



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

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Rich Constantine
Susan Ellenberg
Sergio Jimenez
Yoriko Kishimoto
Gary Kremen
Mike Wasserman
Susan Vicklund Wilson

Alternate Commissioners

Helen Chapman
Cindy Chavez
Matt Mahan
Russ Melton
Terry Trumbull

Executive Officer
Neelima Palacherla

**LAFCO MEETING MINUTES
WEDNESDAY, DECEMBER 1, 2021**

CALL TO ORDER

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

Pursuant to the provisions of California Governor's Executive Order N-29-20 issued on March 17, 2020, this meeting was held by teleconference only.

1. ROLL CALL

The following commissioners were present:

- Vice Chairperson Rich Constantine
- Commissioner Sergio Jimenez
- Commissioner Yoriko Kishimoto
- Commissioner Gary Kremen (left at 1:51 p.m.)
- Commissioner Mike Wasserman
- Commissioner Susan Vicklund Wilson
- Alternate Commissioner Helen Chapman (voted in place of Commissioner Kremen)

The following commissioners were absent:

- Chairperson Susan Ellenberg
- Alternate Commissioner Cindy Chavez
- Alternate Commissioner Matt Mahan
- Alternate Commissioner Russ Melton
- Alternate Commissioner Terry Trumbull

The following staff members were present:

- Neelima Palacherla, LAFCO Executive Officer
- Dunia Noel, LAFCO Assistant Executive Officer
- Emmanuel Abello, LAFCO Clerk
- Mala Subramanian, LAFCO Counsel

2. PUBLIC COMMENTS

There were none.

3. APPROVE CONSENT CALENDAR

Commissioner Wasserman proposed to add agenda items 7 and 9 on the consent calendar for approval in one motion, without discussion if there is no objection.

The Commission approved Agenda Items 4, 5, 7 and 9 on consent.

Motion: Wasserman

Second: Kishimoto

AYES: Constantine, Jimenez, Kremen, Kishimoto, Wasserman, Vicklund Wilson

NOES: None

ABSTAIN: None

ABSENT: Ellenberg

MOTION PASSED

***4. CONSENT ITEM: APPROVE MINUTES OF OCTOBER 13, 2021 LAFCO MEETING**

The Commission approved the minutes of October 13, 2021 meeting.

***5. CONSENT ITEM: RESOLUTION 2021-08 ALLOWING FOR VIDEO AND TELECONFERENCE MEETINGS DURING COVID-19 STATE OF EMERGENCY UNDER AB 361**

The Commission adopted Resolution No. 2021-08 allowing for video and teleconferencing meetings during COVID-19 State of Emergency under AB 361.

6. ANNUAL FINANCIAL AUDIT REPORT

Ms. Palacherla introduced Sheldon Chavan, Principal, Chavan & Associates, LLP, LAFCO's independent auditor, to present the Audit Report.

Mr. Chavan made a brief presentation.

Commissioner Kishimoto inquired how LAFCO's perfect audit compared with other public agencies and requested that Mr. Chavan provide some context for the audit results. Mr. Chavan indicated that the LAFCO audit is much simpler compared to larger local government agencies where, in some cases, his audit firm has had to issue multiple opinion letters. He added that even agencies of similar size have various accounting, closing or journal entry errors and compliance issues, which were not a concern here. **Commissioner Kishimoto** commended LAFCO.

Commissioner Wasserman moved for approval of the staff recommendation and indicated that the two-year extension of the Independent Professional Auditing Services Agreement between LAFCO and Chavan & Associates has been approved on consent. Mr. Chavan expressed his appreciation to the Commission for extending the services agreement. **Commissioner Wasserman** noted that LAFCO has always had a perfect audit and commended staff.

In response to **Vice Chairperson Constantine's** enquiry, Ms. Subramanian advised that a vote is not required for the file and accept action on this item.

Paul Soto, a member of the public from Horseshoe, addressed the Commission and suggested that an audit report must be written in a way that is easy to understand by ordinary citizens.

On Commission consensus, there being no objection, the Commission received and filed the Annual Financial Audit Report prepared for Santa Clara LAFCO by Chavan & Associates, LLP.

Commissioner Kremen requested that items 11.3 and 11.5 be taken up ahead so he can leave for another meeting. **Vice Chairperson Constantine**, there being no objection, agreed to take up items 11.3 and 11.5 out of order.

***7. CONSENT ITEM: AMENDMENT TO EXTEND CONTRACT FOR INDEPENDENT PROFESSIONAL AUDITING SERVICES**

The Commission authorized the LAFCO Executive Officer to amend the Chavan & Associates, LLP service agreement, subject to LAFCO Counsel's review and approval, in order to (a) extend the agreement term to January 1, 2024, and (b) include an additional \$25,500 in the contract, for a total contract amount not to exceed \$65,500.

8. UPDATE ON LAFCO'S COUNTYWIDE FIRE SERVICE REVIEW

Ms. Noel presented the staff report.

The Commission accepted the report.

11.3 TAKEN OUT OF ORDER: Comment Letter on San Jose Staff Recommendations on the Long-Term Future of Coyote Valley – North, Mid-, and South Coyote Valley

11.5 TAKEN OUT OF ORDER: Meeting and Letter Regarding Proposed USA Amendment (Gilroy) for Kerley Ranch Development

The Commission considered agenda items 11.3 and 11.5 out of order.

Ms. Palacherla presented the staff reports on the two items.

Regarding Item 11.3, **Commissioner Kremen** stated that at the Santa Clara Valley Water District, such policy letters are first brought to the Board for discussion. He suggested that LAFCO discuss developing a policy for sending letters, especially those related to legislation. He noted that in this case, the Commission has not had a chance to discuss the letter and there has been no associated public comment. He suggested that the Commission discuss setting a policy in the future and noted that he does not have an issue with the letter other than it should have been a board action and the letter should have come from the Chair or Vice Chair.

In response to an inquiry by **Vice Chairperson Constantine**, LAFCO Clerk indicated that the meeting will still have a quorum even if Commissioner Kremen leaves. Ms. Subramanian advised that a majority vote will be required to act on Commissioner Kremen's request to add an item to a future LAFCO meeting agenda.

Paul Soto, a member of the public from Horseshoe, addressed the Commission and expressed his support for the preservation of the Coyote Valley, as well as the opportunity for the public to comment on LAFCO's letters relating to the subject.

Vice Chairperson Constantine determined that there are no other members of the public who would like to speak on the item.

Commissioner Kishimoto indicated her interest on the item related to Rancho Rinconada Recreation and Park District Special Study as she represents special districts. Regarding Item 11.3, she stated that LAFCO may have previously taken a position on preservation of Coyote Valley or given general authorization, and that comment letters must be timely. She stated that she is a strong supporter of preservation of Coyote Valley, and expressed understanding of Commissioner Kremen's concern.

Commissioner Wasserman expressed support for Commissioner Kremen's proposal to bring back items 11.3 and 11.5 for future discussion. He clarified that Commissioner Kremen's request is that letters come from the Chairperson or Vice Chairperson, rather than from staff, after discussion and vote by the Commission.

Commissioner Wilson expressed support for having a future discussion on the item and agreed with Commissioner Kishimoto that comment letters must be timely. She expressed support for the LAFCO Executive Officer or for the Chairperson to sign the letters when the content is supported by existing LAFCO policies if time does not warrant discussion by the Commission.

Commissioner Kremen agreed that authorizing the Chairperson to sign may be a workaround in an emergency and indicated that the Santa Clara Valley Water District does so. However, he stated that he was not on LAFCO when it adopted policies on preservation of Coyote Valley and noted that the votes regarding the matter may change over time. He indicated that while he supports the preservation of Coyote Valley, things change and government agencies cannot lock themselves in their past decisions.

The Commission directed staff to agenda for a future meeting, item 11.5 and another item to discuss policy for issuing LAFCO comment or legislative position letters.

Motion: Kremen

Second: Wasserman

AYES: Constantine, Jimenez, Kremen, Kishimoto, Wasserman, Vicklund Wilson

NOES: None

ABSTAIN: None

ABSENT: Ellenberg

MOTION PASSED

9. ADOPTION OF SCHEDULE OF 2022 LAFCO MEETINGS

Ms. Noel presented the staff report.

The Commission adopted the schedule of LAFCO meetings and application filing deadlines for 2022.

Motion: Wasserman

Second: Kishimoto

AYES: Chapman, Constantine, Jimenez, Kishimoto, Wasserman, Vicklund Wilson

NOES: None

ABSTAIN: None

ABSENT: Ellenberg, Kremen

MOTION PASSED

10. APPOINTMENT OF 2022 LAFCO CHAIRPERSON AND VICE-CHAIRPERSON

Ms. Noel presented the staff report.

Commissioner Wasserman made a motion to appoint Commissioner Constantine as the Chairperson for 2022. He also proposed that he serve as the Vice-Chairperson for 2022, in order to normalize the rotation schedule according to the LAFCO by-laws. He indicated that he will be termed out as a member of the County Board of Supervisors and would not serve as a chairperson in the succeeding year.

Vice Chairperson Constantine clarified that he is a Vice-Chairperson in 2021 and will be the Chairperson only in 2022.

Paul Soto, a member of the public from Horseshoe, addressed the Commission.

The Commission appointed Vice-Chairperson Constantine to serve as Chairperson for 2022 and appointed Commissioner Wasserman to serve as Vice-Chairperson for 2022.

Motion: Wasserman

Second: Vicklund Wilson

AYES: Chapman, Constantine, Jimenez, Kishimoto, Wasserman, Vicklund Wilson

NOES: None

ABSTAIN: None

ABSENT: Ellenberg, Kremen

MOTION PASSED

11. EXECUTIVE OFFICER'S REPORT

11.1 Update on County's Classification Study for LAFCO

The Commission accepted report.

11.2 Update on Rancho Rinconada Recreation and Park District Special Study

The Commission accepted the report.

11.4 Meeting with Sunnyvale Regarding Sewer Service Extension to Moffett Field/NASA Ames

The Commission accepted the report.

11.6 LAFCO Orientation Session for County Staff

The Commission accepted the report.

12. PENDING APPLICATIONS / UPCOMING PROJECT

The Commission noted the pending application: Gilroy Urban Service Area Amendment 2021 – Wren Investors and Hewell.

13. COMMISSIONER REPORTS

Commissioner Wasserman informed that 90 percent of Santa Clara County residents 12 years and older have been vaccinated, compared to national average of 59 percent.

Alternate Commissioner Chapman, as a Santa Clara Valley Open Space Authority Board Member, expressed her appreciation for the preservation of Coyote Valley.

14. NEWSPAPER ARTICLES / NEWSLETTERS

There were none.

15. WRITTEN CORRESPONDENCE

There were none.

16. PERFORMANCE EVALUATION

The Commission adjourned to closed session at 2:08 p.m., and reconvened to open meeting at 2:16 p.m. There was no report out of closed session.

17. ADJOURN

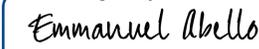
The Commission adjourned at 2:18 p.m., to the next regular LAFCO meeting on February 2, 2022, at 1:15 p.m., in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.

Approved on February 2, 2022.

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Rich Constantine, Chairperson
Local Agency Formation Commission of Santa Clara County

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Emmanuel Abello, LAFCO Clerk