knightsen, CA 94548



August 21, 2020

Candace Andersen Contra Costa County Supervisor Contra Costa County LAFCO, Chair 309 Diablo Road Danville, CA 94526

Sent via e-mail and US Mail to:

SupervisorAndersen@bos.cccounty.us

Dear Ms. Andersen:

On May 7, 2020, the Knightsen Town Community Services District (KTCSD) unanimously adopted Resolution 2020-2, a resolution of application requesting the Contra Costa County Local Agency Formation Commission (LAFCO) to dissolve KTCSD. A copy of Resolution 2020-2 is enclosed. On August 6, 2020, my fellow board members authorized me to send you a letter requesting your support for the dissolution of KTCSD.

As stated in our resolution under Terms and Conditions, our objective is to completely dissolve KTCSD. Upon dissolution, KTCSD's existence will terminate completely and any authorization to tax property owners in Knightsen pursuant to Measure Z (the measure that created the District in 2005) will terminate entirely. Our decision to dissolve was made after almost a year and a half of careful consideration and deliberation with community members who have attended our District's meetings. During our meetings we discussed the following: the reasons why the citizens of Knightsen voted to create KTCSD in the first place; whether there are drainage concerns in the Knightsen community; discussion of proposed enhanced drainage projects; and, discussion regarding KTCSD's financial capability to construct, maintain and administer enhanced drainage facilities. Here is what we found:

1) Many, perhaps most residents voted to create the District believing the District could prevent Oakley and Brentwood from annexing portions of Knightsen. KTCSD has no land use authority, thus we have no ability to prevent annexations.

In 2005, the citizens of Knightsen voted to approve formation of KTCSD, "to construct, operate, maintain and service water quality and flood control improvements within the proposed District." However, we have found that a significant number of Knightsen residents voted to establish KTCSD believing that having the special district would serve as a barrier to development of Knightsen by the neighboring cities of Oakley and Brentwood. Records found in District files

support this finding and many longtime residents have told us this is the reason why they voted for Measure Z.

Current board members agree that preventing the neighboring cities of Oakley and Brentwood from annexing Knightsen is a very worthy goal, but KTCSD has no land use authority and no ability to effectively prevent neighboring cities from annexing and developing properties within the boundaries of Knightsen. Thus, KTCSD cannot achieve such goal and that was the reason why many, perhaps most residents voted to create the District in the first place.

Unfortunately, we are aware from social media posts and correspondence that some members of the community continue to harbor the mistaken belief that the District can prevent Oakley and Brentwood from taking over portions of Knightsen. The District is unable to do that, thus it is not a valid reason for the District to continue to exist.

2) With regard to "flooding" in Knightsen, we have determined that the vast majority of Knightsen residents do not have significant drainage problems and will not benefit from the implementation of enhanced drainage and flood control projects. Constituents attending our meetings have repeatedly told us, "We don't have a flooding problem."

We also found that a 2002 Knightsen Water Quality Wetland Feasibility Assessment Report which was submitted to LAFCO as a basis for the need to form the District, misrepresented how water flows in Knightsen. That report relied extensively on an incident that occurred in 1998 wherein water emanating from East Contra Costa Irrigation District (ECCID) facilities overflowed on to private properties. The apparent source of that water was "upstream" property owners' illegally or inappropriately discharging water from their properties into ECCID pipes/ditches and water flowing "downstream" until it emerged at lower elevation properties. Nevertheless, the authors of the 2002 report used this incident as evidence of how runoff naturally flows in Knightsen and as evidence of a flooding problem that they claimed was due solely to rainfall runoff when in fact the problem was largely man-made.

The winter of 2016-2017 was one of the wettest winters in recorded history, yet Knightsen did not experience widespread or significant flooding issues.

 Besides being of little or no necessity, proposed drainage/flood control projects are beyond the funding capability of the small community of Knightsen.

100% of KTCSD's revenues are derived from a special tax assessment on its 599 parcel owners. In 2017, a prior Board of Directors of KTCSD (note none of the current members were on the Board at the time), hired a consultant to develop a Storm Water Resources Plan. More than a year overdue, that plan was finally completed in 2019. The consultant proposed an extensive network of enhanced drainage projects which in total he estimated would cost over \$4 million to complete.

The Board and community members very carefully reviewed the plan and identified numerous questions, comments and concerns about the plan. With the community's input, a 55-page response was prepared that identified a plethora of errors, omissions and false narratives in the consultant's report. Most notably a misrepresentation of how storm water "flows" in Knightsen, particularly in areas where no "flow" has ever been observed. We also determined that the consultant's construction cost estimates were likely extremely "low ball" and they did not include

many significant cost factors, including maintenance and administrative costs which would increase the cost significantly. After careful consideration and with extensive community input, the Board of Directors of KTCSD voted to reject and nullify the consultant's plan.

Nevertheless, even if Knightsen had a flooding problem (which we do not), our very small community does not have the financial means to support the District. Measure Z prescribed a maximum annual tax of \$200 for developed parcels and \$100 for undeveloped parcels. The measure also provided for annual cost-of-living (CPI) adjustments on the maximum tax authorizations. If we were to impose the maximum tax each year we would generate less than \$160,000 per year. This revenue stream would be grossly insufficient to fund the construction of projects even if matching grant funding was received. It would also be insufficient funding for the ongoing maintenance of projects and the administration of the District.

We foresee NO community interest to raise the tax in order to fund projects of no utility and to continue a needless governmental agency.

In summary, KTCSD has been in existence for 15 years and has accomplished nothing. **The District cannot achieve the voters' goal** of preventing annexations by Oakley and Brentwood. The vast majority of **Knightsen residents do not have significant drainage problems and would receive no benefit** if the District implemented multi-million dollar drainage projects. The **community does not have the tax base to support the District** even if there was a demonstrated need for the District (which there is not).

I believe it also important to point out that prior to the creation of KTCSD, the LAFCO Executive Officer at the time recommended AGAINST the establishment of the District. She did not believe that creation of a CSD was justified and being aware of Knightsen residents' belief that having a special district somehow protected Knightsen's boundaries, she clearly noted that the CSD would have no land use authority.

Additionally, over the years since the creation of KTCSD, LAFCO has held several Municipal Services Reviews (MSR's) of the District. During those reviews the elimination of KTCSD was put forth as an option.

For all these reasons we request your support for the total dissolution of the Knightsen Town Community Services District and the abandonment of tax authorization to fund the District. If you or your staff would like to discuss this further, please don't hesitate to contact me at 925-551-1410.

Sincerely,

Trish Bello-Kunkel

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Chairperson, Knightsen Town Community Services District

Enclosure: Resolution 2020-2

Cc: Lou Ann Texeira, Executive Officer, Contra Costa LAFCO