



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

Alternate Commissioners

Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner

Executive Officer

Neelima Palacherla

REGULAR MEETING

Board of Supervisors' Chambers, 70 West Hedding Street, First Floor, San Jose

February 7, 2024 ▪ 1:15 PM

AGENDA

Chairperson: Russ Melton ▪ Vice-Chairperson: Sylvia Arenas

PUBLIC ACCESS AND PARTICIPATION

This meeting will be held in person at the location listed above. As a courtesy, and technology permitting, members of the public may also attend by virtual teleconference. However, LAFCO cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option. To attend the meeting by virtual teleconference, access the meeting at <https://sccgov-org.zoom.us/j/99014260730> or by dialing **(669) 900-6833** and entering **Meeting ID 990 1426 0730#** when prompted.

PUBLIC COMMENT INSTRUCTIONS

Written Public Comments may be submitted by email to LAFCO@ceo.sccgov.org. Written comments will be distributed to the Commission and posted to the agenda on the LAFCO website as quickly as possible, but may take up to 24 hours.

Spoken public comments may be provided in-person at the meeting. Persons who wish to address the Commission on an item are requested to complete a Request to Speak Form and place it in the designated tray near the dais. Request to Speak Forms must be submitted prior to the start of public comment for the desired item. For items on the Consent Calendar or items added to the Consent Calendar, Request to Speak Forms must be submitted prior to the call for public comment on the Consent Calendar. Individual speakers will be called to speak in turn. Speakers are requested to limit their comments to the time limit allotted.

Spoken public comments may also be provided through the teleconference meeting. To address the Commission virtually, click on the link <https://sccgov-org.zoom.us/j/99014260730> to access the meeting and follow the instructions below:

- You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you when it is your turn to speak.
- When the Chairperson calls for the item on which you wish to speak, click on "raise hand" icon. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak. Call-in attendees press *9 to request to speak, and *6 to unmute when prompted.
- When called to speak, please limit your remarks to the time limit allotted.

NOTICE TO THE PUBLIC

- Pursuant to Government Code §84308, no LAFCO commissioner shall accept, solicit, or direct a contribution of more than \$250 from any party, or a party's agent; or any participant or the participant's agent if the commission knows or has reason to know that the participant has a financial interest, while a LAFCO proceeding is pending, and for 12 months following the date a final decision is rendered by LAFCO. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than \$250 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days from the time the commissioner knows or should have known, about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than \$250 within the preceding 12 months by the party, or the party's agent, to a LAFCO commissioner. For forms, visit the LAFCO website at www.santaclaralafco.org. No party, or the party's agent and no participant, or the participant's agent, shall make a contribution of more than \$250 to any LAFCO commissioner during the proceeding or for 12 months following the date a final decision is rendered by LAFCO.
- Pursuant to Government Code Sections 56100.1, 56300, 56700.1, 57009 and 81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of \$1,000 or more or expend(s) a total of \$1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act (See also, Section 84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275- 3772).
- Pursuant to Government Code §56300(c), LAFCO adopted lobbying disclosure requirements which require that any person or entity lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. Additionally, every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. For forms, visit the LAFCO website at www.santaclaralafco.org.
- Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commissioners less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office, 777 North First Street, Suite 410, San Jose, California, during normal business hours. (Government Code §54957.5.)
- In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to meeting at (408) 993- 4705.

1. ROLL CALL

2. PUBLIC COMMENTS

This portion of the meeting provides an opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off- agenda items unless authorized by law. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

3. APPROVE CONSENT CALENDAR

The Consent Calendar includes Agenda Items marked with an asterisk (*). The Commission may add to or remove agenda items from the Consent Calendar.

All items that remain on the Consent Calendar are voted on in one motion. If an item is approved on the Consent Calendar, the specific action recommended by staff is adopted. Members of the public who wish to address the Commission on Consent Calendar items should comment under this item.

***4. APPROVE MINUTES OF DECEMBER 6, 2023 LAFCO MEETING**

ITEMS FOR ACTION / INFORMATION

5. UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS FROM LAFCO'S COUNTYWIDE FIRE SERVICE REVIEW

Recommended Action: Accept report and provide direction, as necessary.

6. UPDATE ON THE COMPREHENSIVE REVIEW AND UPDATE OF LAFCO POLICIES

Recommended Action: Accept report and provide direction, as necessary.

7. FINANCE COMMITTEE FOR FISCAL YEAR 2024-2025

Recommended Action: Establish a committee composed of three commissioners to work with staff to develop and recommend the proposed FY 2024-2025 LAFCO work plan and budget for consideration by the full commission.

8. SECOND AMENDMENT TO SERVICES AGREEMENT WITH CHAVAN & ASSOCIATES FOR INDEPENDENT PROFESSIONAL AUDITING SERVICES

Recommended Action: Authorize the LAFCO Executive Officer to amend the Chavan & Associates, LLP service agreement to (a) extend the agreement term to January 1, 2027, (b) include an additional \$38,250 in the contract, for a total contract amount not to exceed \$103,750, and (c) designate Paul Pham as the Contractor's Project Manager.

***9. CALAFCO RELATED ACTIVITIES**

9.1 2024 CALAFCO Staff Workshop

Recommended Action: Authorize staff to attend the 2024 CALAFCO Staff Workshop and authorize travel expenses funded by the LAFCO budget.

***10. EXECUTIVE OFFICER'S REPORT**

Recommended Action: Accept report and provide direction, as necessary.

10.1 Presentation on LAFCO to Leadership Sunnyvale

10.2 Bay Area LAFCOS Meeting

10.3 Special Districts Association Meeting

10.4 Santa Clara County Association of Planning Officials Meeting

11. COMMISSIONER REPORTS

12. NEWSPAPER ARTICLES / NEWSLETTERS

13. WRITTEN CORRESPONDENCE

CLOSED SESSION

14. PERFORMANCE EVALUATION

Public Employee Performance Evaluation (Government Code §54957)

Title: LAFCO Executive Officer

15. REPORT OUT OF CLOSED SESSION

16. ADJOURN

Adjourn to the regular LAFCO meeting on April 3, 2024 at 1:15 PM in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.



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ITEM # 4

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

**LAFCO MEETING MINUTES
WEDNESDAY, DECEMBER 6, 2023**

CALL TO ORDER

The meeting was called to order at 1:15 p.m.

1. ROLL CALL

Commissioners	Alternate Commissioners
Russ Melton, Chairperson	Helen Chapman (Voting for Y. Kishimoto)
Sylvia Arenas, Vice Chairperson	Teresa O'Neill
Jim Beall	Mark Turner (Left at 2:32)
Rosemary Kamei (Arrived at 1:20 p.m., left at 1:45 p.m., returned at 2:40 p.m.)	Domingo Candelas (Absent)
Yoriko Kishimoto (Absent)	Cindy Chavez (Absent)
Otto Lee	
Terry Trumbull	
LAFCO Staff	
Neelima Palacherla, Executive Officer	Sonia Humphrey, Clerk
Dunia Noel, Assistant Executive Officer	Mala Subramanian, Counsel
Emmanuel Abello, Associate Analyst	

2. PUBLIC COMMENTS

There were none.

3. APPROVE CONSENT CALENDAR

Motion: Lee Second: Trumbull
AYES: Arenas, Beall, Kamei, Chapman, Lee, Trumbull, Melton

Commission Action: The Commission approved the Consent Calendar, including items #4, #8, #10 and #11.

***4. APPROVED ON CONSENT: APPROVE MINUTES OF OCTOBER 4, 2023 LAFCO MEETING**

The Commission approved the minutes of October 4, 2023 meeting.

STUDY SESSION

5. STUDY SESSION: LAFCO LAW – THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Mala Subramanian, LAFCO Counsel, provided a PowerPoint presentation on key provisions in the CKH Act as they apply to Santa Clara LAFCO.

ITEMS FOR ACTION / INFORMATION

6. ANNUAL FINANCIAL AUDIT REPORT – JUNE 30, 2023

Motion: Lee Second: Chapman
AYES: Arenas, Beall, Chapman, Lee, Trumbull, Melton
ABSENT: Kamei

Commission Action:

1. Received a presentation from Sheldon Chavan on LAFCO’s Annual Financial Audit Report for FY ending June 30, 2023.
2. Received and filed the Annual Financial Audit Report (June 30, 2023) prepared for Santa Clara LAFCO by Chavan & Associates, LLP.

7. OVERVIEW OF SANTA CLARA LAFCO SERVICE REVIEW PROGRAM

For information only, no action.

***8. APPROVED ON CONSENT: ADOPTION OF SCHEDULE OF 2024 LAFCO MEETINGS**

Commission Action: Adopted the schedule of LAFCO meetings and application filing deadlines for 2024.

9. APPOINTMENT OF 2024 LAFCO CHAIRPERSON AND VICE-CHAIRPERSON

Motion: Lee Second: Trumbull
AYES: Arenas, Beall, Chapman, Lee, Trumbull, Melton
ABSENT: Kamei

Commission Action: Reappointed Russ Melton to serve as Chairperson for 2024 and reappointed Sylvia Arenas to serve as Vice-Chairperson for 2024.

***10. APPROVED ON CONSENT: EXECUTIVE OFFICER'S REPORT**

Commission Action: Accepted the report.

10.1 FileMaker Pro Software Support and Development Services

10.2 ECS Imaging's 21st Annual Conference: Laserfiche Training

10.3 Changes to LAFCO Clerk Job Specification

***11. APPROVED ON CONSENT: CALAFCO RELATED ACTIVITIES**

Commission Action: Accepted report.

12. COMMISSIONER REPORTS

13. NEWSPAPER ARTICLES / NEWSLETTERS

13.1 The Sphere (October 2023)

14. WRITTEN CORRESPONDENCE

14.1 Letter from the Special District Risk Management Authority regarding the President's Special Acknowledgement Awards (September 26, 2023)

14.2 Email from Gilroy Councilmember Zachary Hilton regarding Gilroy Fire Department Staffing (November 27, 2023)

CLOSED SESSION

15. PERFORMANCE EVALUATION

Public Employee Performance Evaluation (Government Code §54957)

Title: LAFCO Executive Officer

The Commission adjourned to Closed Session at 2:32 p.m.

16. REPORT OUT OF CLOSED SESSION

The Commission reconvened at 3:14 p.m., with no reportable action.

17. ADJOURN

The Commission adjourned at 3:15 p.m., to the next regular LAFCO meeting on February 7, 2024, at 1:15 p.m., in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.

Approved on February 7, 2024.

Russ Melton, Chairperson
Local Agency Formation Commission of Santa Clara County

By: _____
Sonia Humphrey, LAFCO Clerk

DRAFT



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ITEM # 5

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

LAFCO MEETING: February 7, 2024

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

**SUBJECT: UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS
FROM LAFCO'S COUNTYWIDE FIRE SERVICE REVIEW**

STAFF RECOMMENDATION

Accept report and provide direction, as necessary.

BACKGROUND

On December 14, 2023, the [Final Report for the Countywide Fire Service Review](#), adopted by LAFCO on October 4, 2023, was posted on the LAFCO website. LAFCO staff notified affected agencies, interested parties, and the public on the availability of the Final Report. The Report includes many recommendations for fire and emergency medical response service providers to consider and potentially implement.

LAFCO, at its October 4, 2023 meeting, directed LAFCO staff to contact each of the identified agencies / organizations included in the Countywide Fire Service Review to request a written response from them on how they plan to implement the recommendation(s) presented in the Countywide Fire Service Review Report, and a time-frame for that implementation or an explanation if the agency / organization does not plan to implement a recommendation.

On December 19, 2023, LAFCO staff contacted and requested the abovementioned information from the affected agencies / organizations. Please see **Attachment A** for a copy of that request. Staff has requested that these agencies / organizations provide their response no later than February 16, 2024.

Staff will provide those responses to LAFCO at its April 3, 2024 meeting for its consideration.

ATTACHMENT

Attachment A: Request to Agencies / Organizations Re: Implementation of the Recommendations of LAFCO's Countywide Fire Service Review

ITEM # 5
Attachment A

From: [Noel, Dunia](#)
Cc: [LAFCO](#)
Bcc: "[brianl@cityofcampbell.com](#)"; "[manager@cupertino.org](#)"; "[Jimmy.Forbis@CityofGilroy.org](#)"; "[administration@losaltosca.gov](#)"; "[ppirnejad@losaltoshills.ca.gov](#)"; "[manager@losgatascas.gov](#)"; "[nthomas@milpitas.gov](#)"; "[christina.turner@morganhill.ca.gov](#)"; "[city_mgr@mountainview.gov](#)"; "[citymanager@cityofmontesereno.org](#)"; "[Jennifer.Maguire@sanjoseca.gov](#)"; "[manager@santaclaraca.gov](#)"; "[jlindsay@saratoga.ca.us](#)"; "[citymgr@sunnyvale.ca.gov](#)"; Sandoval, Michelle; Plamondon, Heather; Miller, Kenneth (EMS Medical Director); Adcock, Trisha R.; Reed, Dana; "[scotty.jalbert@fire.ca.gov](#)"; "[baraka.carter@fire.ca.gov](#)"; "[george.huang@fire.ca.gov](#)"; "[jim.wyatt@ci.gilroy.ca.us](#)"; "[jschoonover@milpitas.gov](#)"; "[william.f.bonner@nasa.gov](#)"; "[Dwight.Good@fire.ca.gov](#)"; "[Juan.Diaz@mountainview.gov](#)"; "[Geoffrey.Blackshire@cityofpaloalto.org](#)"; "[Robert.Sapien@sanjoseca.gov](#)"; "[RTorres@SantaClaraCA.gov](#)"; "[pngo@sunnyvale.ca.gov](#)"; "[dpistor@sunnyvale.ca.gov](#)"; "[jlogan@lahcfd.org](#)"; EXT.911-Suwanna.Kerdkaew; "[brian.glass@sccfd.org](#)"; "[hector.estrada@sccfd.org](#)"; "[twhitley@saratogafire.org](#)"; EXT.Eric.Nickel; "[dstambaugh@svria.org](#)"; "[sschalet@sccfiresafe.org](#)"; Gallegos, Sylvia; Williams, James; "[aruiz@openspace.org](#)"; "[ed.shikada@cityofpaloalto.org](#)"; Mills, John; Toma, Louay
Subject: Implementation of Recommendations from LAFCO's Countywide Fire Service Review
Date: Thursday, January 25, 2024 5:44:00 PM
Attachments: [image001.png](#)
[Table A.pdf](#)
[Table B & Corresponding Maps.pdf](#)

Happy New Year,

Thank you to those agencies that have already provided a response to LAFCO's request regarding Implementation of Recommendations from LAFCO's Countywide Fire Service Review. Please see email below. For those who have yet to respond, kindly treat this as a gentle reminder to **send your response to lafco@ceo.sccgov.org at your earliest convenience, and no later than February 16, 2024**. Your input is essential and will be presented to the Commission for their consideration at an upcoming LAFCO meeting.

Sincerely,

Dunia Noel, Asst. Executive Officer
Santa Clara LAFCO

From: Noel, Dunia
Sent: Tuesday, December 19, 2023 5:09 PM
Cc: LAFCO <LAFCO@ceo.sccgov.org>
Subject: Implementation of Recommendations from LAFCO's Countywide Fire Service Review

Dear Fire Chiefs, City Managers, County Executive, and Other Affected Service Providers:

As you know, LAFCO recently adopted its [Countywide Fire Service Review](#) which includes recommendations for fire and emergency medical response service providers to consider and potentially implement.

LAFCO is requesting that each of the identified agencies / organizations:

1. Provide a written response on how you plan to implement the recommendations presented in the Countywide Fire Service Review Report pertaining to your agency/organization and summarized in the attached Table A and Table B; and
2. Provide a timeframe for that implementation; or
3. Provide an explanation if your agency/organization does not plan to implement a recommendation.

Please provide your response to lafco@ceo.sccgov.org as soon as possible and no later than February 16, 2024. Your response will be provided to the Commission for

their consideration at a future LAFCO meeting.

For your convenience we have prepared the following summary to help you quickly identify the recommendations (by number) that pertain to each agency. Please see the attached Tables A & B for the detailed recommendations.

AGENCIES/ORGANIZATIONS	REPORT RECOMMENDATIONS # IN:	
	Table A	Table B
Cities		
City of Campbell	2D, 3, 8, 8F, 12	
City of Cupertino	12	
City of Gilroy	2, 2C, 8, 8A, 20, 30, 30A	
City of Los Altos	8, 8J, 12	
Town of Los Altos Hills	12	
Town of Los Gatos	8, 8J, 12	
City of Milpitas	1, 8, 8C	1
City of Monte Sereno	12,	
City of Morgan Hill	1, 4, 8, 8C, 12, 20, 30, 30B	
City of Mountain View	8, 8D, 31	
City of Palo Alto	2, 2B, 8, 8E, 31	24, 25
City of San Jose	2, 2A, 8, 8F, 20	2, 3, 4, 5, 13, 14, 15, 16, 17, 18
City of Santa Clara	8, 8G, 31	
City of Saratoga	12	
City of Sunnyvale	1, 8, 8H, 20, 31	
Fire Districts		
Los Altos Hills County Fire District (LAHCFD)	1, 8, 8I, 12	20, 21, 22, 23
Saratoga Fire Protection District (SFD)	1, 12, 29	
Santa Clara County Central Fire Protection District (CCFD)	1, 2, 2D, 3, 8, 8J, 13, 20, 29, 31	1, 2, 3, 4, 5, 13
South Santa Clara County Fire Protection District (SCFD)	1, 5, 8, 8K, 12, 20, 30, 30C	5, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18
Other Providers		
County of Santa Clara (County Executive's Office or other dept.)	5, 28, 32	6, 7, 15, 16, 20, 21
County Office of Emergency Management (OEM)	15, 16, 17, 18	
CAL FIRE	30, 32	5, 9, 19
Silicon Valley Regional Interoperability Authority (SVRIA)	19, 22	
Santa Clara County Fire Chiefs Association	6, 7, 9, 10, 11, 13, 14, 21	
Santa Clara County Fire Safe	23, 24, 25, 26, 27	

Council		
Midpeninsula Regional Open Space District (MROSD)		17, 18, 19, 20, 21

If you have any questions, please reach out to Dunia Noel at dunia.noel@ceo.sccgov.org.

Lastly, thank you for participating in LAFCO's Countywide Fire Service Review and for your consideration and timely response to this request.

Sincerely,

Neelima Palacherla, Executive Officer

If you have an inquiry, we encourage you to contact us by email at LAFCO@ceo.sccgov.org.

Dunia Noel

Assistant Executive Officer, Santa Clara LAFCO

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TABLE A: COUNTYWIDE FIRE SERVICE REVIEW REPORT RECOMMENDATIONS & POTENTIAL IMPLEMENTORS

#	Recommendations	Page # in Report	Potential Implementors
FIRE AND EMERGENCY SERVICES OVERVIEW RECOMMENDATIONS			
1	<p>Emergency Response Performance Standard : Gilroy, Mountain View, Palo Alto, Santa Clara, and San Jose have adopted performance standards (goals) through their elected officials. Sunnyvale and CCFD (including SFD and LAHCFD) have published response time goal, however, their elected officials have not adopted the standard. Morgan Hill, Milpitas and SCFD have not adopted a response time standard. Organizations should adopt a performance goal and present those to the elected officials for adoption. The organizations should consider a baseline standard that defines the expectation of service for the community.</p>	Pages xiii, 25	Sunnyvale, CCFD (including SFD and LAHCFD), Morgan Hill, Milpitas and SCFD
2	<p>Unit Utilization Hours: San Jose, Palo Alto, Gilroy, and CCFD all have units with UHUs of over 10%. These agencies should add additional resources to effectively manage the call volume and improve response time performance.</p>	Pages xiii, 25	San Jose, Palo Alto, Gilroy, and CCFD
2A	<p>San Jose Units: 28 engines and medical units exceeding 10% UHU, of which four exceed 20% UHU. Specifically: E01 (17.4%), E02 & E302 (17.9%), E03 (19%), E04 (15.2%), E05 (14.8%), E06 (11.4%), E07 (13.3%), E08 (16.2%), E10 (13.5%), E12 (10.2%), E13 (13.4%), E14 (12.2%), E16 (15.1%), E17 & WT17 (13.1%), E18 & WT18 (20.6%), E19 & E619 (26.5%), E21 & WT21 (19.4%), E23 (10.9%), E24 & E624 (23.1%), E26 & RM26 (28.3%), E27 & E627 (19.8%), E30 (14.1%), RM30 (10.4%), E31 & E631 (14.3%), E34 (15.0%), USAR34 (14.2%), E335 & E35 (12.5%).</p>	Pages 302 - 303	San Jose
2B	<p>Palo Alto Units: E61 (10.7%), M61 (22.3%), M62 (18.5%), and M64 (19.1%).</p>	Page 261	Palo Alto
2C	<p>Gilroy Units: The Chestnut Station has two units cross-staffed with three personnel assigned to the station, and the crew has an UHU of 10.9%. The Station 47/Chestnut Station crew has an UHU of 10.9%, specifically Sta.47 Cross Staffed (2.1%) + E47 (8.8%).</p>	Page 123	Gilroy
2D	<p>CCFD Unit: E81 (10.3%). The City of Campbell needs additional resources to reduce the unit hour utilization rate for the crew at Station 81 to help meet the performance standards adopted for the community. This study did not evaluate whether the city needs an additional fire station or just an additional company at Station 81.</p>	Page 506, 508, 534	Campbell & CCFD

#	Recommendations	Page # in Report	Potential Implementors
3	<p>Call Volume: The City of Campbell, which contracts with CCFD, is experiencing an increase in service demand and the resources assigned are already exceeding capacity, including the automatic aid stations nearby. The call volume inside the City of Campbell accounts for approximately 20% of all CCFD emergency responses, however, the staffing level only represents 9.3% of the on duty staffing each day. CCFD staffing levels in the city are dependent on contract conditions. The City of Campbell will need additional resources to meet the performance standards adopted for the community.</p>	Page 534	Campbell & CCFD
4	<p>Morgan Hill: 3-13: The rise in expenditures is anticipated to outpace increases in General Fund revenues for Morgan Hill through FY 27, causing the city to operate at a deficit in its GF each year from FY 23 to FY 27. Additional measures will be required to increase revenues or reduce expenditures in future years. The city should review its ability to continue with the contract for services in future years and whether to prioritize fire service in its expenditures or find additional revenue to continue providing service at least at the current level.</p>	Page 199	Morgan Hill
5	<p>SCFD & County of Santa Clara: 12-14: The sustainability of funding the operations of SCFD is being challenged primarily due to the increased cost of the CAL FIRE agreement. Projections show SCFD will use up all available fund balance by early FY 25; if no further revenue sources can be identified by that time, SCFD's operations will be severely impacted and may need to be reduced or may not be able to continue.</p>	Page 595	SCFD & Santa Clara County (County Executive's Office or other Dept.)
6	<p>Boundary Drop Response: While SCFD, Morgan Hill, and Gilroy have entered into a boundary drop agreement to share resources, AP Triton recommends the fire agencies evaluate opportunities for a boundary drop response for critical incidents (where time significantly matters in the outcome) for the entire county. Note: To be more effective, this will require improved interoperability between CAD products for dispatch centers, including the existing agreement between SCFD, Morgan Hill, and Gilroy. This effort should be coordinated by the Santa Clara Fire Chiefs Association.</p>	Pages xiii, 25	Santa Clara County Fire Chiefs Association

#	Recommendations	Page # in Report	Potential Implementors
7	<p>Station Identifiers: All agencies have unique unit identifiers; however, only San Jose and CCFD have station numbers that match the unit assigned. Each agency should consider assigning station numbers (in addition to station names) that match the unit identifier assigned across the county to improve awareness of the home station of response units. This effort should be coordinated by the Santa Clara Fire Chiefs Association.</p>	Pages xiii, 25	Santa Clara County Fire Chiefs Association
FACILITY REPLACEMENT & MAINTENANCE PLANNING RECOMMENDATIONS			
8	<p>Facility Replacement & Maintenance Planning: Establish a comprehensive facility replacement plan and a maintenance plan for fire stations. Please see specifics below.</p>		Gilroy, Milpitas, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Sunnyvale, and LAHCFD,
8A	<p>Gilroy: With two of Gilroy Fire Department's three stations being over forty years old, there should be a facility replacement plan in place. (Chestnut - 51 years) and (Las Animas - 45 years). In reviewing the city's current capital improvement budget, there were no fire facilities identified.</p>	Pages 128-129, 133	Gilroy
8B	<p>Milpitas: With one of Milpitas' four stations over fifty years, there should be a facility replacement plan in place. (Station 3 - 54 years). The older Milpitas fire stations do not meet the requirements of modern firefighting. The City's current Capital Improvement Plan only identified project related to fire stations was a portable building replacement project at Station 1 that is housing the Office of Emergency Services.</p>	Pages 162-163, 168	Milpitas
8C	<p>Morgan Hill: The City of Morgan Hill is building a new station that is expected to open in 2024. AP Triton did not identify any other capital projects in the current budget documents. Ensuring the stations are in good repair also requires regular maintenance and scheduled replacement of specialized equipment. Plans for updating and repairing systems such as heating and air conditioning (HVAC), generators, roofs, driveways, parking areas, security gates, painting, carpet replacement, and small appliances can keep costs down and buildings in service longer. In addition, establishing a facility replacement and maintenance plan will enable the city to plan for ongoing service from each station more efficiently.</p>	Page 195	Morgan Hill

#	Recommendations	Page # in Report	Potential Implementors
8D	<p>Mountain View: Two (Station 3 - 61 years & Station 4 - 55 years) of five stations over 50 years old...The City of Mountain View Public Works Department is responsible for the planning and maintenance of all facilities. The Fire Chief stated that Fire Station 3 is on the schedule for a capital replacement, however per Public Works, it is an “unfunded capital replacement project.”...Fire Stations and the Fire Department’s Training Division/Center are critical infrastructures which should be components of capital improvement and replacement plan for the city.</p>	Pages 230, 235	Mountain View
8E	<p>Palo Alto: Five of seven station over 50 years in age and/or were identified as not meeting the needs of a modern fire station: (Station 1 - 57 years), (Station 2 - 57 years), (Station 4 - 69 years), (Station 5 - 55 years), (Station 6 - 50 years), and Station 8. The city’s current five-year Capital Improvement Plan only identifies Station 4 for replacement. It was not apparent if an additional plan was in place for the other older stations. Station 6 is owned and maintained by Stanford University. Palo Alto has worked to update its facilities, including seismic protection, however, Stations 1, 2, 5, and 8 are nearing end of life and should be included in a plan for replacement.</p>	Pages 270, 277	Palo Alto
8F	<p>San Jose: With 15 of San José Fire Department’s 35 stations being over fifty years old there should be a more robust facility replacement plan in place. (Station 5 - 63 years), (Station 6 - 60 years), (Station 7 - 86 years), (Station 8 - 73 years), (Station 9 - 60 years), (Station 10 - 62 years), (Station 13 - 54 years), (Station 14- 60 years), (Station 15 - 60 years), (Station 16 - 62 years), (Station 18 - 59 years), (Station 22 - 57 years), (Station 23 - 56 years), (Station 26 - 74 years), (Station 30 - 67 years). Additionally, eighteen of the fire stations have no known seismic protection. The Fire Department’s current Capital Improvement Plan has identified only two remodel projects.</p>	Pages 340, 344, 351	San Jose
8G	<p>Santa Clara: With five of Santa Clara Fire Department’s nine stations being over forty years old, there should be a facility replacement plan in place. (Station 1 - 57 years), (Station 5 - 61 years), (Station 7 - 51 years), (Station 8 - 47 years), (Station 9 - 40 years). The Fire Department’s Capital Improvement Plan has identified a major gap in not having a funding source for major infrastructure needs for stations 1, 5, 7, and 9.</p>	Pages 384-385, 389	Santa Clara

#	Recommendations	Page # in Report	Potential Implementors
8H	<p>Sunnyvale: With five of Sunnyvale's six stations being over fifty years old, there should be a facility replacement plan in place. (Station 1 - 62 years), (Station 2 - 62 years), (Station 3- 62 years), (Station 4 - 62 years), (Station 6 - 62 years). Sunnyvale's Capital Improvement Plan (CIP) states the following: "The advancement of fire service standards and continued population growth of the city establishes the recognition for the need to begin replacing or expanding older, smaller fire stations built in the 1960s. The current facilities are becoming functionally inadequate and driving the need for a master plan. The master plan's recommendations will be utilized to develop a project plan which will be brought forward for consideration during the next CIP budget cycle." At this time, there appears to be funding identified to replace Station 2 but there are only remodels listed for the remaining stations.</p>	Pages 419-420, 424	Sunnyvale
8I	<p>LAHCFD: A facility replacement plan should be established for the Station 74 (El Monte) Fire Station. While it is only 26 years old, it has been rated in fair condition and does not meet the needs of a modern fire stations. It does, however, have seismic protection.</p>	Pages 447, 450	LAHCFD
8J	<p>CCFD, Los Altos, Campbell, Los Gatos: The majority of CCFD's fire stations are older and do not meet the requirements of moder firefighting. With seven of CCFD's stations over fifty years old, a facility replacement plan should be in place. [Station 75 (City of Los Altos) - 54 years], [Station 78 (CCFD) - 74 years], [Station 79 (CCFD) - 57 years], [Station 80 (City of Campbell) - 53 years], [Station 82 (City of Los Gatos - 62 years)], [Station 83 (City of Los Gatos) - 58 years], [Station 85 (CCFD) - 57 years]]. In reviewing the current Capital Improvement Plan, CCFD has identified that most facilities need some sort of update, repair, or replacement. CCFD established a capital fund in 2020 that will assist in funding the necessary improvements. Also, some facilities are not owned by the district and rely on each city or district to maintain or replace them. Most stations need a remodel to create gender separation in both sleeping areas and restrooms/shower areas.</p>	Pages 527-528, 535	CCFD, Los Altos, Campbell, and Los Gatos

#	Recommendations	Page # in Report	Potential Implementors
8K	<p>SCFD: The majority of fire stations, including SCFD's, are older and do not meet the requirements of modern firefighting. With two of the four stations serving SCFD being over 50 years old, there should be a facility replacement plan in place. [Headquarters (Shared with CAL FIRE) - 69 years]], and [Masten (owned by SCFD) - 57 years]]. The difficulty for SCFD is the mix of state-owned and local government-owned facilities and some with shared staffing. Getting the right funding at the right time for a multiagency building project is challenging. We did not identify any existing capital projects in the current SCFD budget documents.</p>	Pages 590-591, 595	SCFD
FIRE PREVENTION & PUBLIC EDUCATION RECOMMENDATIONS			
9	<p>Coordinate Consistency in Fire Codes: The Santa Clara County Fire Marshals Association should continue to work toward consistency in its fire codes through coordination or reduction of amendments. Amendments to vegetation management and fire sprinkler requirements should receive special attention as inconsistencies have the greatest impact on residents and the development community.</p>	Pages xiii, 25, 43	Santa Clara County Fire Chiefs Association
10	<p>Report on Status of Fire Inspections: Each jurisdiction should annually report the status of mandated inspections to its governing body in accordance with state law (California Health & Safety Code 13146.4). This will allow the governing body to assess and make decisions regarding resources and corrective action. A similar report should be submitted to the State Fire Marshal per the 2020 letter of request from the State Fire Marshal.</p>	Pages xiv, 37, 44	Santa Clara County Fire Chiefs Association
11	<p>Provide Information on Plan Review and Construction Requirements: The Santa Clara County Fire Marshals Association should consider creating processes like the one used for hazardous materials for plan reviews and construction inspections. Unidocs is an excellent way to clearly convey who is responsible, where to go, and what is required for service. Updates on requirements and/or turnarounds times, and other relevant information can be kept current on this living, web-based document.</p>	Pages xiv, 44	Santa Clara County Fire Chiefs Association

#	Recommendations	Page # in Report	Potential Implementors
12	<p>Service Provider Transparency for Cities and Districts with Fire Prevention Services provided by other agencies: Cupertino, Los Gatos, Monte Sereno, Los Altos, Morgan Hill, Saratoga, Campbell, SFD, LAHCFD, SCFD should all provide an explanation and links on their websites to connect community members with the agency providing fire prevention services. Those providing the service should consider adding guidelines and checklists used by staff to assist customers.</p>	Pages xiv, 38, 44	Cupertino, Los Gatos, Monte Sereno, Los Altos, Los Altos Hills, Morgan Hill, Saratoga, Campbell, SFD, LAHCFD, and SCFD
13	<p>Provide Access to Incident Data: CCFD and CAL FIRE should provide access to the incident database for every fire agency in Santa Clara County. The Fire Investigation Task Force is a best practice, and the data collected can be used to identify the fire problem countywide. The data quality must be high enough to determine what caused the fire (ignition source and material first ignited), where it occurred (fire origin in specific occupancy type, as well as geographic location), who caused it, if applicable (age, sex, etc.), and why it occurred (the action that brought the ignition source and material first ignited together). A shared database/geocoded map would facilitate the creation of programs that target specific populations and occupancies in areas at risk.</p>	Pages xiv, 40, 44	CCFD and CAL FIRE
14	<p>Coordinate Public Education re. Community Risk Reduction: Public education regarding community risk reduction is sparse and distinct among the agencies. Many rely on their websites to provide information and links. Creating a set of coordinated materials, programs, and messages, based on the identified fire (and EMS) problem(s), would go a long way in providing a clear, consistent message to targeted occupancies and populations throughout the county. A Public Education Task Force, working with local CERT and Red Cross groups, would be a best practice in efficiency as well as maximize the potential for behavior change in impacted populations. The Santa Clara County Fire Marshals Association should coordinate this recommendation with all the fire agencies in the County.</p>	Pages xv, 44	Santa Clara County Fire Chiefs Association
EMERGENCY MANAGEMENT RECOMMENDATIONS			
15	<p>Emergency Operations Plan Updates: The County Office of Emergency Management should develop a schedule for regular updates of the Emergency Operations Plan.</p>	Pages xv, 49	County Office of Emergency Management
16	<p>Emergency Management Outreach: The County Office of Emergency Management should build community resiliency to disasters through regular outreach and scheduled drills.</p>	Pages xv, 49	County Office of Emergency Management

#	Recommendations	Page # in Report	Potential Implementors
17	Fire Safe Council Representation: The County Office of Emergency Management should consider adding a representative from the Santa Clara County Fire Safe Council as a partner in plan updates and revisions.	Pages xv, 49	County Office of Emergency Management
18	Reference Community Wildfire Protection Plan: The County Office of Emergency Management should include references to the Community Wildfire Protection Plan (CWPP) in the wildfire threat summary portion of the Santa Clara County Emergency Operations Plan to help ensure coordination.	Pages xv, 49	County Office of Emergency Management
EMERGENCY COMMUNICATIONS RECOMMENDATIONS			
19	CAD-to-CAD Interoperability: Establish a CAD-to-CAD connection between dispatch centers to enhance interoperability. This connection would enable the transfer of information and real-time monitoring of neighboring agency resource status. It would streamline the process of requesting resources from neighboring centers and facilitate the determination of available resources outside the center for specific incidents. Silicon Valley Regional Interoperability Authority (SVRIA) should provide the coordination with all the Fire Dispatch Centers to meet this recommendation.	Pages xv, 57	Silicon Valley Regional Interoperability Authority (SVRIA) to coordinate with the fire agencies and dispatch centers.
20	AVL Dispatch of Resources: Gilroy, Morgan Hill, San Jose, Sunnyvale, CCFD, and SCFD are not currently utilizing Automatic Vehicle Location (AVL) technology to dispatch the closest available resource for emergencies. By integrating AVL into the CAD system through GIS mapping, the system can identify and dispatch the nearest unit to the incident. AVL Dispatch can help improve overall response times, potentially making a significant difference in critical calls. Each of these agencies should implement AVL dispatch in their dispatch center.	Pages xvi, 57	Gilroy, Morgan Hill, San Jose, Sunnyvale, CCFD, and SCFD
21	Data Quality and Access: The Santa Clara County Fire Chiefs should coordinate data standardization among the fire agencies, promote a single CAD system for the County with access for each agency to review their data sets, and all agencies should review the quality of inputs by their personnel.	Page xvi	Santa Clara County Fire Chiefs Association

#	Recommendations	Page # in Report	Potential Implementors
22	<p>Communications Feasibility Study: Due to their existing Joint Powers Agreement (JPA) with the service providers, Silicon Valley Regional Interoperability Authority (SVRIA) should commission a comprehensive feasibility study to address weaknesses in the overall emergency communications system in the county. The study should focus on reducing the number of Public Safety Answering Points (PSAPs), establishing a common Computer-Aided Dispatch (CAD) platform for fire and EMS agencies, and evaluating the benefits and challenges of combining fire and EMS dispatch centers, at least virtually. This study will provide valuable insights to improve services for individual agencies and the entire county. SVRIA's mission aligns with the goal of this proposed study, and it can facilitate collaboration and support for implementing improvements.</p>	Pages xvi, 58	Silicon Valley Regional Interoperability Authority (SVRIA)
WUI HAZARD MITIGATION IN SANTA CLARA COUNTY RECOMMENDATIONS			
23	<p>Coordinate Community Wildfire Protection Plan Updates: Santa Clara County Fire Safe Council should coordinate CWPP updates with particular emphasis on ensuring all communities within Santa Clara County are participating (Milpitas does not have an Annex).</p>	Pages xvi, 74	Santa Clara County Fire Safe Council
24	<p>Multi Party Fuel Mitigation, monitoring and outreach : Santa Clara County Fire Safe Council should concentrate on multi-party mitigation, monitoring, and outreach in the CWPP update. Santa Clara County Fire Safe Council should consider combining mitigation strategies from city Annexes into a single list that can be used to locate fuel breaks and fuel modifications to protect multiple jurisdictions, recognizing efficiencies of scale. The list should be prioritized to fund the most significant risks to the County first. The Santa Clara County Fire Safe Council should also develop public messages and online tools for all fire agencies to echo and make available to residents. Grants are available to fund projects. Implementation of projects should involve staff of impacted fire agencies, cities, and County OES, as well as hired contractors. Napa, Marin, and San Diego counties have already implemented this best practice and can serve as examples.</p>	Pages xvi, 74	Santa Clara County Fire Safe Council
25	<p>Annual Updates of the CWPP: Santa Clara County Fire Safe Council should conduct annual CWPP and fire agency updates regarding project planning, implementation, and maintenance.</p>	Pages xvii, 74	Santa Clara County Fire Safe Council

#	Recommendations	Page # in Report	Potential Implementors
26	Annual CWPP Project Coordination Meetings: Santa Clara County Fire Safe Council should conduct annual project coordination meetings between fire agencies, land management agencies, local non-profits, and the Santa Clara County Fire Safe Council to evaluate project priorities and review project accomplishments.	Pages xvii, 74	Santa Clara County Fire Safe Council
27	Maintain CWPP Project Database: Santa Clara County Fire Safe Council should maintain an extensive project database available to the community.	Pages xvii, 74	Santa Clara County Fire Safe Council
28	Funding Santa Clara County Fire Safe Council: The Santa Clara County Fire Safe Council is actively working at a countywide level to improve mitigation efforts. While the Fire Safe Council has access to some grant funding, the Fire Safe Council needs sustainable funding to provide consistent long-term service. AP Triton recommends Santa Clara County provide some level of consistent funding each year to the Fire Safe Council. In addition, funding for projects within a fire agency's jurisdiction should be budgeted by the fire agency in accordance with CWPP timeframes.	Pages xvii, 74	Santa Clara County (County Executive's Office or other Dept.)
GOVERNANCE STRUCTURE ALTERNATIVES RECOMMENDATIONS			
29	SFD: 11-16: There are potential alternatives with regards to SFD's governance and administration, where duplicated efforts could be minimized, as identified in LAFCO's Countywide Fire Service Review in 2010 and in Section III: Governance Structure Alternatives of this report. The review affirms that there are redundancies in SFD's current service structure that could be more efficient with just one fire district serving the area. It is recommended that SFD's receptiveness to reorganization to enhance services efficiencies be assessed.	Page xviii, Page 562	SFD and CCFD

#	Recommendations	Page # in Report	Potential Implementors
30	<p>Gilroy, Morgan Hill and SCFD: Exploring options for alternative service structures, such as joint powers authorities combining operations of two or more neighboring agencies, could potentially bring efficiencies and value-added services to Morgan Hill, Gilroy, and SCFD. While CAL FIRE provides contractual service of a large-scale fire agency to Morgan Hill and SCFD, creating a larger local entity consisting of Morgan Hill, Gilroy, and SCFD with a unified structure could offer benefits such as increased accountability, improved efficiency, and enhanced effectiveness in delivering fire services to the community. While reorganization, consolidation, and other shared service structures will likely have efficiencies from which agencies can benefit, if they are facing service-related constraints, these structure alternatives do not provide a singular solution to all constraints to services and must be combined with other strategies. It is recommended that SCFD and the cities of Morgan Hill and Gilroy enter into a Memorandum of Understanding, in coordination with CAL FIRE, outlining the agencies' commitment to providing long-term cooperative fire services and establishing a joint strategic planning team to assess potential cooperative service elements for implementation.</p>	Page xviii , Page 135, Page 201	Gilroy, Morgan Hill, SCFD, and CALFIRE
30A	<p>Gilroy: Considering the staffing and facility constraints specific to the City of Gilroy, collaborating with the City of Morgan Hill and SCFD to establish a larger entity may hold particular value.</p>	Page 135	Gilroy
30B	<p>Morgan Hill: While Morgan Hills' services are satisfactory and appear to be sustainable, there are facility capacity constraints and regionalization could offer opportunities to pool resources, share expertise, and optimize operations, leading to improved service delivery.</p>	Page 201	Morgan Hill
30C	<p>SCFD: SCFD has the economies of scale through its contract with CAL FIRE that allow for greater efficiency and effectiveness. However, due to financing constraints, and the need to either enhance revenues or reduce service costs, there may be further opportunities for regionalization between Morgan Hill, Gilroy, and SCFD to form a larger local entity.</p>	Page 597	SCFD

#	Recommendations	Page # in Report	Potential Implementors
31	<p><u>Mountain View, Palo Alto, Sunnyvale, Santa Clara, and CCFD:</u> Exploring options for alternative structures, such as joint powers authorities combining two or more neighboring agencies (Mountain View, Palo Alto, Sunnyvale, Santa Clara, and CCFD), could potentially bring efficiencies and value-added services to Mountain View and other smaller fire service providers in Santa Clara County. Creating a larger entity with a unified structure can offer benefits such as increased accountability, improved efficiency, and enhanced effectiveness in delivering fire services to the community. While Mountain View’s services are satisfactory and appear to be sustainable, there could be opportunities to pool resources, share expertise, and optimize operations, leading to improved service delivery.</p>	<p>Page 237 (Mountain View); Page 279 (Palo Alto); Page 391 (Santa Clara); Page 426 (Sunnyvale); and Page 537 (CCFD)</p>	<p>Mountain View, Palo Alto, Sunnyvale, Santa Clara, and CCFD</p>
32	<p>Six counties in California have opted to provide contract services to the State to fill CAL FIRE’s obligations with their counties. Given the changes to fire service that have occurred over the last two decades, reassessing the possibility of Santa Clara County transitioning to a “contract county” may be warranted. Inclusion of Alameda County and Contra Costa County in the restructuring, should their fire agencies express interest, would create a more cohesive fire service structure in the Bay Area and likely enhance bargaining power with the State. A challenge may be CAL FIRE’s long-term established presence in the County and existing infrastructure that is in place.</p>	<p>Pages xix, 94</p>	<p>Santa Clara County (County Executive’s Office or other Dept.) and CALFIRE</p>

TABLE B: RECOMMENDATIONS FOR ADDRESSING AREAS OUTSIDE OF AN IDENTIFIED LOCAL FIRE SERVICE PROVIDER & CORRESPONDING MAPS

#	Area	Sq. Miles	Land Use	Location to Essential Borders	Current Initial Responder	Nearest Station	Necessity/Fire Hazard	Wildland Urban Interface	Options	Recommendations	Page # in Report	Implementor(s)
1	1, 2, 3	6.26	Hillside, large lot residential, regional park	Within Milpitas SOI, outside Milpitas USA, adjacent to CCFD boundaries	City of Milpitas/ Spring Valley Volunteer Fire Department	Milpitas Station 2, Spring Valley VFD Station	Mostly SRA, some LRA. Large lot residences and few other structures.	Yes	1. Annexation by CCFD (requires SOI expansion) and contract with Milpitas	Annexation by CCFD with SOI expansion and contract with Milpitas.	Pages 82-82, 86, 90, 538	CCFD and Milpitas
2	4	3.1	Hillside with residences on 1+acre.	Inside San José SOI, outside San José USA, adjacent to CCFD boundaries and San José city limit	San José FD	San José Station 19	SRA—Hillside development with ~30 residences and equine facilities.	Yes	1. Annexation by CCFD (requires SOI expansion)	Annexation by CCFD with SOI expansion and contract with San José.	Pages 82-83, 86, 90, 538	CCFD and San Jose
3	5	0.33	Hillside with ranch and 1 residence	Inside San José SOI, outside San José USA, adjacent to CCFD boundaries	San José FD/CAL FIRE	San José Station 2, CAL FIRE Station 12	SRA—One residence	Yes	1. Annexation by CCFD (requires SOI expansion) 2. Continued service by CAL FIRE	Annexation by CCFD with SOI expansion and contract with San José.	Pages 82-32, 86, 90, 538	CCFD and San Jose
4	6	0.27	Agricultural with orchard, Hillside with residences	Inside San José SOI, outside San José USA, adjacent to CCFD boundaries	San José FD/CAL FIRE	San José Station 21, CAL FIRE Station 12	SRA—3 residences	Yes	1. Annexation by CCFD (requires SOI expansion) 2. Continued service by CAL FIRE	Annexation by CCFD with SOI expansion and contract with San José.	Pages 82-83, 86, 90, 538	CCFD and San Jose
5	7	38.9	Agricultural ranchlands and Hillside, United Technologies Corp.	Inside San José SOI, outside San José USA, adjacent to CCFD and SCFD boundaries and San José city limit	San José FD/CAL FIRE and contracts	San José Station 11, CAL FIRE Station 12	SRA—few structures	Yes	1. Annexation by SCFD (requires SOI expansion) 2. Annexation by CCFD (requires SOI expansion)	Annexation by CCFD of the northern half and annexation by SCFD of southern half with SOI expansions and contract service by San José or CAL FIRE.	Pages 82-83, 86, 90, 538, 598	CCFD, SCFD, San Jose, and CAL FIRE
6	8	284.4	Agricultural ranchlands	Outside city SOIs and USAs, adjacent to San José City boundaries, outside FPD SOIs, adjacent to CCFD boundaries and SCFD SOI	CAL FIRE (only during fire season)	CAL FIRE Stations 12 and 25 in area	Entirely SRA, few to no structures, recreation related service calls	Yes	1. Extend CAL FIRE staffing year round through Amador Contract. 2. Status quo—CAL FIRE service during wildfire season only.	Extend CAL FIRE staffing year round, with possible Amador Contract through off season contingent on funding mechanism.	Pages 82-83, 86, 90	County of Santa Clara (County Executive's Office or other dept.) and CAL FIRE
7	9	0.2	Hillside, Rosendin County Park	Inside Morgan Hill SOI, outside USA, inside SCFD SOI, adjacent to Morgan Hill city limits, adjacent to SCFD	Morgan Hill FD	Morgan Hill Station 58 (Dunne Hill)	SRA, no structures, State park	Yes	1. Annexation into SCFD	Annexation into SCFD as area is already located within its SOI. Identify funding structure for emergency services in County parks.	Pages 82-83, 86, 90-91	SCFD and County of Santa Clara (County Executive's Office or other dept.)
8	10	138.5	Agricultural Ranchlands/ Henry W. Coe State Park	Outside SCFD boundaries, inside SOI	CAL FIRE	CAL FIRE Station 21 and 31	Entirely SRA, few to no structures	Yes	1. Annexation into SCFD	Annexation into SCFD.	Pages 82-83, 86, 90-91	SCFD
9	11	37.6	Agricultural ranchlands	Outside SCFD boundaries and SOI	CAL FIRE	CAL FIRE Station 31	Entirely SRA, few to no structures	Yes	1. Annexation by SCFD (SOI expansion needed) 2. Continued service by CAL FIRE	Annexation by SCFD (SOI expansion needed) including entirety of highway, with contract services provided by CAL FIRE.	Pages 82-83, 86, 90-91, 598-599	SCFD and CAL FIRE
10	12	0.08	Ranchlands, no structures (1 parcel)	Inside San José SOI, outside San José USA, adjacent to San José city limits and SCFD boundaries	Unknown	Casa Loma VFA Station	SRA, no structures	Yes	1. Annexation by SCFD (requires SOI expansion)	Annexation by SCFD with SOI expansion with contract for services if necessary.	Pages 82-83, 86, 90-91, 598-599	SCFD
11	13	0.24	Hillside, about 8 residential structures with some ag (10 parcels)	Inside San José SOI, outside San José USA, adjacent to San José city limits and SCFD boundaries	Unknown	Casa Loma VFA Station	SRA	Yes	1. Annexation by SCFD (requires SOI expansion)	Annexation by SCFD with SOI expansion with contract for services if necessary.	Pages 82-83, 86, 90-91, 598-599	SCFD
12	14	0.28	Hillside with ag, some residential structures (2 parcels)	Inside San José SOI, outside San José USA, adjacent to San José city limits and SCFD boundaries	Unknown	Casa Loma VFA Station	SRA	Yes	1. Annexation by SCFD (requires SOI expansion)	Annexation by SCFD with SOI expansion with contract for services if necessary.	Pages 82-83, 86, 90-91, 598-599	SCFD
13	15	0.26	Hillside, agricultural no structures (1 parcel)	Inside San José SOI, adjacent to San José city limits and CCFD boundaries	San José FD	San José Station 28, CAL FIRE Station 22	SRA, no structures	Yes	1. Annexation by CCFD (requires SOI expansion) and contract with San José for services	Annexation by CCFD with SOI expansion and contract service by San José for consistency of response with all territory in the region regardless of city SOI.	Pages 82-83, 87, 90, 539	CCFD and San Jose

#	Area	Sq. Miles	Land Use	Location to Essential Borders	Current Initial Responder	Nearest Station	Necessity/Fire Hazard	Wildland Urban Interface	Options	Recommendations	Page # in Report	Implementor(s)
14	16	0.23	Hillside with residence and agricultural activities (1 parcel)	Surrounded by CCFD boundaries, inside San José SOI, outside San José USA	San José FD	San José Station 28, CAL FIRE Station 22	SRA, few structures	Yes	1. Annexation by CCFD (requires SOI expansion) and contract with San José for services	Annexation by CCFD with SOI expansion and contract service by San José for consistency of response with all territory in the region regardless of city SOI.	Pages 82-83, 86, 90-91, 539	SCFD and San Jose
15	17	6.73	Calero Reservoir County Park, and Hillside with ~10 residences	Inside San José SOI, outside San José USA, adjacent to SCFD boundaries and San José city limits	Likely San José FD	San José Station 28, CAL FIRE Station 22, Casa Loma VFA Station	SRA, few structures, regional park	Yes	1. Annexation by SCFD (requires SOI expansion) 2. Annexation by CCFD (requires SOI expansion and overlap with San José SOI) and contract with San José for services	Annexation by SCFD with SOI expansion and contract service by San José for consistency of response with all territory in the region regardless of city SOI. Identify funding structure for emergency services in County parks.	Pages 82-83, 86, 90-91, 598-599	SCFD, San Jose, and County of Santa Clara (County Executive's Office or other dept.)
16	18	9.2	Hillside with ~11 Residences, Almaden Quicksilver County Park, Sierra Azul Open Space Preserve	Inside San José SOI, outside San José USA, adjacent to SCFD boundaries, and San José city limits	Likely San José FD	San José Stations 22 and 28, CAL FIRE Station 22	SRA, few structures, regional park	Yes	1. Annexation by SCFD (requires SOI expansion) 2. Annexation by CCFD (requires SOI expansion and overlap with San José SOI) and contract with San José for services	Annexation by SCFD with SOI expansion and contract service by San José for consistency of response with all territory in the region regardless of city SOI. Identify funding structure for emergency services in County parks.	Pages 82-83, 86, 90-91, 598-599	SCFD, San Jose, and County of Santa Clara (County Executive's Office or other dept.)
17	19	0.17	Sierra Azul Open Space Preserve	Outside of Los Gatos and San José SOI, outside USA of Los Gatos and San José	Likely San José FD	San José Station 22, CCFD Station 82, CAL FIRE Station 22	SRA, no structures, open space	Yes	1. Midpeninsula Regional Open Space District ensure structure in place with provider for fire suppression of fires on district properties until CAL FIRE is on scene. 2. Annexation by SCFD (requires SOI expansion) 3. Annexation by CCFD (requires SOI expansion and overlap with San José SOI) and contract with San José for services	Midpen ensure structure in place with provider for fire suppression of fires on district properties until CAL FIRE is on scene. Annexation by SCFD with SOI expansion and contract service by San José for consistency of response with all territory in the region regardless of city SOI. Identify funding structure for emergency services in recreational areas.	Pages 82-83, 87, 92-93, 598-599	MROSD, SCFD, and San Jose
18	20	1.05	Sierra Azul Open Space Preserve	Inside Los Gatos SOI, Outside Los Gatos USA, adjacent to CCFD and SCFD	Likely San José FD	San José Station 22, CCFD Station 82, CAL FIRE Station 22	SRA, no structures, open space	Yes	1. Midpeninsula Regional Open Space District ensure structure in place with provider for fire suppression of fires on district properties until CAL FIRE is on scene. 2. Annexation by SCFD (requires SOI expansion) and contract with San José for services 3. Annexation by CCFD (requires SOI expansion) and contract with San José for services	Midpen ensure structure in place with provider for fire suppression of fires on district properties until CAL FIRE is on scene. Annexation by SCFD with SOI expansion and contract services by San José FD for consistency of response with all territory. Identify funding structure for emergency services in recreational areas.	Pages 82-83, 87, 92-93, 598-599	MROSD, SCFD, San Jose

#	Area	Sq. Miles	Land Use	Location to Essential Borders	Current Initial Responder	Nearest Station	Necessity/Fire Hazard	Wildland Urban Interface	Options	Recommendations	Page # in Report	Implementor(s)
19	21	0.41	Skyline Ridge Open Space Preserve, Hillside, and private residences	Inside Palo Alto SOI, outside Palo Alto USA, adjacent to Palo Alto city limits	CAL FIRE San Mateo/Santa Cruz Cal Fire Units (CZU)	CAL FIRE Saratoga Summit and Skylonda Stations, Palo Alto Station 68	Mostly LRA - 65 acres private ownership, including residences, 163 acres Midpen ownership, and 12 acres public right-of-way. 14 acres of SRA.	Yes	<ol style="list-style-type: none"> 1. Midpeninsula Regional Open Space District ensure structure in place for fire suppression of fires on district properties. 2. Annexation into Palo Alto outside USA to protect open space and/or ag. 3. Responsible agency contract with or enter into a mutual aid agreement with CAL FIRE CZU to have CAL FIRE CZU be the responding agency for fire and emergency medical response. 4. Consider formal inclusion in the SRA. 	Midpen ensure structure in place with appropriate provider, for fire suppression of fires on district properties. City of Palo Alto FD is nearest local fire provider; however, CAL FIRE has the nearest stations that are operated year-round. Structure be put in place to enable contract or mutual aid agreement with CAL FIRE CZU.	Pages 82-83, 88, 92-93	MROSD and CAL FIRE
20	22	3.07	Rancho San Antonio Open Space Preserve, private non-profit Hidden Villa, Hillside	Inside Los Altos Hills SOI, Outside LAHCFD SOI, outside CCFD SOI, adjacent to Palo Alto city limits and CCFD boundaries, outside Los Altos Hills USA	LAHCFD/ CCFD	CCFD Stations 74	SRA, no structures, regional park	Yes	<ol style="list-style-type: none"> 1. Annexation by LAHCFD (requires SOI expansion) 2. Midpeninsula Regional Open Space District ensure structure in place with LAHCFD/CCFD for fire suppression of fires on district properties until CAL FIRE is on scene. 3. Status quo 	Annexation by LAHCFD with SOI expansion. Identify funding structure for emergency services in County parks and open space.	Pages 82-83, 88, 92-93, 453	LAHCFD, MROSD, and County of Santa Clara (County Executive's Office or other dept.)
21	23	0.31	Rancho San Antonio Open Space Preserve, Hillside	Inside Los Altos Hills SOI, inside LAHCFD SOI, adjacent to Los Altos Hills city limits, outside Los Altos Hills USA	LAHCFD/ CCFD	CCFD Stations 74, 77, 76	SRA, no structures, regional park	Yes	<ol style="list-style-type: none"> 1. Annexation by LAHCFD 2. Midpeninsula Regional Open Space District ensure structure in place with LAHCFD/CCFD for fire suppression of fires on district properties until CAL FIRE is on scene. 3. Status quo 	Annexation by LAHCFD. Identify funding structure for emergency services in County parks and open space.	Pages 82-83, 88, 92-93	LAHCFD, MROSD, and County of Santa Clara (County Executive's Office or other dept.)
22	24	0.33	Private nonprofit - Hidden Villa	Inside Los Altos Hills SOI, inside LAHCFD SOI, adjacent to Los Altos Hills and Palo Alto city limits, outside Los Altos Hills USA	LAHCFD/ CCFD	CCFD Stations 76, 77, 74	SRA, structures	Yes	<ol style="list-style-type: none"> 1. Annexation by LAHCFD 2. Status quo 	Annexation by LAHCFD.	Page 82-83, 88, 90-91	LAHCFD
23	25	0.05	Roadway—Interstate 280	Inside City of Palo Alto SOI, adjacent to City of Los Altos Hills city limits, adjacent to Los Alto Hills FPD boundaries, outside of Los Altos Hills FPD SOI, outside Los Altos Hills USA	LAHCFD/CCFD	CCFD Station 74, 76, 75, 77	Interstate with demand for emergency services	Yes	<ol style="list-style-type: none"> 1. Annexation by LAHCFD (requires SOI expansion) 2. Status quo 	Annexation by LAHCFD with SOI expansion for logical service boundaries along the interstate.	Page 82-83, 88, 90-91, 453	LAHCFD

#	Area	Sq. Miles	Land Use	Location to Essential Borders	Current Initial Responder	Nearest Station	Necessity/Fire Hazard	Wildland Urban Interface	Options	Recommendations	Page # in Report	Implementor(s)
24	26	0.01	Lucille M. Nixon Elementary School	Inside Palo Alto SOI, inside Palo Alto USA	City of Palo Alto FD	Palo Alto Station 2 and 6	Elementary school with demand for fire protection and emergency services	No	1. Palo Alto FD develop contract for services with school district. 2. Status quo.	PAUSD contract with City of Palo Alto FD for services at school.	Pages xviii, 82-83, 89, 92	City of Palo Alto
25	27	0.01	Escondido Elementary School	Inside Palo Alto SOI, adjacent to Palo Alto city limits, inside Palo Alto USA	City of Palo Alto FD	Palo Alto Station 2 and 6	Elementary school with demand for fire protection and emergency services	No	1. Palo Alto FD develop contract for services with school district. 2. Annexation into City of Palo Alto. 3. Status quo.	PAUSD contract with City of Palo Alto FD for services at school.	Pages xviii, 82-83, 89, 92	City of Palo Alto

Figure 17: Map of Areas Outside of an Identified Local Fire Service Provider

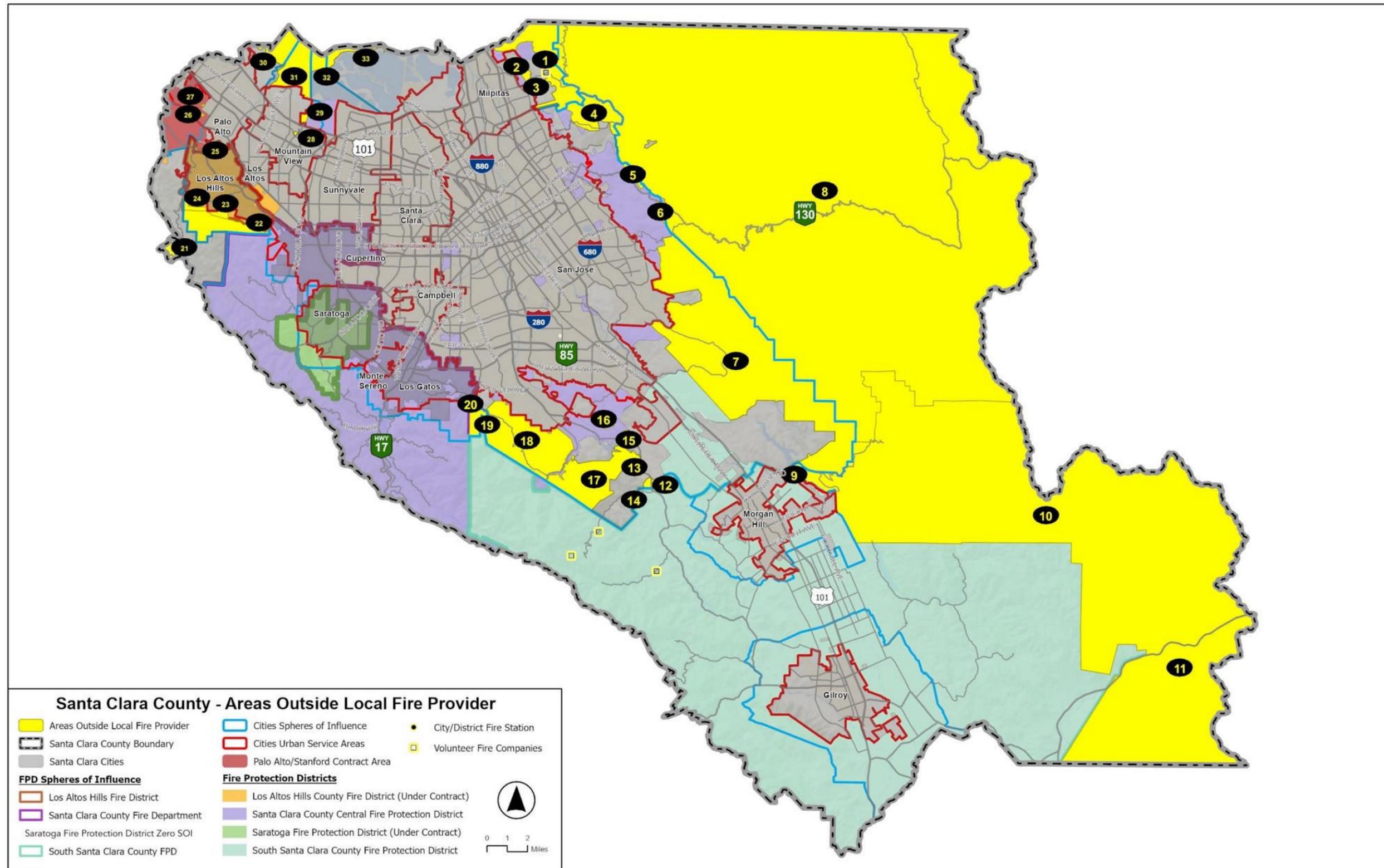
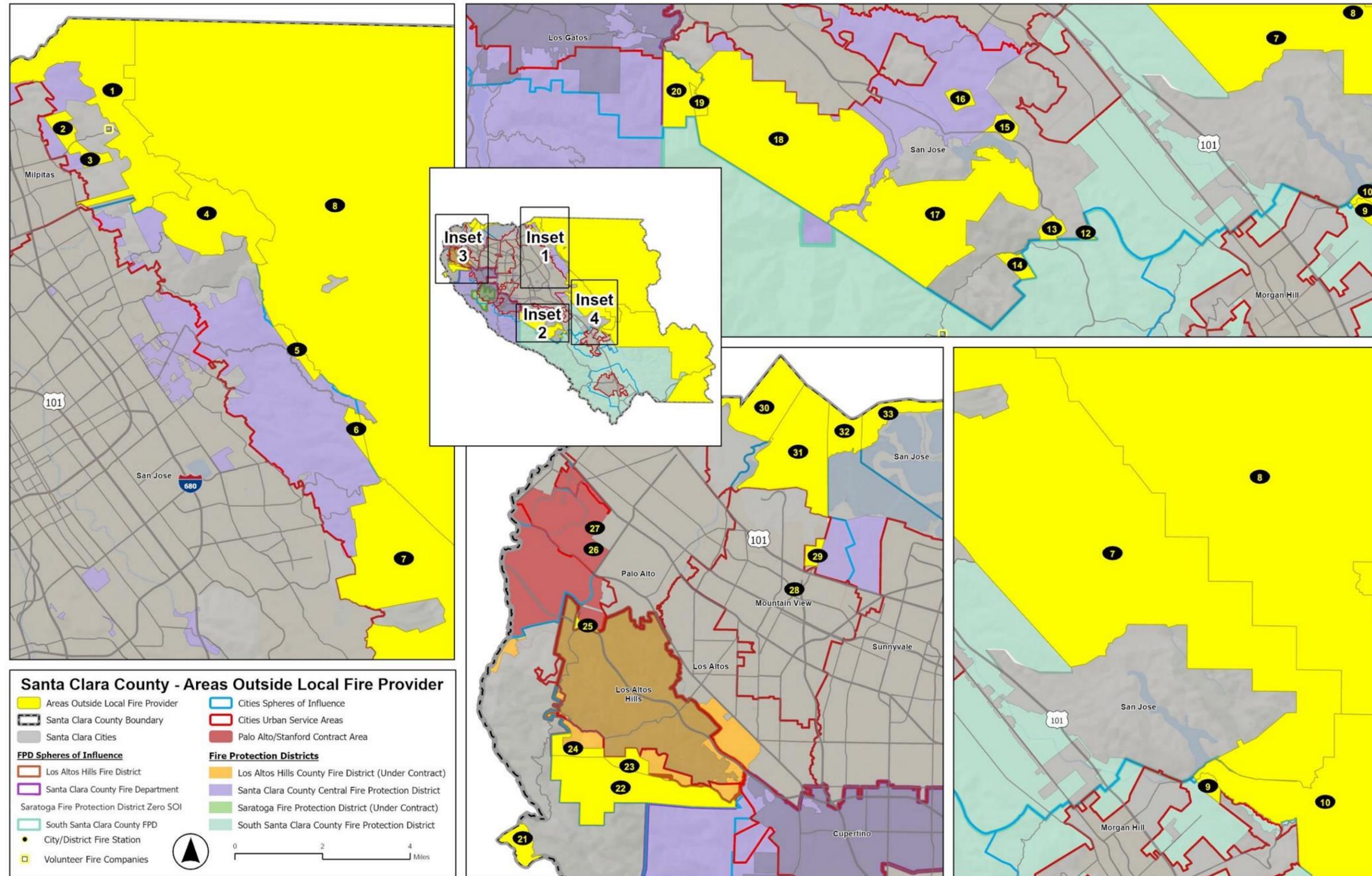


Figure 18: Map of Areas Outside of an Identified Local Fire Service Provider (cont.)





**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

Alternate Commissioners

Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner

Executive Officer

Neelima Palacherla

LAFCO MEETING: February 7, 2024

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

**SUBJECT: UPDATE ON THE COMPREHENSIVE REVIEW AND
UPDATE OF LAFCO POLICIES**

STAFF RECOMMENDATION

Accept report and provide direction, as necessary.

WORKPLAN FOR THE REVIEW AND UPDATE PROCESS

On October 4, 2023, LAFCO established an Ad-Hoc Committee comprising of Chair Melton, Vice Chair Arenas, and Alternate Commission Chapman to assist LAFCO staff in conducting a comprehensive review and update of LAFCO Policies, for public review and comment, prior to the full commission’s consideration and adoption.

The purpose of the comprehensive review and update of the current LAFCO Policies is to:

- Better enable LAFCO to meet its legislative mandate,
- Make the policies consistent with recent changes to the CKH Act,
- Better document current/historic practices,
- Provide better guidance to affected agencies, public, and potential applicants; and increase clarity and transparency of LAFCO’s policies and expectations.

The Ad-Hoc Committee held its first meeting in December 2023 and developed a workplan for completing the overall review and update process as follows:

REVIEW AND UPDATE PROCESS	TENTATIVE TIMELINE
Staff & Ad-Hoc Committee prepare draft of proposed update to existing LAFCO Policies	December 2023 - June 2024
Proposed update to LAFCO Policies is released for public review and comment	July 2024
Staff holds workshop to receive public comments on proposed update to LAFCO Policies	August 2024

Staff and Ad Hoc Committee review public comments received, prepare responses to the comments, and consider any additional changes to the proposed update of LAFCO Policies	August – September 2024
Proposed update to LAFCO Policies is released for further public review and comment	October 2024
LAFCO holds public hearing to consider and adopt proposed update to LAFCO Policies	December 2024

It is anticipated that the Ad-Hoc Committee will meet monthly through June 2024 to review LAFCO’s current policies and propose updates, as necessary. The Ad-Hoc Committee will review and update, as necessary, the following current policies:

- Countywide Urban Development Policies (CUDPs)
- Boundary Agreement Lines
- Sphere of Influence (SOI) Policies
- Urban Service Area (USA) Policies
- Policies on Annexation/Reorganization for Cities and Special Districts
- Policies on Urban Growth Boundaries and Other Long-Term Boundaries
- Policies of “Out of Agency Contracts for Services” Proposals
- Policies for Gilroy Agricultural Lands Area
- Agricultural Mitigation Policies
- Island Annexation Policies
- Incorporation Policies
- Service Review Policies
- Policies and Procedures for Processing Proposals Affecting More than One County

LAFCO staff, working with LAFCO Counsel, will review and propose updates as necessary to the following policies and will bring any proposed updates directly to the full Commission for its consideration and adoption:

- LAFCO Bylaws
- Records Retention Policy and Schedule
- Procedures for Preparing and Processing Environmental Documents
- Indemnification Policy
- Conflict of Interest Code
- Policies for Use of LAFCO Issued Electronic Devices
- Legislative Policies



Local Agency
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Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 7

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

LAFCO MEETING: February 7, 2024

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

SUBJECT: FINANCE COMMITTEE FOR FISCAL YEAR 2024-2025

STAFF RECOMMENDATION

Establish a committee composed of three commissioners to work with staff to develop and recommend the proposed FY 2024-2025 LAFCO work plan and budget for consideration by the full commission.

BACKGROUND

The LAFCO Finance Committee will discuss budget related issues and work with staff to develop the FY 2024-2025 work plan and budget for the full Commission’s consideration and adoption. The time commitment for commissioners serving on this committee would be limited to 2 or 3 meetings, between the months of February and May.

The Fiscal Year 2024 Finance Committee was composed of Commissioners Russ Melton, Jim Beall, and Alternate Commissioner Helen Chapman.

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires LAFCO, as an independent agency, to annually adopt a draft budget by May 1 and a final budget by June 15 at noticed public hearings.



**Local Agency
Formation Commission
of Santa Clara County**
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 8

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

LAFCO MEETING: February 7, 2024

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Emmanuel Abello, Associate Analyst**

**SUBJECT: SECOND AMENDMENT TO SERVICES AGREEMENT WITH
CHAVAN & ASSOCIATES FOR INDEPENDENT
PROFESSIONAL AUDITING SERVICES**

STAFF RECOMMENDATION

Authorize the LAFCO Executive Officer to amend the Chavan & Associates, LLP service agreement to (a) extend the agreement term to January 1, 2027, (b) include an additional \$38,250 in the contract, for a total contract amount not to exceed \$103,750, and (c) designate Paul Pham as the Contractor’s Project Manager.

PROPOSED AMENDMENT TO CHAVAN & ASSOCIATES, LLP CONTRACT

On July 27, 2018, LAFCO retained Chavan & Associates, LLP (C&A) to audit LAFCO’s financial statements and prepare LAFCO’s General Purpose Financial Statements for Fiscal Years ending 2018, 2019, 2020 and 2021, at a total cost of \$40,000 (**Attachment B**).

LAFCO’s four-year contract with C&A ended on January 1, 2022. At its December 2021 meeting, LAFCO extended the agreement to January 1, 2024, to include audits for Fiscal Years ending in 2022 and 2023, and to include an additional \$25,000 in the contract, for the total contract amount not the exceed \$65,000 (**Attachment C**).

Under State law (Government Code §12410.6[b]), “commencing with the 2013-14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, performed audit services for the local agency for six consecutive fiscal years.”

C&A has audited LAFCO’s financial statements from FY 2018 up to the recently concluded FY 2023, and it has now done so for six consecutive years, with Sheldon Chavan as the lead audit partner. Consistent with the above auditor rotation provision in state law, LAFCO may continue to contract with C&A under a different

lead or engagement partner. C&A has indicated that they can provide audit services under engagement partner Paul Pham, who would have the primary responsibility for LAFCO's audit, at a cost of \$12,750 per fiscal year, which is slightly lower than the FY 2023 cost of \$13,000. LAFCO Counsel has prepared a second amendment to the C&A agreement for the Commission's consideration. See Attachment A.

BACKGROUND

Effective January 2001, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 required LAFCOs to be independent bodies. In June 2001, Santa Clara LAFCO entered into a Memorandum of Understanding (MOU) with the County of Santa Clara under which the County provides staffing, facilities and support services to LAFCO including all payroll, banking, and accounting services. LAFCO's funds are maintained in the County Treasury, LAFCO is included in the County's financial accounting system and all LAFCO financial transactions are subject to the internal controls in place at the County. The County provides accounting and reporting on both LAFCO's budget and actual transactions. The County treats LAFCO as a Special Revenue Fund to reflect its status as an independent agency that is separate from the County. The County includes LAFCO in its external audit process and in its Comprehensive Annual Financial Report (CAFR). However, LAFCO is presented together with other funds and therefore there is a lack of separate or detailed information on LAFCO.

Staff at the County Controller's Office concurred that as an independent agency, LAFCO should issue its own financial statements similar to several LAFCOs around the state, instead of being comingled with the County. This would have the advantage of providing greater clarity and transparency on LAFCO's financials.

At the April 4, 2018 meeting, the Commission directed staff to arrange for an annual audit of LAFCO's financial statements to be conducted by an independent auditor, beginning with Fiscal Year 2018, and directed staff to prepare a draft RFP for independent financial audit services for Commission consideration and approval.

On June 6, 2018, LAFCO authorized staff to issue a Request for Proposals (RFP) for an independent Certified Public Accounting firm to audit LAFCO's financial statements. Commissioner Jimenez was appointed to serve on the consultant selection panel.

On June 7, 2018, LAFCO staff released an RFP for an independent Certified Public Accounting firm to audit LAFCO's financial statements and prepare its General Purpose Financial Statements for Fiscal years ending 2018, 2019, 2020 and 2021. LAFCO received four proposals in response to its RFP.

LAFCO staff, staff from the County Controller-Treasurer's Office and Commissioner Jimenez evaluated the proposals and selected Chavan & Associates, LLP.

NEXT STEPS

If authorized, Executive Officer Palacherla will execute the proposed Second Amendment to the C&A service agreement.

Should the Commission choose not to extend the C&A contract, staff will bring back for the Commission's consideration at the April 2024 LAFCO meeting, recommendations on the issuance of a Request for Proposals (RFP) for an independent Certified Public Accounting firm to audit LAFCO's financial statements and prepare its General Purpose Financial Statements for FY 2024 onwards.

ATTACHMENTS

- Attachment A: Proposed Amendment No. 2 to Services Agreement between LAFCO and Chavan & Associates, LLP
- Attachment B: Services Agreement between LAFCO and Chavan & Associates, LLP, for Independent Professional Auditing Services (July 27, 2018)
- Attachment C: Amendment No. 1 to Services Agreement between LAFCO and Chavan & Associates, LLP (January 10, 2022)

**AMENDMENT NO. 2
TO THE SERVICES AGREEMENT BETWEEN THE LOCAL AGENCY FORMATION
COMMISSION OF SANTA CLARA COUNTY AND CHAVAN & ASSOCIATES, LLP FOR
INDEPENDENT PROFESSIONAL AUDITING SERVICES**

1. Parties and Date.

This Amendment No. 2 to the SERVICES AGREEMENT is made and entered into as of this ____ day of _____, 2024, by and between the Local Agency Formation Commission of Santa Clara County (“LAFCO”) and Chavan & Associates, LLP (“Contractor”). LAFCO and Contractor are sometimes individually referred to as “Party” and collectively as “Parties.”

2. Recitals.

2.1 Contractor. The LAFCO and Contractor have entered into an agreement entitled “SERVICES AGREEMENT BETWEEN THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY AND CHAVAN & ASSOCIATES, LLP FOR INDEPENDENT PROFESSIONAL AUDITING SERVICES” dated July 27, 2018 (“Agreement”) to retain the Contractor to audit LAFCO’s financial statements and prepare its General Purpose Financial Statements for the fiscal years ending June 30, 2018, June 30, 2019, June 30, 2020, and June 30, 2021.

2.2 Amendment No. 1. On January 10, 2022, the Parties entered into AMENDMENT NO. 1 TO THE SERVICES AGREEMENT BETWEEN THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY AND CHAVAN & ASSOCIATES, LLP FOR INDEPENDENT PROFESSIONAL AUDITING SERVICES to amend the Agreement to expand the scope of services to add fiscal years ending June 30, 2022 and June 30, 2023, extend the term of the Agreement, and increase the compensation (“Amendment No. 1”).

2.3 Amendment No. 2. The LAFCO and Contractor desire to further amend the Agreement to expand the scope of services to add fiscal years ending June 30, 2024, June 30, 2025, and June 30, 2026, extend the Agreement, increase the compensation, and change the Project Manager.

2.4 Amendment Authority. This Amendment No. 2 is authorized pursuant to Section 16 of the Agreement.

3. Terms.

3.1 Term. Section 2 of the Agreement is hereby amended in its entirety to read as follows:

“2. Term of Agreement.

This Agreement is effective from the date of final execution, to and including January 1, 2027, unless terminated earlier in accordance with Section 4.”

3.2 Compensation. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

“3. Compensation.

A. Contractor will be compensated for services provided in this Agreement as follows:

2018	\$10,000
2019	\$10,000
2020	\$10,000
2021	\$10,000
2022	\$12,500
2023	\$13,000
2024	\$12,750
2025	\$12,750
2026	\$12,750

Contractor will complete all the work and tasks described in Exhibit A for a total all-inclusive maximum amount not to exceed as listed above for each fiscal year and a cumulative total of \$103,750.

B. Contractor will provide LAFCO with task-specific invoices based on estimated costs in Contractor’s proposal, which shall be accompanied by a detailed summary of activities undertaken over the course of completing the task.

C. Delivery of the work product identified in Exhibit A shall in accordance with the project timeline as determined by mutual written agreement of the parties. If the reports are not delivered as mutually agreed of it they do not comply with the requirements in the Scope of Services, it is understood, acknowledged and agreed that LAFCO will suffer damage. As fixed and liquidated damages, LAFCO shall withhold from Contractor the payment of the sum of \$200 per calendar day for each and every calendar day of delay beyond the date that such reports are due as mutually agreed.”

3.3 Project Managers; Substitution. Section 5 of the Agreement is hereby amended in its entirety to read as follows:

“5. Project Managers; Substitution

A. Contractor designates Paul Pham as the Contractor’s Project Manager for the purpose of performing the services under this Agreement. Paul Pham will serve as day-to-day contact for LAFCO and work directly with staff.

B. LAFCO designates the LAFCO Executive Officer as its Project Manager for the purpose of managing the services performed under this Agreement.

C. Contractor may not substitute anyone other than Paul Pham to serve as Project Manager without the written permission of the LAFCO Executive Officer or her authorized representative. Any such substitution shall be with a person or form of commensurate experience and knowledge necessary for the tasks to be undertaken.”

3.4 Exhibit A. The first sentence of Exhibit A is amended as follows: “LAFCO’s independent financial audit for fiscal years 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, and 2026, will be prepared in accordance with the following requirements:”

3.5 Continuing Effect of Agreement. Except as amended by this Amendment No. 2 and Amendment No. 1, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 2. From and after the date of this Amendment No. 2, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 2 and Amendment No. 1.

3.6 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 2.

3.8 Severability. If any portion of this Amendment No. 2 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.9 Counterparts. This Amendment No. 2 may be signed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, LAFCO and Contractor have executed this Amendment No. 2 as follows:

LAFCO

CONTRACTOR

Neelima Palacherla
LAFCO Executive Officer

Sheldon Chavan, Partner

Date

Date

Approved As To Form:

Malathy Subramanian, LAFCO Counsel

**SERVICES AGREEMENT BETWEEN
THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY
AND CHAVAN & ASSOCIATES, LLP
FOR INDEPENDENT PROFESSIONAL AUDITING SERVICES**

This Agreement (“Agreement”) is made effective July 27, 2018, by and between the Local Agency Formation Commission of Santa Clara County (“LAFCO”) and Chavan & Associates, LLP (“Contractor”) to provide consulting services to audit LAFCO’s financial statements and prepare its General Purpose Financial Statements (GPFS) for the fiscal years ending June 30, 2018, June 30, 2019, June 30, 2020, and June 30, 2021.

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Act, Government Code Section 56000 et seq., LAFCO is an independent body; and

WHEREAS, LAFCO needs assistance with the annual audit of its financial statements and preparation of its General Purpose Financial Statements for Fiscal Years ending 2018, 2019, 2020 and 2021; and

WHEREAS, Contractor has experience and expertise necessary to provide such services; and

WHEREAS, at the June 6, 2018 meeting of LAFCO, the Commission delegated authority to the LAFCO Executive Officer to execute an agreement with the most qualified consultant to audit Santa Clara LAFCO financial statements for Fiscal Years ending 2018, 2019, 2020 and 2021;

THEREFORE, the parties agree as follows:

1. Nature of Services.

Contractor will provide to LAFCO the services described in Exhibit A, Scope of Services, which is attached hereto and incorporated herein by this reference. Contractor shall perform the services in accordance with the project timeline as described in Exhibit A1, which is attached hereto and incorporated herein by this reference.

2. Term of Agreement.

This Agreement is effective from the date of final execution, to and including January 1, 2022 unless terminated earlier in accordance with Section 4.

3. Compensation.

A. Contractor will be compensated for services provided under this Agreement in accordance with the Rate Schedule included in Exhibit A2, which is attached hereto and incorporated herein by this reference. Contractor will complete all the work and tasks described in Exhibit A for an amount not to exceed \$40,000. The

Contractor shall be paid based on the rate schedule indicated in Exhibit A2, but compensation and expenses shall not exceed the maximum compensation stated herein.

B. Contractor will provide LAFCO with task-specific invoices based on estimated costs in Contractor's proposal, which shall be accompanied by a detailed summary of activities undertaken over the course of completing the task.

C. Delivery of the work products identified in Exhibit A shall be in accordance with the project timeline provided in Exhibit A1, which has been negotiated between the parties prior to the effective date of this Agreement, or as otherwise determined by mutual written agreement of the parties. If the reports are not delivered according to such timeline in Exhibit A1 or as otherwise mutually agreed or if they do not comply with the requirements in the Scope of Services, it is understood, acknowledged and agreed that LAFCO will suffer damage. As fixed and liquidated damages, LAFCO shall withhold from Contractor the payment of the sum of \$200 per calendar day for each and every calendar day of delay beyond the date that such reports are due in accordance with Exhibit A1, or as otherwise mutually agreed. For purposes of this section, the total cost for each of the tasks shall be consistent with the rate schedule in Exhibit A2.

4. Termination.

A. Termination Without Cause. Either party may terminate this Agreement without cause by giving the other party thirty (30) days written notice.

B. Termination for Cause. LAFCO may terminate this Agreement for cause upon written notice to Contractor. For purposes of this Agreement, cause includes, but is not limited to, any of the following: (1) material breach of this Agreement by Contractor, (b) violation by Contractor of any applicable laws, (c) assignment by Contractor of this Agreement without the written consent of LAFCO pursuant to Section 13, or (d) failure to provide services in a satisfactory manner. Such notice shall specify the reason for termination and shall indicate the effective date of such termination.

C. In the event of termination, Contractor will deliver to LAFCO copies of all reports and other work performed by Contractor under this Agreement whether complete or incomplete, and upon receipt thereof, Contractor will be compensated based on the completion of services provided, as solely and reasonably determined by LAFCO.

5. Project Managers; Substitution

A. Contractor designates Sheldon Chavan as the Contractor's Project Manager for the purpose of performing the services under this Agreement. Sheldon Chavan will serve as day-to-day contact for LAFCO and work directly with staff.

B. LAFCO designates the LAFCO Executive Officer as its Project Manager for the purpose of managing the services performed under this Agreement.

C. Contractor may not substitute anyone other than Sheldon Chavan to serve as Project Manager without the written permission of the LAFCO Executive Officer or her authorized representative. Any such substitution shall be with a person or firm of commensurate experience and knowledge necessary for the tasks to be undertaken.

6. Conflicts of Interest.

In accepting this Agreement, Contractor covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

Contractor further covenants that, in the performance of this Agreement, it will not employ any contractor or person having such an interest.

7. Indemnification/Insurance.

Contractor's indemnification and insurance obligations with respect to this Agreement are set forth in Exhibit B, attached hereto and incorporated herein by this reference.

8. Professional Licenses Standards of Care & Compliance with all Laws.

A. In accepting this Agreement, Contractor certifies that they possess all licenses &/or certificates required by Contractor's profession (Indicating type; No.; State; & Expiration date) for providing said service and shall maintain the required licenses &/or certificates throughout this Agreement; and that Contractor's performance will meet the standards of licensure/certification.

B. Contractor's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

C. Contractor shall, during the term of this contract, comply with all applicable federal, state, and local rules, regulations, and laws.

9. Maintenance of Records.

Contractor shall maintain financial records adequate to show that LAFCO funds paid under the contract were used for purposes consistent with the terms of the contract. These records shall be maintained during the term of this contract and for a period of four (4) years from termination of this contract or until all claims, if any, have been resolved, whichever period is longer, or longer if otherwise required under other provisions of this contract.

10. Nondiscrimination.

Contractor will comply with all applicable Federal, State, and local laws and

regulations including Santa Clara County's equal opportunity requirements. Such laws include but are not limited to the following: Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; The Rehabilitation Act of 1973 (Sections 503 and 504); California Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101 and 1102. Contractor will not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training including apprenticeship, hiring, employment, utilization, promotion, layoff, rates of pay or other forms of compensation. Nor will Contractor discriminate in provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

11. Notices.

All notices required by this Agreement will be deemed given when in writing and delivered personally or deposited in the United States mail, postage prepaid, return receipt requested, addressed to the other party at the address set forth below or at such other address as the party may designate in writing in accordance with this section:

To Contractor: Sheldon Chavan, C.P.A
Chavan & Associates, LLP
1475 Saratoga Ave, Suite 180
San Jose, CA 95129

To LAFCO: LAFCO Executive Officer
777 North First Street
Suite 410
San Jose, CA 95112

12. Governing Law.

This Agreement has been executed and delivered in, and will be construed and enforced in accordance with, the laws of the State of California. Venue shall be in Santa Clara County.

13. Assignment.

Contractor has been selected to perform services under this Agreement based upon the qualifications and experience of Contractor's personnel. Contractor may not assign this Agreement or the rights and obligations hereunder without the specific written consent of LAFCO. Any attempted assignment or subcontract without prior

written consent will be null and void and will be cause, in LAFCO's sole and absolute discretion, for immediate termination of the Agreement.

14. Relationships of Parties; Independent Contractor.

Contractor will perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of LAFCO. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create, any relationship between the parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this Agreement. The parties are not and will not be construed to be in a relationship of joint venture, partnership, or employer-employee. Neither party has the authority to make any statements, representations, or commitments of any kind on behalf of the other party, or to use the name of the other party in any publications or advertisements, except with the written consent of the other party or as is explicitly provided herein. Contractor will be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any.

15. Entire Agreement.

This document represents the entire Agreement between the parties with respect to the subject matter hereof. All prior negotiations and written and/or oral agreements between the parties with respect to the subject matter of this Agreement are merged into this Agreement.

16. Amendments.

This Agreement may be amended only by an instrument signed by the parties.

17. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

18. Severability.

If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

19. Waiver.

No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver

granted by a party must be in writing, and shall apply to the specific instance expressly stated.

20. Ownership of Materials and Confidentiality.

A. Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for LAFCO to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Contractor under this Agreement ("Documents & Data"). Contractor shall require all sub consultants to agree in writing that LAFCO is granted a non-exclusive and perpetual license for any Documents & Data the sub consultant prepares under this Agreement. Contractor represents and warrants that Contractor has the legal right to license any and all Documents & Data. Contractor makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Contractor or provided to Contractor by LAFCO. LAFCO shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at LAFCO's sole risk.

B. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor. Such materials shall not, without the prior written consent of Contractor, be used by Contractor for any purposes other than the performance of the Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Agreement. Nothing furnished to Contractor which is otherwise known to Contractor or is generally known, or has become known, to the related industry shall be deemed confidential. Contractor shall not use LAFCO's name or insignia, photographs of the Services, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of LAFCO.

C. Confidential Information. LAFCO shall refrain from releasing Contractor's proprietary information ("Proprietary Information") unless LAFCO's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case LAFCO shall notify Contractor of its intention to

release Proprietary Information. Contractor shall have five (5) working days after receipt of the Release Notice to give LAFCO written notice of Contractor's objection to LAFCO's release of Proprietary Information. Contractor shall indemnify, defend and hold harmless LAFCO, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. LAFCO shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Contractor fails to fully indemnify, defend (with LAFCO's choice of legal counsel), and hold LAFCO harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that LAFCO release such information.

IN WITNESS WHEREOF, LAFCO and Contractor have executed this Agreement as follows:

LAFCO



Neelima Palacherla
LAFCO Executive Officer

Contractor



Sheldon Chavan, Partner

Date: 7/27/2018

Date: 7/27/2018

APPROVED AS TO FORM:



Malathy Subramanian, LAFCO Counsel

Exhibits to this Agreement:

Exhibit A – Scope of Services

Exhibit A1 – Project Timeline

Exhibit A2 – Rate Schedule

Exhibit B – Indemnification and Insurance

SCOPE OF SERVICES

LAFCO’s independent financial audit for fiscal years 2018, 2019, 2020, and 2021, will be prepared in accordance with the following requirements:

1. The audits are to be performed in accordance with generally accepted auditing standards and the standards set for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*, as well as any other current and applicable federal, state, local or programmatic audit requirements.
2. The audit firm shall issue a separate “management letter” that includes recommendations, if any, for improvements in internal control that are considered to be significant deficiencies or material weaknesses.
3. Staff from the audit firm must present the audit report to the LAFCO Commission at a public meeting.

LAFCO staff will provide assistance during the audit by making available any background information, analysis, documentation, and explanation, and will assist in preparing the MD&A, as required.

All working papers and reports are to be retained at the auditor’s expense for a minimum of three years, and made available to LAFCO, if requested.

TIMETABLE OF DELIVERABLE REPORTS

The audit firm shall be responsible for the preparation and word processing of the following financial statements for each Fiscal Year:

<u>Report Description</u>	<u>Number of Copies</u>	<u>Due date</u>
General Purpose Financial Statements	1 electronic version (both PDF and Word)	September 15 of every year

A draft copy of each financial statement should be delivered to the LAFCO Executive Officer for review approximately 21 days prior to the deadline noted above. A final services agreement including the final schedule will be negotiated before executing the contract.

TIMETABLE OF AUDIT WORK TO BE PERFORMED

LAFCO’s books close on June 30 each year and are ready for audit soon thereafter. The audit fieldwork should begin no earlier than the date of the closing of books each fiscal year and be complete in time to meet the September 15 deadline of each year. A final services agreement including the final schedule will be negotiated before executing the contract.

Section B – Specific Audit Approach
LAFCO of Santa Clara County Proposal for Auditing Services

Audit Scope

We understand the scope of our services to be as follows:

- A. C&A will perform an audit of all funds of the LAFCO of Santa Clara County. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, issued by the Comptroller of the United States, and the State Controllers Minimum Audit Requirements per Section 26909 of Government Code. C&A will provide guidance and technical assistance with the Agency's General Purpose Financial Statements, including the statistical section, transmittal letter, organizational chart and MD&A. C&A will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. C&A will also apply limited audit procedures to Management's Discussion and Analysis and required supplementary information pertaining to the General Fund and each major fund of the Agency. We can **provide a template MD&A** with all the updated numbers and tables for all years to be reported on. The Agency would only need to update the factors section and some of the explanations of year over year changes.
- B. If applicable, C&A will perform a single audit on the expenditures of federal grants in accordance with Uniform Compliance and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the Agency's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, and Internal Control over Compliance in Accordance with OMB Uniform Compliance. The single audit report will include an appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required. Additional fees will apply if a single audit is required.
- C. C&A shall issue a separate "management letter" for each audit that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the Agency's Fire Chief
- D. C&A will provide communications required by SAS 114 and SAS 115.
- E. C&A will be available to present and to discuss the draft and final annual financial statements and results of operations with Agency management, staff, committees, the governing board and others as needed throughout the year. This will include at least two public meetings for each period authorized in the contract.
- F. We shall retain all working papers and reports at the auditor's expense for a minimum of three (3) years, unless the firm is notified in writing by the Agency of the need to extend the retention period. The working papers are subject to review by federal and state agencies and other individuals designated by the Agency. Additionally, we shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers.
- G. C&A will provide a timeline schedule of the annual audit each year.

Section B – Specific Audit Approach
LAFCO of Santa Clara County Proposal for Auditing Services

- H. C&A will provide a listing of requesting items at least 4 weeks prior to fieldwork.
- I. C&A will prepare all the reports as noted in the RFP. We will provide electronic versions each report, digital files will be provided in Adobe and Word.
- J. C&A expects the audit to take about two to three days during year-end **on-site**, depending on the availability of the Agency staff.

Section B – Specific Audit Approach
LAFCO of Santa Clara County Proposal for Auditing Services

Summary of Staff Hours by Phase

Level of Staff	Phases			Total Hours
	I	II	III	
Engagement Partner	2	2	6	10
Associate Partner	1	1	2	4
Manager	12	10	2	24
Senior Staff	12	10	8	30
Professional Staff	12	10	2	24
Administrative Staff	2	2	4	8
Totals	41	35	24	100

Summary Timeline

Segment	Estimated	Phase
Entrance Conference	August 3, 2018	I
Audit Planning C&A's Office	August 3, 2018	I
Preparation and Mailing of Confirmation Letters to 3rd Parties	August 6, 2018	I/II
Year-end Field Work Planning Meeting C&A	August 6, 2018	I/II
List of Items Required by Client Year-end	August 8, 2018	I/II
Year-end Field Work	August 20, 2018	I/II
Exit Conference	August 22, 2018	I/II
Final List of Management Point and Recommendations	August 22, 2018	I/II
Audit Adjustments	August 22, 2018	I/II
Draft Reports, Financials and Management Letters	September 5, 2018	III
Final Reports, Financials and Management Letters	September 10, 2018	III
Council, Committee & Public Presentations	As Needed	III

Section C - Audit Fees*LAFCO of Santa Clara County Proposal for Auditing Services***Price per Year:**

Audit Services	Hours	2018	2019	2020	2021
Audit and Related Reports	100	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Management Letters	N/A	Included	Included	Included	Included
Consulting	N/A	Included	Included	Included	Included
Presentation and Updates	N/A	Included	Included	Included	Included
Meals, Lodging and Transportation	N/A	Included	Included	Included	Included
Printing/Copying	N/A	Included	Included	Included	Included
Total All-Inclusive Maximum Price	100	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

Schedule of Professional Fees

Our professional fees are based on actual time devoted to an engagement, at hourly rates related to the experience levels of the individuals performing the work. The following is our standard fee schedule for our audit personnel:

	Quoted Hourly Rates	Hours	Fiscal Year Ending			
			2018	2019	2020	2021
Engagement Partner	\$ 250	10	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Associate Partner	150	4	600	600	600	600
Manager	105	24	2,520	2,520	2,520	2,520
Senior Auditor	95	30	2,850	2,850	2,850	2,850
Professional Staff	65	24	1,560	1,560	1,560	1,560
Administrative Staff	50	8	400	400	400	400
Subtotal - Base Audit		100	10,430	10,430	10,430	10,430
Professional Discount	N/A	N/A	(430)	(430)	(430)	(430)
Total All Inclusive Maximum Price		100	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

INSURANCE REQUIREMENTS FOR STANDARD SERVICE CONTRACTS
BETWEEN \$10,001 AND \$50,000

Indemnity

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the Local Agency Formation Commission of Santa Clara County (hereinafter "LAFCO"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, any acts, errors or omissions, or willful misconduct of Contractor and/or its agents, employees or sub-contractors in connection with the performance of the Contractor's services or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys' fees and other related costs and expenses. It is the intent of the parties to this Agreement to provide the broadest possible coverage for LAFCO. Contractors' obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, LAFCO, its officers, agents, or employees. This obligation shall survive expiration or termination of this Agreement.

Insurance

Without limiting the Contractor's indemnification of LAFCO, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

A. Evidence of Coverage

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the LAFCO Executive Officer, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by LAFCO Executive Officer. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

B. Qualifying Insurers

All coverages, except surety, shall be issued by companies which hold a current policyholder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California

Insurance Code or any federal law, or a company of equal financial stability that is approved by the LAFCO Executive Officer.

C. Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the LAFCO Executive Officer.

D. Insurance Required

1. Commercial General Liability Insurance - for bodily injury (including death) and property damage which provides limits as follows:
 - a. Each occurrence - \$500,000
 - b. General aggregate - \$500,000
 - c. Products/Completed Operations aggregate - \$500,000
 - d. Personal Injury - \$500,000
2. General liability coverage shall include:
 - a. Premises and Operations
 - b. Products/Completed
 - c. Personal Injury liability
 - d. Severability of interest
 - e. Contractual liability with respect to this Agreement
 - f. Independent Consultants coverage
3. General liability coverage shall include the following endorsement, a copy of which shall be provided to LAFCO:

Additional Insured Endorsement, which shall read:

"LAFCO, members of LAFCO, employees of LAFCO, County of Santa Clara, members of the Board of Supervisors of the County of Santa Clara, and the officers, agents and employees of the County of Santa Clara, individually and collectively, as additional insureds."

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by LAFCO, its officers, agents, and employees shall be excess only and not contributing with insurance provided under this policy.
4. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than one hundred thousand dollars (\$100,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles.

5. Professional Liability (Errors and Omissions) Insurance

At all times during the performance of the work under this Agreement the Contractor shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to LAFCO and in an amount indicated herein. The policy shall have a minimum limit of \$1,000,000 per claim and aggregate. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Contractor. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

6. Workers' Compensation and Employer's Liability Insurance

- a. Statutory California Workers' Compensation coverage including broad form all-states coverage.
- b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

E. Special Provisions

The following provisions shall apply to this Agreement:

1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor and any approval of said insurance by the LAFCO Executive Officer or insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.
2. LAFCO acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by the Contractor under this Agreement. Any self-insurance shall be approved in writing by LAFCO upon satisfactory evidence of financial capacity. Contractor's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.

3. Should any of the work under this Agreement be sublet, the Contractor shall require each of its subcontractors of any tier to carry the aforementioned coverages, or Contractor may insure subcontractors under its own policies.
 4. LAFCO reserves the right to withhold payments to the Contractor in the event of material noncompliance with the insurance requirements outlined above.
- F. Fidelity Bonds (Required only if contractor will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, Contractor will furnish LAFCO with evidence that all officials, employees, and agents handling or having access to funds received or disbursed under this Agreement, or authorized to sign or countersign checks, are covered by a BLANKET FIDELITY BOND in an amount of AT LEAST fifteen percent (15%) of the maximum financial obligation of the LAFCO cited herein. If such bond is canceled or reduced, Contractor will notify LAFCO immediately, and LAFCO may withhold further payment to Contractor until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of LAFCO.

AMENDMENT NO. 1
TO THE SERVICES AGREEMENT BETWEEN THE LOCAL AGENCY FORMATION
COMMISSION OF SANTA CLARA COUNTY AND CHAVAN & ASSOCIATES, LLP FOR
INDEPENDENT PROFESSIONAL AUDITING SERVICES

1. Parties and Date.

This Amendment No. 1 to the SERVICES AGREEMENT is made and entered into as of this 10th day of January, 2022, by and between the Local Agency Formation Commission of Santa Clara County (“LAFCO”) and Chavan & Associates, LLP (“Contractor”). LAFCO and Contractor are sometimes individually referred to as “Party” and collectively as “Parties.”

2. Recitals.

2.1 Contractor. The LAFCO and Contractor have entered into an agreement entitled “SERVICES AGREEMENT BETWEEN THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY AND CHAVAN & ASSOCIATES, LLP FOR INDEPENDENT PROFESSIONAL AUDITING SERVICES” dated July 27, 2018 (“Agreement”) for the purpose of retaining the services of Contractor to audit LAFCO’s financial statements and prepare its General Purpose Financial Statements for the fiscal years ending June 30, 2018, June 30, 2019, June 30, 2020, and June 30, 2021.

2.2 Amendment Purpose. The LAFCO and Contractor desire to amend the Agreement to expand the scope of services to add fiscal years ending June 30, 2022 and June 30, 2023, extend the term of the Agreement, and increase the compensation.

2.3 Amendment Authority. This Amendment No. 1 is authorized pursuant to Section 16 of the Agreement.

3. Terms.

3.1 Term. Section 2 of the Agreement is hereby amended in its entirety to read as follows:

“2. Term of Agreement.

This Agreement is effective from the date of final execution, to and including January 1, 2024, unless terminated earlier in accordance with Section 4.”

3.2 Compensation. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

“3. Compensation.

A. Contractor will be compensated for services provided in this Agreement as follows:

2018	\$10,000
2019	\$10,000
2020	\$10,000
2021	\$10,000
2022	\$12,500
2023	\$13,000

Contractor will complete all the work and tasks described in Exhibit A for a total all-inclusive maximum amount not to exceed as listed above for each fiscal year and a cumulative total of \$65,500.

B. Contractor will provide LAFCO with task-specific invoices based on estimated costs in Contractor's proposal, which shall be accompanied by a detailed summary of activities undertaken over the course of completing the task.

C. Delivery of the work product identified in Exhibit A shall in accordance with the project timeline as determined by mutual written agreement of the parties. If the reports are not delivered as mutually agreed of it they do not comply with the requirements in the Scope of Services, it is understood, acknowledged and agreed that LAFCO will suffer damage. As fixed and liquidated damages, LAFCO shall withhold from Contractor the payment of the sum of \$200 per calendar day for each and every calendar day of delay beyond the date that such reports are due as mutually agreed."

3.3 Exhibit A. The first sentence of Exhibit A is amended as follows: "LAFCO's independent financial audit for fiscal years 2018, 2019, 2020, 2021, 2022, and 2023, will be prepared in accordance with the following requirements:"

3.4 Exhibit A-1. Exhibit A-1 is hereby deleted in its entirety.

3.5 Exhibit A-2. Exhibit A-2 is hereby deleted in its entirety.

3.6 Continuing Effect of Agreement. Except as amended by this Amendment No. 1, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 1. From and after the date of this Amendment No. 1, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 1.

3.7 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

3.8 Severability. If any portion of this Amendment No. 1 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.9 Counterparts. This Amendment No. 1 may be signed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, LAFCO and Contractor have executed this Amendment No. 1 as follows:

LAFCO

DocuSigned by:
Neelima Palacherla
1EFC8BF83D724BB...

Neelima Palacherla
LAFCO Executive Officer

1/10/2022

Date

CONTRACTOR

DocuSigned by:
Sheldon Chavan
718C359CF31C485...

Sheldon Chavan, Partner

1/10/2022

Date

Approved As To Form:

DocuSigned by:
Malathy Subramanian
0BF2DA8CFE264DA...

Malathy Subramanian, LAFCO Counsel



Local Agency
Formation Commission
of Santa Clara County
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 9

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

LAFCO MEETING: February 7, 2024

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

SUBJECT: CALAFCO RELATED ACTIVITIES

9.1 2024 CALAFCO STAFF WORKSHOP

Recommendation

Authorize staff to attend the 2024 CALAFCO Staff Workshop and authorize travel expenses funded by the LAFCO budget.

Discussion

The CALAFCO Annual Staff Workshop is scheduled for April 24-26, 2024, in Pleasanton, CA at the DoubleTree by Hilton.

The workshop provides an opportunity for staff to gain and share knowledge about some of the best practices used by LAFCOs to address various issues facing local agencies across the state.

The LAFCO Budget for Fiscal Year 2024 includes funds for staff to attend the Workshop.



Local Agency
Formation Commission
of Santa Clara County

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 10

Alternate Commissioners

Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner

Executive Officer

Neelima Palacherla

TO: LAFCO
**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**
SUBJECT: EXECUTIVE OFFICER'S REPORT

STAFF RECOMMENDATION

Accept report and provide direction, as necessary.

10.1 PRESENTATION ON LAFCO TO LEADERSHIP SUNNYVALE

At the invitation of Tara Martin-Milius (Executive Director of Leadership Sunnyvale and former LAFCO Commissioner), EO Palacherla gave a presentation on Santa Clara LAFCO to Leadership Sunnyvale on December 1, 2023, as part of their program curriculum on special districts and LAFCO. The 30-minute presentation included an overview of LAFCO and a discussion on how LAFCO's work to steer growth to areas where urban services can be delivered efficiently and to protect farmland and open space benefits the whole county. See **Attachment A** for letter of appreciation from Leadership Sunnyvale.

10.2 BAY AREA LAFCOS MEETING

On December 21, 2023, LAFCO staff organized and hosted an in-person meeting of the Executive Officers (EOs) and Assistant EOs from the nine Bay Area LAFCOs to discuss issues of common concern and share best practices. EO Palacherla, Asst. EO Noel, and Asst. Analyst Abello participated. The group discussed Plan Bay Area 2050 and a subsequent meeting that was held between ABAG/MTC staff and some Bay Area LAFCO EOs on this matter. The group also discussed ideas for finding qualified consultants to prepare LAFCO annual financial audits, and for finding and selecting qualified service review consultants. The meeting concluded with a round robin discussion on current and upcoming projects at each LAFCO, including any challenging issues.

10.3 SPECIAL DISTRICTS ASSOCIATION MEETING

Commissioner Kishimoto, Alternate Commissioner Chapman, and EO Palacherla attended the December 4, 2023 quarterly meeting of the Santa Clara County Special Districts Association which was held by video conference.

EO Palacherla provided updates on LAFCO activities, including the availability of the Countywide Fire Service Review report and next steps regarding implementation of recommendations from the report. She also informed the group about the upcoming study session on LAFCO law. The meeting also included a guest presentation from Alex Gordon, Santa Clara Valley Water District's Assistant Officer for Emergency, Safety, and Security, on flood preparedness and flood safety resources in the county.

Meeting attendees, including various district staff and board members, field staff for various state legislators, and a representative of the California Special Districts Association (CSDA), provided reports and shared information on current projects or issues of interest. The next meeting is scheduled for March 4, 2024.

10.4 SANTA CLARA COUNTY ASSOCIATION OF PLANNING OFFICIALS MEETING

EO Palacherla attended the January 10, 2024 virtual meeting of the Santa Clara County Association of Planning Officials (SCCAPO). The meeting began with an update from the Santa Clara County Planning Collaborative and from MTC/ABAG representatives. Attendees had a roundtable discussion on the group's potential workplan for 2024 and provided updates on planning and development related issues in their individual jurisdictions.

LAFCO staff, as part of its public outreach and education efforts, collects and maintains contact information for County/City Community Development Directors and Planning Managers in Santa Clara County. There have been many changes in cities/county staff, including recent retirements. SCCAPO is helping LAFCO staff collect more recent contact information, so that we can update LAFCO's records.

ATTACHMENT

Attachment A: Letter from Leadership Sunnyvale re. Leadership Sunnyvale Special Districts Day (December 18, 2023)



ITEM # 10
Attachment A

December 18, 2023

Neelima Palacherla
Executive Officer
LAFCO
Santa Clara County

Re: Special Districts Day

Dear Neelima,

Thank you so much for taking your time to speak to our Leadership Sunnyvale cohort about LAFCO, the history and the purposes. I'm sorry Dunia was ill and could not join us as well. You did a wonderful job in helping us all understand LAFCO's importance to our region.

It is such a pleasure to work with you again from a different position. In our debrief at the end of the day some were still amazed that they had never heard of LAFCO and that you have such regional influence when you only control borders, not land-use directly. A big success!

As you know, Leadership Sunnyvale's purpose is to build capacity for informed and responsible community leadership. A critical part of building that capacity is for people to understand the context in which we live, and in understanding that Special Districts and the formation of them, also affect our municipalities. Thank you again for your time, your expertise, and for the impact you had on our cohort.

With Gratitude,

Tara Martin-Milius
Executive Director



408-733-5778 Home Office 408-691-9894
Cell www.LeadershipSunnyvale.org

